

6.0 ASSESSMENT OF POTENTIAL ECONOMIC EFFECTS

6.1 Sustainable Economy

6.1.1 Introduction

This section of the Environmental Assessment Certificate (EAC) Application/Environmental Impact Statement (EIS) (hereafter referred to as the EA.) has been prepared by Golder Associates Ltd. (Golder). It addresses the effects of the Proposed BURNGO Aggregate Project (hereafter referred to as the 'Proposed Project') identified in the construction, operation, reclamation and closure phases on Sustainable Economy VCs. Consideration has been given to mitigation measures and residual effects have been characterized. Additionally consideration has been given to cumulative effects of other reasonably foreseeable future projects in combination with the residual effects of the Proposed Project.

6.1.2 Regulatory and Policy Setting

This section provides a summary of the regulatory and policy setting of the Proposed Project as it relates to sustainable economy.

6.1.2.1 Labour Market

Labour market is defined herein as the exchange of labour supply of workers for labour demand by employers. There are 26 pieces of labour-related legislation in B.C. The regulation of the provincial labour market takes place primarily through the following legislation:

- *Employment Standards Act* (2000) - sets out standards for minimum wage and daily pay, breaks, compensation, overtime work, vacation and leave, employment age, collective agreements and dispute resolution (refer also to Ministry of Jobs, Tourism and Skills Training 2014a);
- *Labour Relations Code* (1996) - addresses collective bargaining and labour-management relations in B.C., guaranteeing the right of all workers to join unions and the conditions through which this must occur;
- *Workers Compensation Act* (1996) - sets out occupational health and safety requirements, the duties of employees and employers, as well as liability and compensation in the case of injury at work;
- *Industry Training Authority Act* (2003) - established the Industry Training Authority (ITA) and describes its powers and responsibilities. The organisation administers B.C.'s skilled trades system, working with employers, employees, industry, training providers and government to manage apprenticeships and credentials, set program standards and increase opportunities in the trades (see also ITA 2012);
- *Labour Mobility Act* (2009) - allows trades workers certified in any Canadian jurisdiction to be recognised and to practice their profession in any province or territory; and
- *Trade, Investment and Labour Mobility Agreement Implementation Act* (2008) - Governments of B.C. and Alberta have reconciled rules that can hinder the free movement of people, goods and services between them, allowing labour market elements to move freely between the two provinces.

6.1.2.2 Regional Economic Development

Regional economic development is defined herein as the change that occurs in a major driver of a region's economic wellbeing. In the context of the Proposed Project, expenditures made by the Proposed Project would accrue to individuals, local businesses/contractors and communities thereby contributing to potential expansion of existing companies (e.g., in size/area of service) and/or new businesses could be created due to the Proposed Project. This contribution to economic development is valued by local governments and communities as it provides opportunities for income and wealth creation and contributes to a community's economic stability. Provincially, the regulation and management of economic development occurs through domestic trade policies, including the New West Partnership Trade Agreement (NWPTA), Agreement on Internal Trade (AIT) (2012) and *Industry Training Authority Act* (2003).

The New West Partnership Trade Agreement (British Columbia et al. 2010) has been fully implemented since July 1, 2013. This agreement requires B.C., Alberta and Saskatchewan to commit to full mutual recognition/reconciliation of rules affecting investment, trade and labour mobility, in order to remove barriers to the free movement of goods, services, investment, and people within and between the three provinces. The Agreement states that government standards and regulations cannot restrict or impair trade, investment or labour mobility between the three provinces. No preferential treatment can take place with respect to a province's people, investments, or goods, except where justified by actual cost-of-service differences, and measures focused on Aboriginal peoples. This Agreement builds on the Trade, Investment, Labour and Mobility Agreement between B.C. and Alberta.

