

Date: August 19, 2025

To: **Standing Committee on Intergovernmental Affairs**

Name and title: Deklan Corstanje, Manager of Economic Development

Subject: Potential Economic Development Issues for 2025-26 Work Plans

Attachment(s): None

Recommendation(s):

That the Standing Committee on Intergovernmental Affairs RECEIVES FOR INFORMATION the report dated August 19, 2025, from the Manager of Economic Development titled “Potential Economic Development Issues for 2025-26 Work Plans”.

Purpose:

This report supports discussion of potential economic development topics to address through the Committee’s increased focus on Economic Development.

Background:

At the August 5, 2025, meeting of the Standing Committee on Intergovernmental Affairs, the Committee moved to dedicate a significant focus of the fall 2025 schedule to economic issues with the goal of strengthening the Prince George economy. This will establish a closer connection between economic development operations and Council’s efforts of advocacy, relationship building, and staying informed on urgent and important issues as it relates to City policy.

Current and ongoing issues that could be discussed and included in work plan items are as follows, with high-level rationale provided:

- **Forest Sector Issues:** Prince George has, and will be, dependent on the forest sector as it changes. Sawmills and paper and pulp mills are touted as the primary sectors that support other important sectors like biofuels and value-added forest products; challenges in one may result in difficulties for the others. The forest product manufacturing sector in Prince George provides family-supporting jobs and creates a multiplier effect for indirect and induced employment throughout the community as well as significant tax base for public services to be offered sustainably. In the City’s Forest Cluster Development Strategy, the local industry noted that the most important role that the City could play is in advocating for policy changes to the provincial government.
- **Tariff Impacts:** the City and its local partners engaged the business community and have completed an in-depth report on impacts related to US-imposed tariffs and the retaliatory tariffs imposed by the Canadian government. Exports from Prince George are, and will be, impacted. So will supply chains connected to the manufacturing, construction, and retail

sectors. While there is some support in place for impacted businesses, there has not been an influx of long-term solutions when it comes to mitigating supply chain issues.

- **Federal Focus on Major Projects:** there has been recent introduction of new bills at the federal and provincial levels with a focus on reduced interprovincial trade barriers and support for major projects and corridors within Canada. Major projects could relate to major economic activity in the region should it be deemed that it be in the “national interest” to have projects supported in the region. There may be an opportunity to align with the interests of the Lheidli T’enneh and advocate for support for major projects in the region that both the City and Nation support. By highlighting specific projects and showing joint municipal and indigenous government support, we may have a better chance to show the Federal government a “path of least resistance” for implementing their efforts.
- **Long-Term Economic Development Alignment with Lheidli T’enneh:** building on the existing positive relationship between the City and Lheidli T’enneh, there is an opportunity to pull from several examples of the creation of formal partnerships between nations and municipalities for economic development. There is funding available through CEDI to support/facilitate this.
- **Clean Energy Sector Barriers:** Tidewater Renewables opened Canada’s first renewable diesel facility and contributes greatly to the local economy, Arbios Biotech launched the world’s largest hydrothermal liquefaction facility to produce bio-oil, and Prince George is a key location for regional hydrogen hub development under the BC Hydrogen Strategy. Despite this, the clean energy sector continues to face headwinds of various sources, and Council has an opportunity to advocate for policy change at provincial and federal levels to support local businesses and attract new development.
- **Health Sector Challenges and Opportunities:** Northern Health is one of Prince George’s biggest employers and is experiencing a challenging workforce shortage. RNs, LPNs, and other health care positions are some of the most in-demand positions in Prince George, indicating a gap in a local service and missing workers that could be contributing to the local economy. However, a partnership between Northern Health, UNBC, Lheidli T’enneh and others may lead to a major investment at the UNBC campus and NH facilities and offer improved care for northern BC.

Leveraging ongoing Economic Development Division work plan items can be a cost and time effective way the Division can be a resource when it comes to adequately informing the Committee on the above issues, and potentially others, to effectively advocate in the best interests of Prince George.

Summary and conclusion:

A series of potential economic development topics to include in upcoming work plans are available for Committee discussion.

Respectfully submitted:

Deklan Corstanje, Manager of Economic Development

Approved:

Walter Babicz, City Manager

Meeting date: 2025/09/15