



BCStats

Local Area Economic Profiles

Highlights

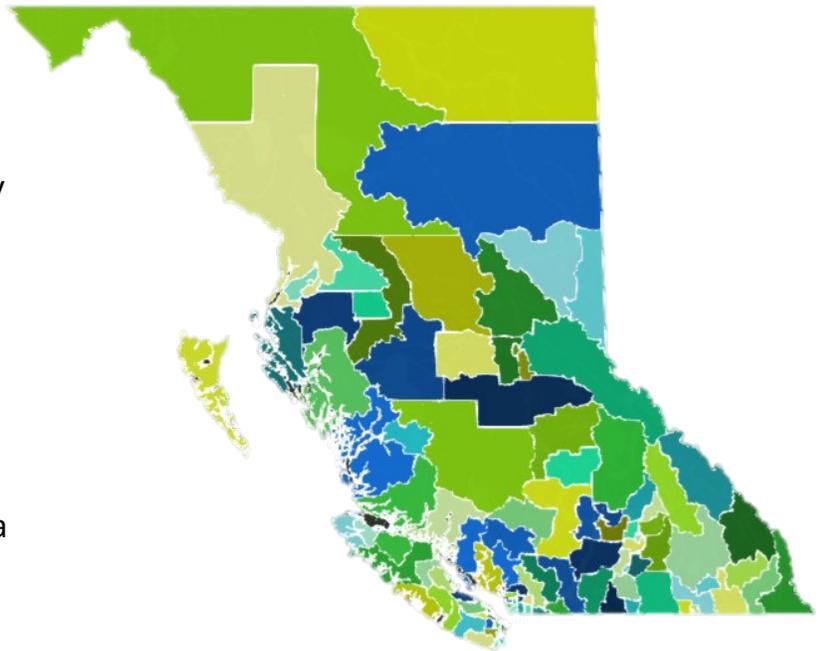
Author: Jeff Dean
Released: July 2025

Reference dates: 2010, 2015, 2020

A better understanding of your local area economic statistics

The Local Areas Economic Profiles (LAEP) provides key economic information about every city, town and rural area of British Columbia. Anyone can use this analysis to easily find information about the economic well-being of their community and to answer questions like:

- What is the most important industry in my area?
- How much do people's incomes depend on a particular industry?
- Which industries and areas are performing well or poorly?
- What impact will an event have on the area, such as a big investment or a natural disaster.



This study divides the province into **103 local areas**, selected as meaningful economic units. Every regional district is also studied.

The Local Area Economic Profiles (LAEP) is the latest in a series of reports focusing on B.C.'s rural areas.

BC Stats' analysis fills a critical data gap, providing sub-provincial data that isn't available anywhere else.

Its purpose is to dig deeper. It lets users investigate any area they're interested in. It's intended for researchers, policy makers, and members of the public who are looking for insights that will help them with specific questions.

The Census provides the most detailed data available. Custom data from the last three Censuses is the basis for information on local incomes, jobs, and industries.

Input-Output modelling is used. When combined with the Census data, it provides a consistent model of economies throughout B.C.

Users can forecast the impact of economic events. Economic multipliers let users quickly generate an Economic Impact Assessment

It defines the economic base of local areas. The report uses economic base theory to identify and analyze the sources of income that communities rely on.

Visit the [BC Stats website](#) to download the full report, the LAEP Toolkit, and to see the LAEP Online Map.

How to navigate the LAEP Toolkit

The Local Area Economic Profiles (LAEP) Toolkit is a Microsoft Excel document that contains the complete dataset generated by this analysis, plus interactive charts and figures designed to let users explore and use the data. Detailed profiles can be made for any area.

There are four types of tabs in the Toolkit

1. **Explanatory sheets (coloured white)**, containing instructions and explanatory notes.

Readme

Framework

2. **Interactive charts and figures (coloured pale red)**, including the LAEP Calculator for performing economic impact analysis; the Profile Generator to create and customize profiles of any area; and the Comparison Charts sheet, which has charts and figures that compare and rank areas.

LAEP Calculator

Profile Generator

Comparison Charts

3. **Data tables (coloured blue)**, containing the detailed data generated by the LAEP study and model.

Descriptive Stats

Jobs

Income Dependencies

Location Quotients

Employment Impact Ratios

Avg Incomes

Demand Sources

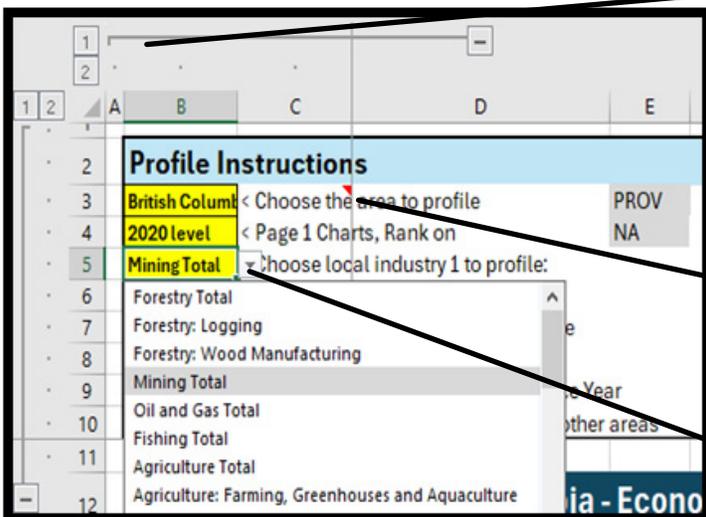
4. **Concordance tables (coloured green)**, with technical definitions of industries and areas.

Industry Definitions

Sector Aggregations

Local Area Boundaries

The Toolkit also has the following features:



- Hidden and grouped cells can be revealed or hidden by clicking on the [+]/[-] signs across the top and down the side of the tables, or show/hide all grouped cells by clicking on the small, numbered boxes in the top-left corner of the sheet. These have been grouped to make navigation easier or to organize data in conceptual hierarchies.
- Rollover notes provide more detailed explanations in context. Cells with a small red arrow in the upper-right corner will display a pop-up window if you hover the cursor on the cell.
- Drop-down menus let users select options and customize the interactive tables and charts.