6.1.2.3 Local Government Revenue

Local government finances comprise the streams of expenditures and revenues of municipal and regional district governments. Local government revenue is the net result for Proposed Project associated local government revenues over expenditures. Local governments in B.C. generate revenues through property taxes and sale of services predominantly, with clear rules in place for the borrowing and repaying transfer funds. Local government expenditures generally fall under the broad categories of expenditures directed to government operations, goods and services, and income transfers. The regulation of local and regional government finances occurs primarily through:

- *Community Charter* (the Charter 2003) is the key statute governing local government revenues and expenditures. Part 6 (Financial Management) of the Charter establishes revenue sources and management guidelines for local governments (e.g., rules for the borrowing of funds and recovering costs through taxation associated with local services). The Charter also sets guidelines for management and sources of proposed expenditures;
- *Local Government Grants Act* (1996) establishes the provincial-municipal statutory funding framework, providing the authority for the province to make conditional and unconditional grants to local governments and related organisations; and

- *Local Government Act (1996)* requires municipalities and regional districts to prepare annual financial plans, which must be adopted as a by-law and address a minimum five-year period. A public consultation process is required before a financial plan can be adopted.

6.1.3 Assessment Methodology

This section provides a description of the assessment methodology related to sustainable economy used in preparing the EA.

Please refer to Volume 2, Part B - Section 4.0: Assessment Methods of this EA for a full description of the assessment methodology and scope including: selection value components, establishing boundaries, describing existing conditions, identification of Proposed Project VC interactions, identifying mitigation measures, evaluating residual effects and assessing cumulative effects.

6.1.3.1 Valued Component (VC) Selection and Rationale

This section describes the VCs and measurable indicators identified for the sustainable economy assessment. The identified VCs reflect issues and guidelines, potential Aboriginal concerns, issues identified by B.C. EAO and CEA Agency, First Nations, other stakeholders, professional judgment and where applicable, key sensitive resources, species or social and heritage values. All identified candidate sustainable economy VCs were carried forward in the effects assessment (e.g., no sustainable economy VCs were excluded from the assessment). Additional details regarding the methods used to select VCs is provided in Part B, Volume 2 – Section 4.2.4. Table 6.1-1 provides a summary of identified VCs, rationale for their inclusion in the assessment, indicators, and measurable parameters or endpoints that will be considered.

Table 6.1-1: Valued Components and Measurable Indicators: Sustainable Economy

Value Component	Rationale	Measurable Indicators
Labour Market	<p>Proposed Project construction and operation will require labour inputs. These inputs will also generate spin-off employment in goods, services, and supply and in retail and personal services. Businesses may also be affected by the increased customer base of Proposed Project workers.</p> <p>The Proposed Project's demand for labour may result in a local or regional labour supply shortage and thereby increase labour costs for the business community. This could lead to employee losses by established operations.</p>	<ul style="list-style-type: none"> ▪ Number of workers by general occupation and industry affiliation and region of residence; ▪ Participation and unemployment rates; and ▪ Difference between actual unemployment rate and natural rate of unemployment (labour market balance).

Value Component	Rationale	Measurable Indicators
Regional Economic Development	<p>The Proposed Project would offer new contracting opportunities and potentially assist in diversifying and expanding the local business base.</p> <p>Proposed Project construction and operation may require substantial expenditures on goods and services, and may result in local or regional supply shortages and increased costs.</p> <p>The Proposed Project's operation phase activities may or may not be compatible with local or regional economic plans or strategies.</p>	<ul style="list-style-type: none"> ▪ Goods and services contracting revenues; ▪ Capacity/supply constraints in services and goods supply and contracting (quantitative and qualitative); ▪ Distribution of employment across industries (economic diversity); and ▪ Compatibility/consistency of Proposed Project with existing economic development plans or strategies of local governments (qualitative).
Local Government Revenue	<p>For municipal and regional governments, the Proposed Project may have fiscal benefits or involve direct fiscal outlays due to direct servicing requirements of the Proposed Project and/or incremental service requirements due to permanent in-migration associated with Proposed Project labour requirements.</p>	<ul style="list-style-type: none"> ▪ Municipal and regional government expenditures on specific programs and services; and ▪ Municipal and regional government revenues from property taxes, payments in lieu of taxes, municipal and regional district tax on accommodation, and service fees.
Real Estate	<p>Presence of Proposed Project construction, infrastructure and/or operations and direct Proposed Project effects on noise, air quality and visual resources may affect local property values.</p>	<ul style="list-style-type: none"> ▪ Real estate values.