What the underlying assumptions are

The **LAEP Calculator** is a worksheet in the Toolkit that automatically generates Economic Impact Assessments using the indicators and descriptive statistics in this report. It guides users through a few steps and gives advice on how to interpret the results.

Starting with information that can be obtained from news articles or other reports, the calculator uses the Employment Impact Ratios (EIRs) for that area to estimate impacts.

Employment Impact Ratios (EIRs) are economic multipliers that estimate how each job in a given sector supports jobs in the rest of the economy. When used in an economic impact analysis, EIRs predict the impacts of job losses or gains, estimating how many spin-off jobs would be created or lost elsewhere.

The Calculator can be used to predict economic impacts from events such as a mill closure, a new factory, or a natural disaster. Advice is provided in the Toolkit and in the full report on how to interpret the results.

1 Users find information about an event: the area, the sector directly impacted, and the number of jobs gained or lost.



2 Enter the information in the LAEP Calculator.

Example Employment Impact Ratio (EIR) Calculation		Scenario 1
1. Select reference year		2020
2. Select local area or regional district:		Houston
3. Select basic sector which is directly impacted:		Wood Manufacturing
4. Social safety net or no social safety net?		With SSN
Local Indirect EIR		1.61
Local Induced EIR no SSN		1.86
Local Induced EIR with SSN		1.75
Total Indirect EIR		2.19
Total Induced EIR no SSN		2.61
Total Induced EIR with SSN		2.41
3. Enter direct jobs lost (or gained):		
		-333
Indirect jobs lost/gained locally		-204
Induced jobs lost/gained locally		-83
Induced adjustment b/c of SSN locally		39
Indirect jobs lost/gained in the rest of the province		-191
Induced jobs lost/gained in the rest of the province		-58
Induced adjustment b/c of SSN in the rest of the province		27
Total employment impact		-804
Of which: local jobs		-582
Of which: jobs in the rest of the province		-222

3 The Calculator generates results.

Industry:	Wood manufacturing
Local area:	Houston
Direct job impact	333 lost jobs
Indirect impact	204 locally
	191 in the rest of the province
Induced impact	44 locally
	31 in the rest of the province
Total	804 jobs

Underlying concepts

This work assumes that a community's economy can be understood through two types of income flows:

- Basic income flows into the community from the outside world. This is typically from jobs in export-oriented sectors, but also includes incomes from tourism, public spending, capital investment, and retirement incomes.
- Non-basic income is generated from jobs that provide goods and services to the people who live there. Examples include retail trade, local transportation services, financial services and personal services.

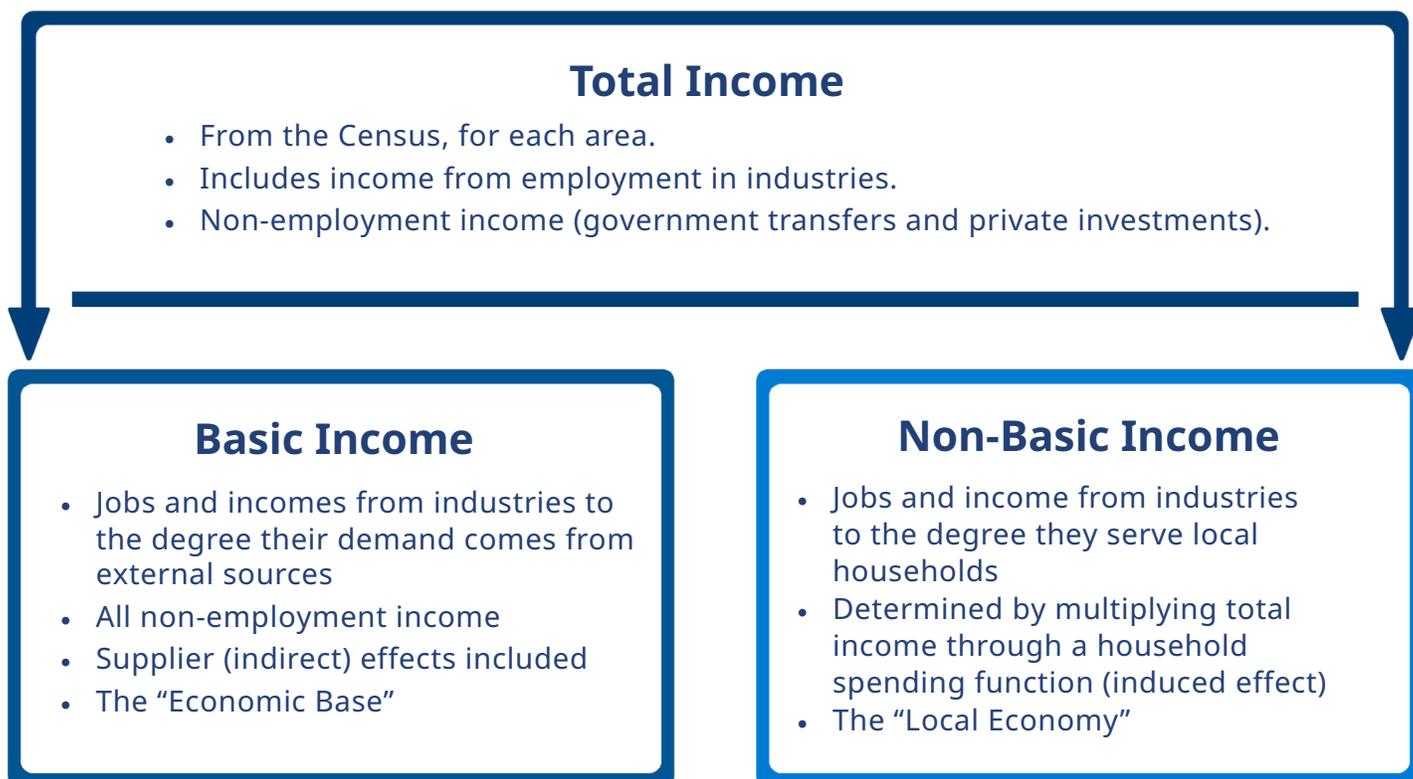
All the basic income sources make up an area's economic base, bringing income from outside that circulates locally and supports more jobs through supplier (indirect) effects and because it adds to household spending and supports jobs in

the non-basic sector. Each part of the base thus have economic multipliers that are calculated herein.

Basic income sources are divided into 22 industries or "economic sectors" and two types of non-employment income sources: government transfers and non-employment market income (i.e., investment income).

BC Stats uses data from the Census and System of National Accounts to model B.C.'s local economies and calculate a number of indicators:

- Income Dependencies (a.k.a. Basic Income Shares)
- Economic Diversity
- Location Quotients
- Employment Impact Ratios
- Demand Sources



What this information can tell us about the B.C. economy

The main purpose of the LAEP Toolkit is to zoom in on any area. We can also zoom out for a broader view of the B.C. economy during a challenging period. The reference year for the Census was 2020, a time when the economy was experiencing the effects of the COVID-19 pandemic.

Users are advised to not see this as an overall assessment of economic performance given the year data was collected and since there are no jurisdictional comparators for reference. The

model was created for B.C. only, so while users can compare B.C.'s local areas to one another, we cannot say whether B.C. is doing better or worse than other jurisdictions in Canada or the United States.

The dominant basic income source is arguably the most important part of the economic base, the single biggest way that external income flows to the local area. But it is not the only source, and users should keep in mind the composition (measured by basic income shares) and diversity (measured by the diversity index) of sources the area depends on.

Which part of the economic base is most important: count of local areas by dominant basic income source

All sources

	2010	2015	2020
Government Transfers	33	30	74
Non-employment Market Income	13	36	14
Public Sector	43	24	10
Mining	5	3	3
Forestry	6	6	1
Construction	0	0	1
Tourism	1	2	0
Oil and Gas	2	2	0

Private sector sources only

	2010	2015	2020
Construction	48	49	63
Forestry	27	30	16
Mining	11	7	10
ICT	3	3	6
Tourism	3	6	2
Other Services	1	1	2
Oil and Gas	2	3	2
Fishing, Hunting and Trapping	3	1	1
Water Transport	1	1	1
Agriculture and Food	1	1	0

Non-employment income, whether from government transfers or market sources, are a major part of the economic base, together making up 43 percent of basic income.

Retirement income provides a major cushion to the economic base in every area of B.C. Income from private pensions and government programs like CPP, OAS and GIS are at least half of all non-employment income. Measured by itself, retirement income would make up at least 18 percent of the economic base in 2020, larger than any single source of basic income from

private sector employment.

Government transfers increased by a large amount in 2020, becoming the largest single source of external income (i.e. the most important part of the economic base) for 74 out of 103 local areas.

Private investment income (referred to in the report as non-employment market income) was the largest single source of external income in 2015 but was bumped to second place in 2020.

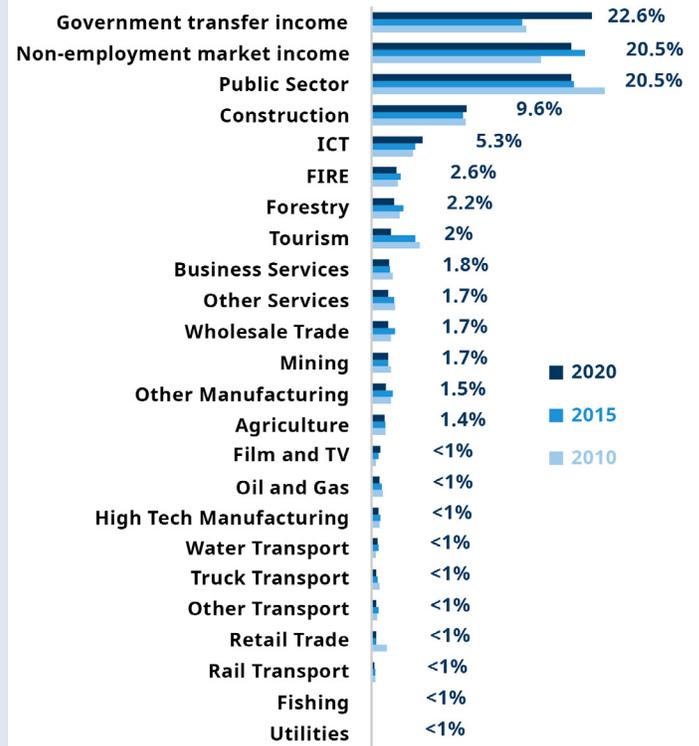
Public sector employment provides one quarter of all jobs and one fifth of the basic income in B.C. This includes employment income from all levels of government and from health care and education, which themselves make up almost 60 percent of the sector. While it ultimately relies on a strong private sector, this report treats employment in the public sector as a source of external income from the perspective of local areas.

The COVID-19 pandemic skewed results in many ways for the 2020 reference year, but mostly by increasing government transfers and decreasing private sector employment income. By looking at ancillary data, the report estimates that government transfers increased by 52 percent because of the pandemic, while private sector employment income declined by about 8 percent below what it would have been otherwise. Fortunately, that same data shows that levels have been returning to normal in subsequent years.

The construction sector is the largest single source of basic income that comes from private sector employment. It makes up almost 10 percent of the economic base and employs almost 9 percent of the workforce. It was the most important part of the private sector economic base for 63 local areas in 2020.

Natural resource extraction and related processing industries, taken together, made up 6.2 percent of the economic base in 2020 (7.7 percent in 2015). While natural resource sectors are a smaller part of the economic base overall than service sectors, more individual communities still rely on them most. In 2020 there were 29 local areas for which one of the forestry, mining, oil and gas, agriculture or fishing sectors were the most important single part of the private sector base, and 62 areas that depended on a combination of them.

Basic income shares measure the composition of the economic base.