6.1.3.2 Assessment Boundaries

6.1.3.2.1 Spatial Boundaries

The spatial boundaries for the EA have been selected to take into account the physical extent of the Proposed Project, extent of Proposed Project-related effects and the extent of any key environmental systems. The specific study areas for sustainable economy and valued components are provided in Table 6.1-2 and presented on Figure 6.1-1 through Figure 6.1-4 (presented at the end of this section).

Table 6.1-2: Spatial Boundaries: Sustainable Economy

Sustainable Economy		
Local (LSA)	<p>Labour Market: Sunshine Coast Regional District</p> <p>Regional Economic Development: Sunshine Coast Regional District</p> <p>Local Government Revenue: Sunshine Coast Regional District</p>	<p>In determining LSA boundaries, consideration was given to the pathways of effects and the extent of potential adverse effects on the sustainable economy valued component. Specific study area selection considerations were applied as well to the valued components of sustainable economy:</p> <ul style="list-style-type: none"> ▪ Labour market: Consideration was given to the community and regional labour forces in B.C. The selected study area for the LSA captures the Proposed Project's labour market effects that will occur locally and this framing of the local study area for labour market effects is consistent with practices in B.C. for environmental assessments carried out under BCEAA and CEAA. ▪ Regional economic development: Consideration was given to community and regional sources of goods and services supply for industrial projects in B.C. The selected study area for the LSA captures the Proposed Project's regional economic development effects that will occur locally and this framing of the local study area

Sustainable Economy		
	<p>Real Estate: McNab Creek Estates Strata Corp. (McNab Creek Strata) properties adjacent to Proposed Project</p>	<p>for regional economic development effects is consistent with practices in B.C. for environmental assessments carried out under BCEAA and CEAA.</p> <ul style="list-style-type: none"> ▪ Local government revenue: Consideration was given to the nature and characteristics of local government finance, its potential exposure to various influences, and entities that may incur expenditures as a result of the Proposed Project and receive property tax and other payments from the Proposed Project. The Proposed Project lies within the boundaries of Electoral Area F of Sunshine Coast Regional District. ▪ Real estate: The LSA is defined to include the McNab Creek Strata, which is adjacent to the Proposed Project Area and could experience direct adverse effects due to the Proposed Project that could collectively contribute to an adverse effect on their real estate values (a potential indirect effect).
Regional (RSA)	<p>Labour Market: B.C., with a focus on Sunshine Coast Regional District, Metro Vancouver and Squamish-Lillooet Regional District</p> <p>Regional Economic Development: B.C., with a focus on Sunshine Coast Regional District, Metro Vancouver and Squamish-Lillooet Regional District</p> <p>Local Government Revenue: Same as LSA</p> <p>Real Estate: Properties on west side of Howe Sound in vicinity of Thornbrough Channel, including west side of Gambier Island and McNab Creek Strata</p>	<p>The RSA was established to provide a regional context for the assessment of Proposed Project effects and although usually larger than the LSA, encompasses the LSA. Specific study area selection considerations were applied as well to the valued components of sustainable economy:</p> <ul style="list-style-type: none"> ▪ Labour market: As there is strong labour mobility within the province due to well-developed transport links, projects elsewhere in B.C., especially in Metro Vancouver, could utilize the available and qualified labour supply in the LSA and thus create overlaps. ▪ Regional economic development: For reasons of goods and services mobility within the province due to well-developed transport and communications links, projects elsewhere in B.C., especially in Metro Vancouver, could readily utilize the contracting and supply services in the LSA and thus create overlaps. ▪ Local government revenue: As effects on local government revenue are not anticipated to extend beyond Sunshine Coast Regional District, the RSA is defined as the LSA. ▪ Real estate: The RSA is the Thornbrough Channel area of Howe Sound, which is the area within which the Proposed Project's effects on real estate may overlap or accumulate with the environmental effects of other projects or activities that have been or will be carried out. The Thornbrough Channel area is relatively remote and the properties in the area are water only access and share similar use characteristics.