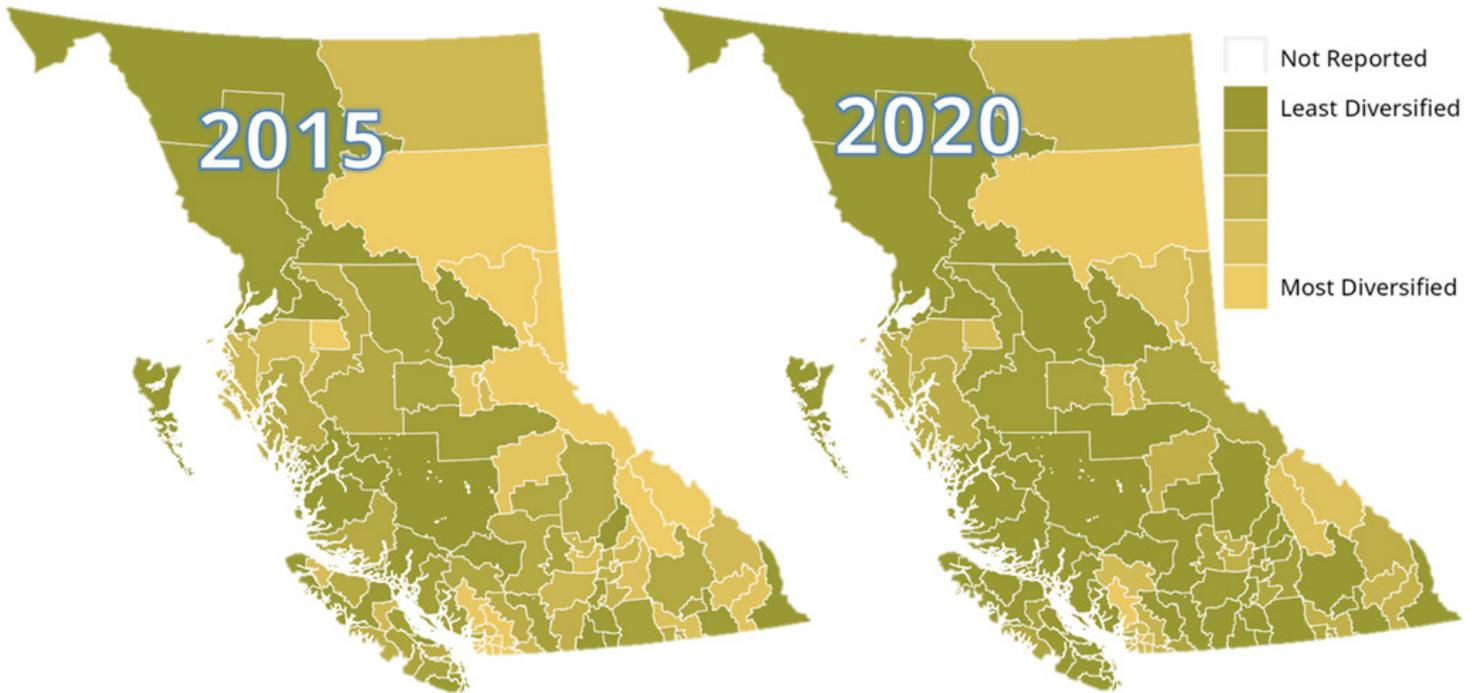


This chart shows shares for all of B.C. Each area's structure is different and can be seen in the LAEP Toolkit.

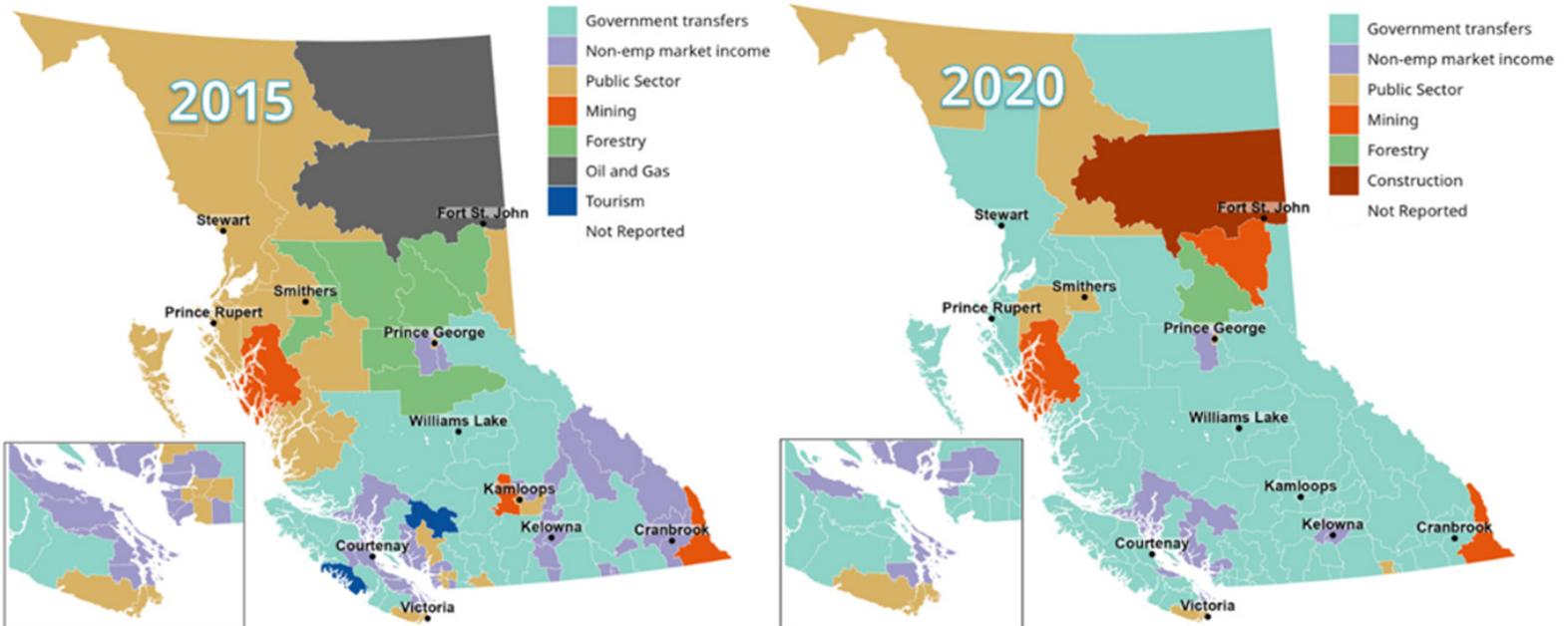
Service sectors made up 14.3 percent of the economic base. These include tourism, which was hurt badly by the COVID-19 pandemic, and fast-growing sectors like information and communications technology (ICT), which is now more important to B.C.'s economy than any natural resource sector.

Economic Diversity worsened in B.C. overall between the 2016 and 2021 censuses, primarily because of the COVID-19 pandemic and the large increase in government transfers. Combined with the long-term decline in resource sector employment income and aging demographics, which naturally skew income towards non-employment sources, this has caused Diversity Indexes to fall in many areas.

Diversity index maps

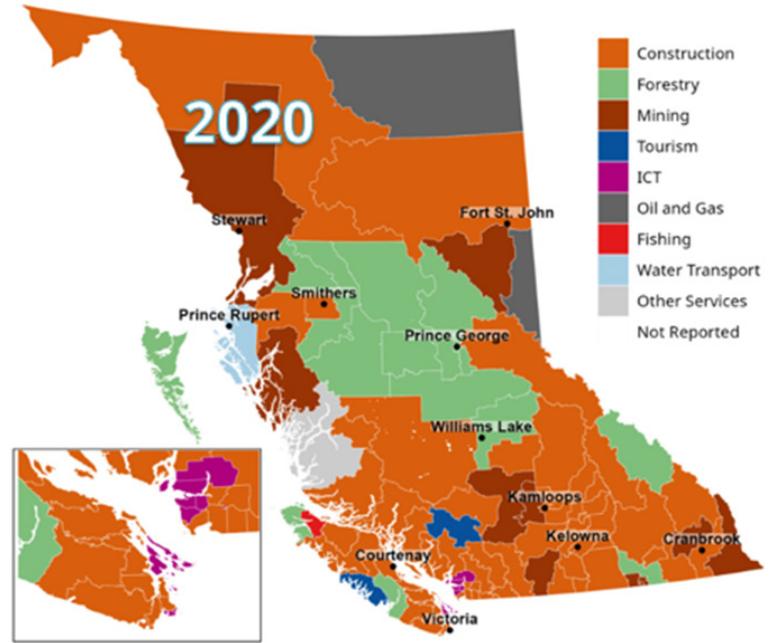
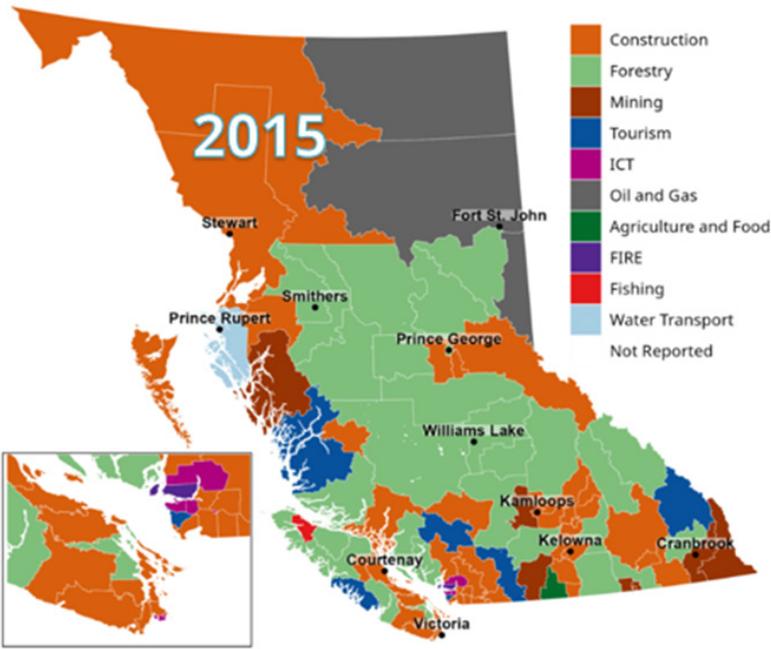


Dominant Basic Income Sources

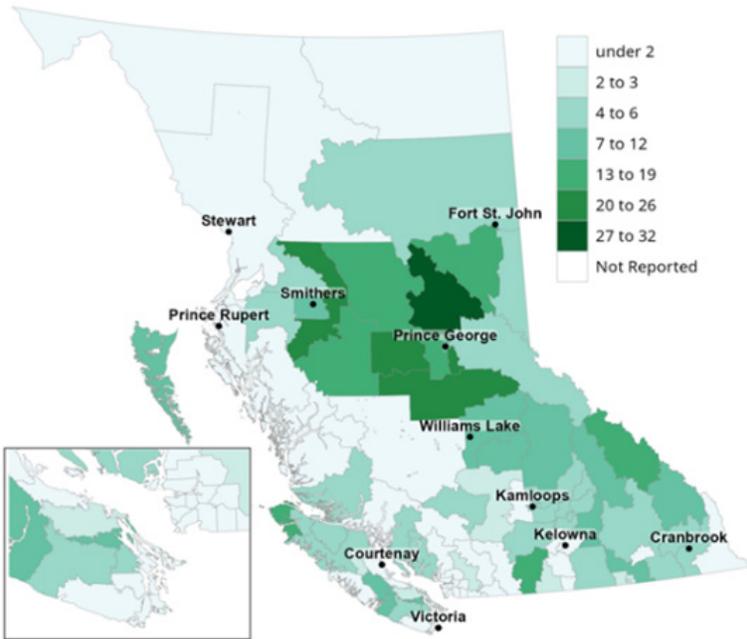


¹The dominant basic income source is arguably the most important part of the economic base and the single biggest way that external income flows to the local area. But it is not the only source, and users should keep in mind the composition (measured by basic income shares) and diversity (measured by the diversity index) of sources the area depends on. For example, the dominant source in the North Peace local area is Construction, at 16.5% basic income share, but it is almost tied with three others.