6.1.3.2.2 Temporal Boundaries

Based on the Proposed Project schedule, the temporal boundaries are as follows:

- Project construction – up to 2 years;
- Project operations – 16 years; and
- Project reclamation and closure – on-going and 1 year beyond operations.

For a full description of the temporal boundaries of the Proposed Project please refer to Volume 1, Part A – Section 2.0.

6.1.3.2.3 Administrative Boundaries

The LSAs and RSAs for the Labour Market, Regional Economic Development, and Local Government Revenue VCs have been defined using municipal, First Nation, and/or regional district boundaries. The Proposed Project is located within Electoral Area F of the SCRD, which includes the unincorporated communities of Langdale, Port Mellon, Williamson's Landing, Granthams Landing, Soames, Hopkins Landing, and Gambier and Keats Islands.

The administrative boundaries reflect jurisdictional areas for local governance and have been adopted by Statistics Canada and other parties for data collection, analysis and reporting. This practice establishes some constraints for presenting data on and analysing economic conditions and effects by geographic areas as some data is only publicly available by certain jurisdictions and certain data are not publicly available for sub-areas within jurisdictions.

Labour market and economic development information is presented for the Aboriginal Population in the LSA and RSA where available through secondary sources.¹ The Proposed Project will be located on the traditional territory of *Skwxwú7mesh* (Squamish) Nation. Labour market and economic development baseline information for *Skwxwú7mesh* Nation includes the Squamish (Indian Band) Census Area². In addition to being presented in this EA section, potential economic effects of the Proposed Project (including benefits) for *Skwxwú7mesh* Nation and its members and communities are also discussed in Part C of the EAC Application/EIS.

The main secondary source of data for Aboriginal peoples comprises the censuses and national household surveys undertaken and reported by Statistics Canada. The extent and quality of this information is limited by the level of participation within and by First Nations communities and the data collection methodology used for the 2011 National Household Survey.

6.1.3.2.4 Technical Boundaries

The B.C. Input-Output Model (IOM) was applied to help estimate certain economic effects of the Proposed Project but it examines a limited range of economic parameters. Input-output models are linear and do not factor in economies of scale, i.e., they assume that a given change in the demand for a commodity will translate into a proportional change in production. Input-output models assume there are no capacity constraints and that an increase in the demand for labour will result in an increase in employment (rather than simply re-deploying workers). Although the B.C. IOM can be used to estimate impacts at the municipal and regional district levels, the resulting estimates are less precise than the B.C.-wide estimates as more and better input data is available at the provincial level than at the regional or local levels. While use of the B.C. IOM has limitations, its commodity and industry relationships are based on a very large database accumulated over several years and the model have been found to generate impact estimates that are indicative of realized economic impacts.

¹ In Statistics Canada Census profiles, Aboriginal People refer to those persons who report identifying with at least one Aboriginal Group, i.e. North American Indian, Métis, or Inuit, and/or those who reported they were members of an Indian Band or First Nation or reported being a Treaty Indian or Registered Indian. This population includes Aboriginal residents of First Nations communities and non-First Nations communities such as municipalities.

² The Squamish Indian Band Area includes information from residents of the following communities: Mission 1, Capilano 5, Seymour Creek 2, Chekwelp 26, Cheakamus 11, Kowtain 17, Seachem 16, Stawamus 24, Waiwakum 14, Yekwaupsum 18

In terms of real estate valuation, the value of a residential property is affected by several complex and inter-connected factors so it is challenging to determine the effect of a single factor on residential property value from amongst this inter-connected web of demand and supply factors.

6.1.3.3 Assessment Methods

The assessment method includes the following steps:

- Identify key aspects of sustainable economy discipline that could be potentially affected by the Proposed Project, which informs the selection of VCs;
- Compile information on and characterize existing conditions for the Sustainable Economy VCs;
- Identify and evaluate the potential pathways for effects between the Proposed Project and the VC; and
- Predict the residual effects of the Proposed Project and evaluate the extent to which adverse effects can be mitigated.