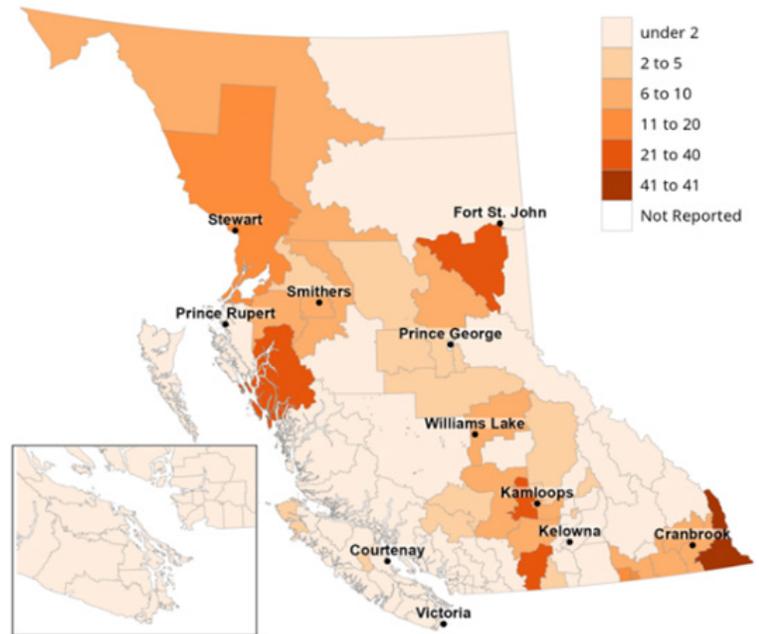
Dominant Private Sector Employment Basic Income Sources



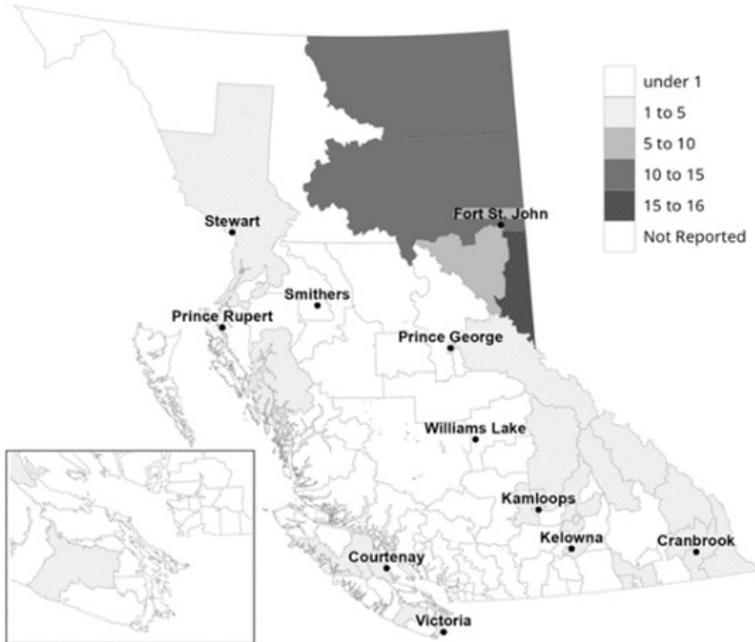
Forestry
Percent of Economic Base
2020



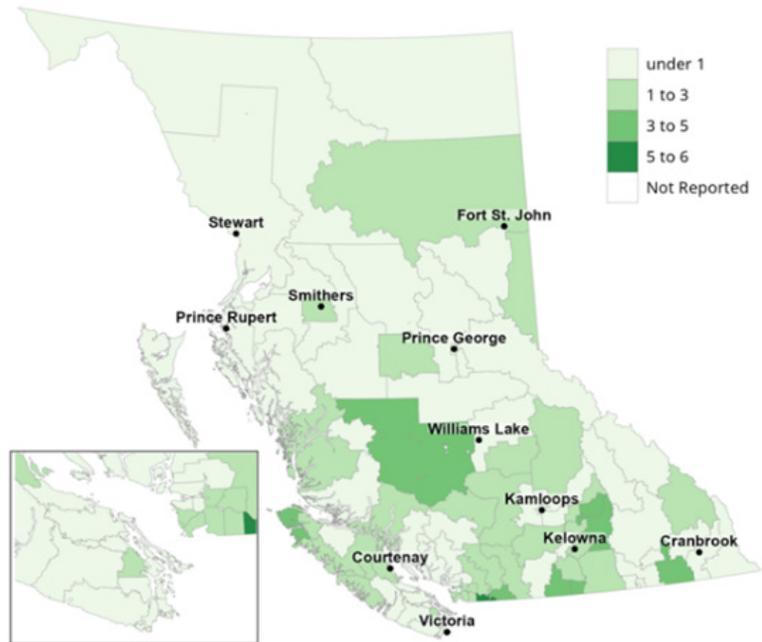
Mining
Percent of Economic Base
2020



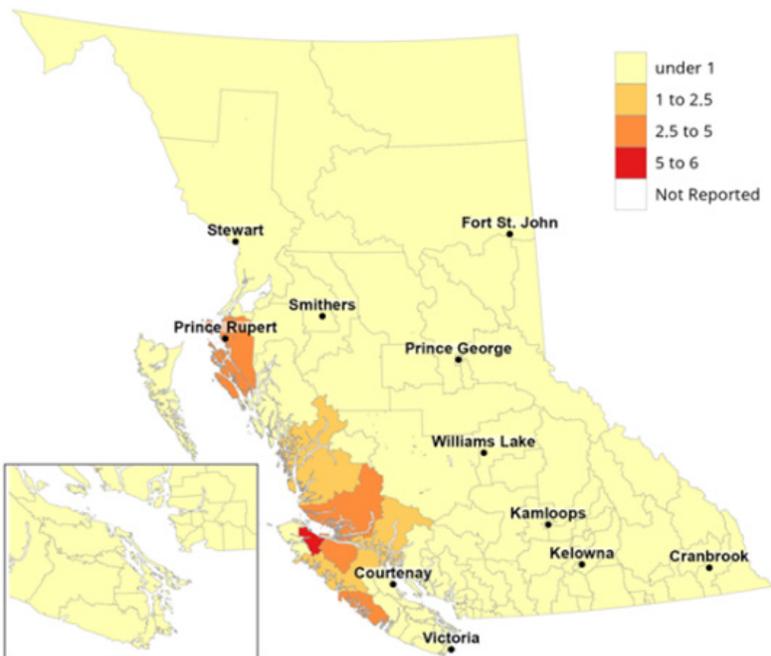
Oil and Gas
Percent of Economic Base
2020



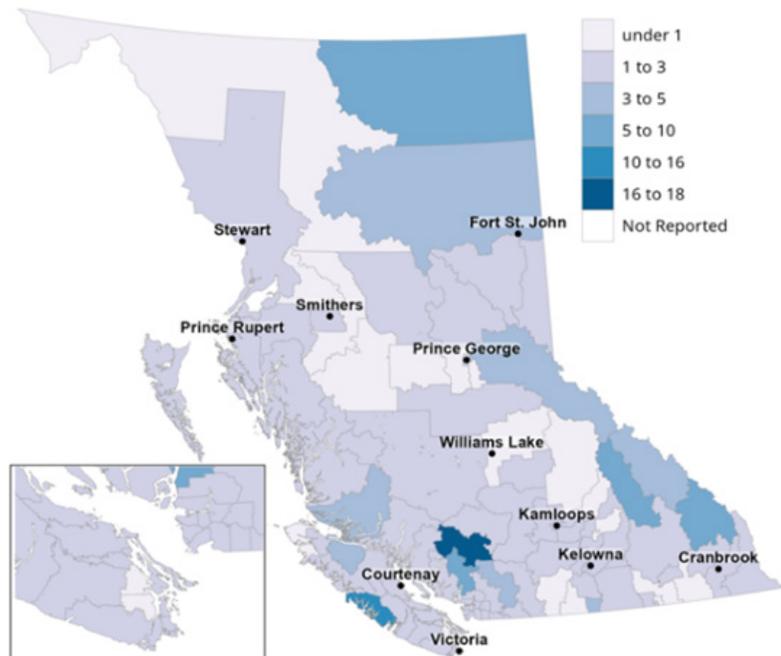
Agriculture and Food
Percent of Economic Base
2020



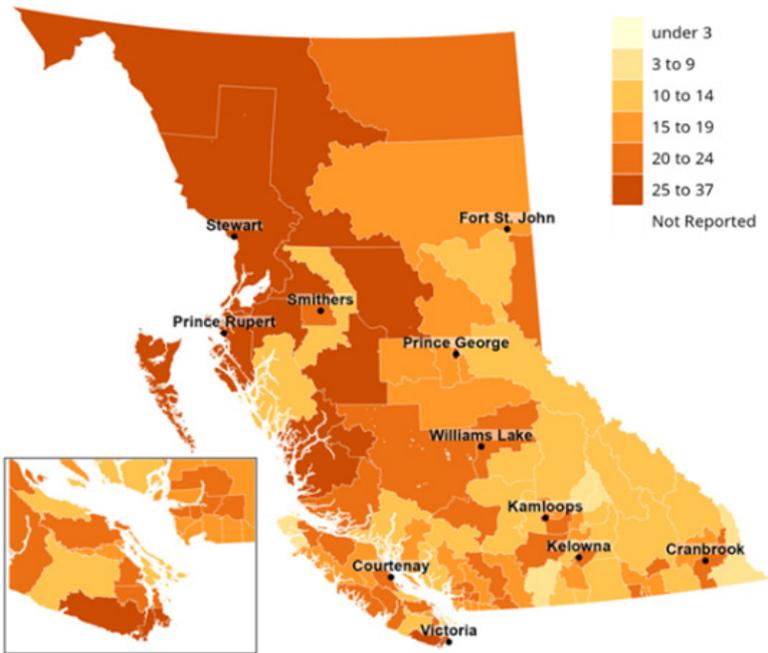
Fishing, Hunting and Trapping
Percent of Economic Base
2020



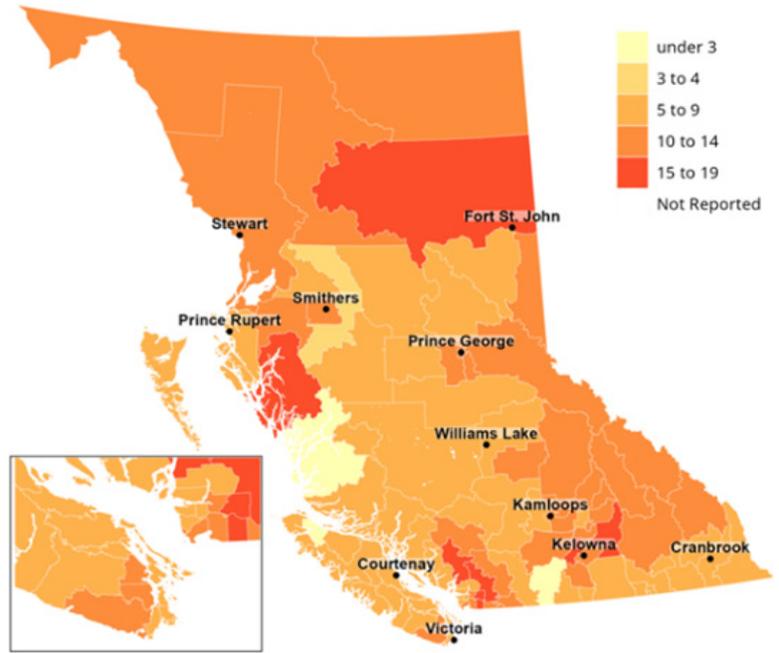
Tourism
Percent of Economic Base
2020



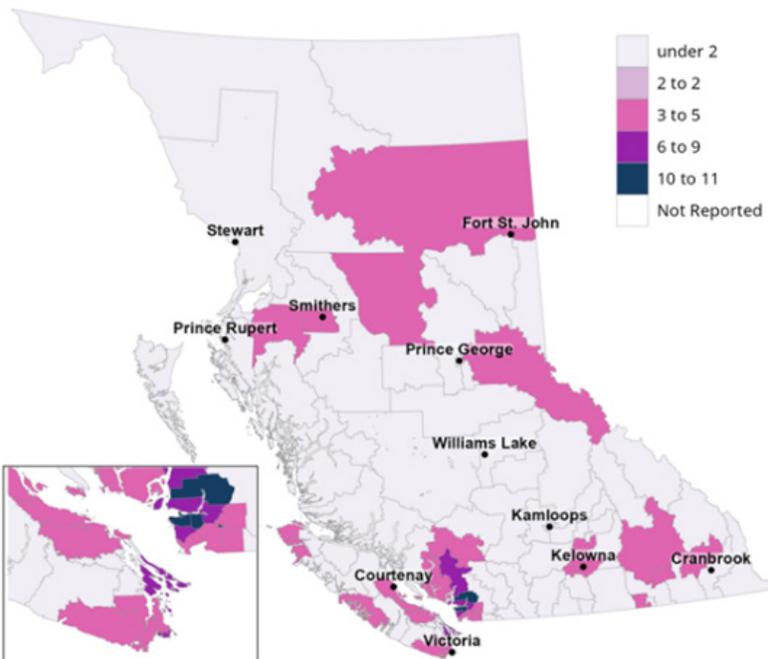
Public Sector
Percent of Economic Base
2020