6.1.3.3.1 Existing Conditions

- Baseline economic data was collected from a range of secondary sources including the following:
- Labour force, income and business statistics were obtained from Statistics Canada and B.C. Stats and local and regional economic reports;
- Regional district consolidated financial statements and operating budget projections were obtained from SCRD financial reports and plans;
- Labour market forecasts were obtained from WorkBC; and
- Information on government finances was obtained from local government strategic plans and annual reports and the Province of BC reports.

Primary information on current economic conditions was collected through interviews with a Gambier Island Local Trustee, a representative of Gibsons and District Chamber of Commerce, and representatives of a few tourism businesses operating in Howe Sound.

Information on real estate conditions was obtained from private sector research reports and academic research. B.C. Assessment data for the LSA were acquired from Landcor Data Corporation. Primary information was collected through an interview with a Gambier Island Local Trustee to clarify property use patterns. BURNCO's consultant invited the chairperson of the McNab Creek Estates Strata Corp. (McNab Creek Strata) to participate in an informational phone-based interview. An interview questionnaire was supplied to McNab Creek Strata and written answers to some questions were provided by McNab Creek Strata but McNab Creek Strata chose not to engage in an informational interview with BURNCO's consultant.

6.1.3.3.2 Identifying Project Interactions

A preliminary evaluation of identified interactions between the various Proposed Project physical works and activities and the selected VCs across all spatial and temporal phases of the Proposed Project was undertaken to characterize interactions as:

- a) Positive, none or negligible, requiring no further consideration; or
- b) Potential effect requiring further consideration and possibly additional mitigation.

This evaluation is presented in Section 6.1.5. A rationale is provided for all determinations when there is no or negligible interaction and no further consideration is required. For those Proposed Project-VC interactions that may result in potential effects requiring further consideration, the nature of the effects (both adverse and positive) arising from those interactions is described. Potential effects include direct, indirect and induced effects.

Identification of Proposed Project interactions is based on the experience of technical specialists supported by existing secondary information. Potential interactions between the Proposed Project and the Sustainable Economy VCs are generally associated with Proposed Project labour and goods and services requirements. The methodologies for assessing these effects are described in the section below.

6.1.3.3.2.1 B.C. Input-Output Model

The B.C. IOM was used to help estimate Proposed Project-related effects on employment, labour income, GDP, economic output (gross revenues) and government tax revenues at the B.C. level. Input-output multiplier and labour force data from Statistics Canada were also used to assist in determining economic impacts at the local and regional levels.

Maintained and operated by B.C. Stats, the B.C. IOM was used to help estimate the direct, indirect and induced economic impact of the Proposed Project. Using the employment indicator as an example, direct, indirect and induced impacts for the province have the following key characteristics.

- The **direct impact** includes a project's direct employment and the goods and services revenues of B.C. and local industries supplying goods and services directly to the Proposed Project. The direct impact springs from the direct spending of the proponent (BURNCO) to construct and operate the Proposed Project.
- **Indirect employment** is employment at supplier businesses that is supported by direct expenditures of the proponent on goods and services. The B.C. IOM calculates and reports two components or aspects of indirect employment. The initial component is the employment at the businesses supplying goods or services directly to a project proponent or its agent (directly to the infrastructure developer for example). This is called *direct B.C. supply industry employment* or the first round of goods and services spending effect. For example, a B.C. company that provides electrical system maintenance services would be categorized as a supplier and its employment as *direct supply employment*. There are subsequent rounds of purchases, often many, as the direct suppliers need inputs for their production processes (natural gas and steel for a steel fabricator, for example). These subsequent rounds of spending are cumulatively referred to as *upstream B.C. supply industry*

employment. All the rounds of this spending on goods and services are summarily reported as *total indirect employment.*