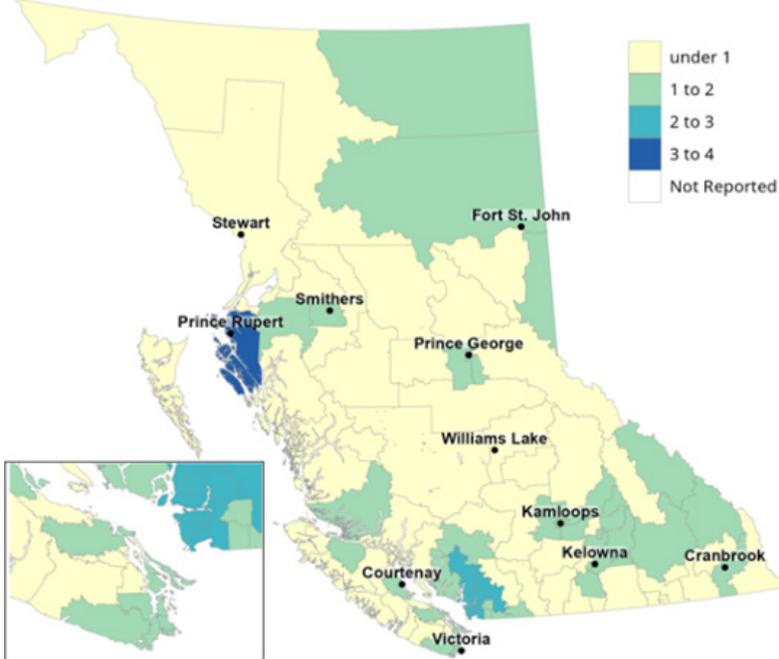
Construction
Percent of Economic Base
2020



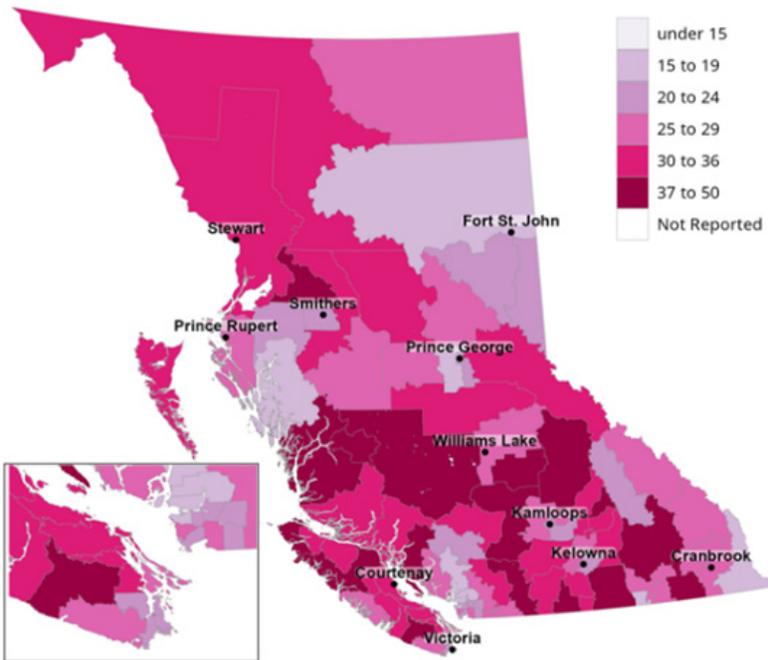
Information and Communications Technology
Percent of Economic Base
2020



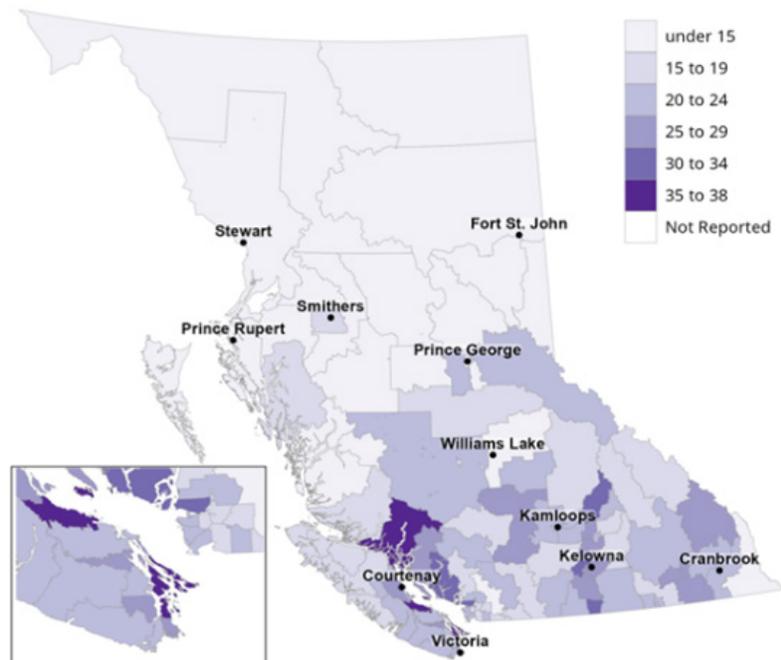
Business Services
Percent of Economic Base
2020



Government Transfers Percent of Economic Base 2020



Non-Employment Market Income Percent of Economic Base 2020



Go to the [BC Stats website](#) to get **more information about the Local Area Economic Profiles**, including the full report, LAEP Toolkit, and a range of other products. Find out more about the methodology behind the analysis, the complete dataset, explore the concepts and conclusions in more depth, and work through examples to learn how the data may be able to help you.

For questions and feedback, contact [BC Stats](#).