- **Induced employment** is employment generated via the spending of income of persons employed directly or indirectly through the Proposed Project. For example, when aggregate mine workers and their families go out for dinner at local restaurants, this would result in additional (induced) employment hours in the local food and beverage industry.
- For this analysis, the direct output and employment estimates for the construction and operation phases are based on expenditure and employment plans developed by BURNCO for planning of the Proposed Project. Certain direct and all indirect and induced economic effects for the construction and operation phases at the B.C. or provincial level were estimated through modelling runs of the B.C. IOM and use of certain BURNCO supplied expenditure and employment estimates as modelling inputs.
- The B.C. Stats maintained B.C. IOM incorporates detailed information collected by Statistics Canada about the flow of goods and services among the many industries of the national and provincial economies.³ The model incorporates Statistics Canada data to structure linked production function relationships between 300 industries producing 727 commodities and having 172 final demand categories and also incorporates algorithms that drive the model's computations. B.C. IOM results are an approximate estimate of the Proposed Project's economic impact, and incorporate the following assumptions:
 - Relationships between industries are relatively stable over time;
 - A change in the demand for a commodity or for the outputs of a given industry will result in a proportional change in production;
 - A social safety net is in place, and that workers hired to work on the Proposed Project previously had some income from employment insurance or other safety net programs;
 - Capacity constraints and an increase in the demand for labour will result in an increase in employment (no labour shortages);
 - Workers will spend an average of 80% of their personal income on goods and services;
 - Economic adjustments resulting from a change in demand happen immediately; and
 - It should also be understood that the B.C. IOM is not a cost-benefit analysis of the Proposed Project.

As expenditure data were not available for closure phase of the Proposed Project, modelling was not conducted for closure. As such, closure effects are discussed qualitatively, based on Proposed Project mine closure design parameters, and mine closure planning.

³ BC Stats is the central statistics agency of the Province of BC. It undertakes economic analyses for internal Province of BC purposes and provides fee for service access to the B.C. I-O Model. The B.C. I-O Model has been used to assist with estimating the economic impact of several projects that have been reviewed by the BC Environmental Assessment Office.

6.1.3.3.3 Evaluating Residual Effects

Potential Proposed Project-related residual effects were characterized as the basis for determining the significance of potential residual adverse effects for each VC. The characterization of residual effects was undertaken following application of appropriate mitigation measures.

Potential residual effects were characterized using the following standard residual effects criteria:

- **Social Context** – references the capacity of socio-economic systems and processes to accept change relative to base case or baseline variation typically experienced.
- **Magnitude** – the expected size or severity of the residual effect;
- **Extent** – the spatial scale over which the residual physical, biological and/or social effect is expected to occur;
- **Duration** – the length of time the residual effect persists;
- **Reversibility** – whether the effect is fully reversible, partially reversible, or irreversible. The reversibility criterion is used where an adverse effect can be considered to be fully reversible and desirable (many economic effects are irreversible since they are part of interdependent economic and social change extending into the future, which in some cases cannot be reversed or returned to pre-Proposed Project development conditions, or in fact, it may not be desirable to do so); and
- **Frequency** – how often the residual effect occurs. Although there are isolated exceptions, most economic effects are experienced continuously, and are cumulative (i.e., they interact and are directed and shaped by the broader continuously evolving socio-economic environment). Frequency is applied where relevant.
 - The criteria defined in Table 6.1-3 have been used to characterise and determine the significance of potential economic effects, which generally confirm to the criteria used for environmental effects. Please refer to Volume 2, Part B - Section 4.0 for a description of the criteria used to characterise potential effects for all disciplines.

The likelihood of potential residual effects (after mitigation) occurring was also characterized for each VC using the following qualitative terms:

- Low - likelihood of occurrence (0 to 40%) – Residual effect is possible but unlikely;
- Medium - likelihood of occurrence (41 to 80%) - Residual effect may occur, but is not certain to occur; and
- High - Likelihood of occurrence (81% to 100%) - Residual effect is likely to occur or is certain to occur.

Characterization of likelihood was based on professional judgement considering the available qualitative and quantitative data for each potential residual effect.

6.1.3.3.4 Evaluating Significance of Residual Effects

The significance of potential residual adverse effects will be determined for each VC based on the residual effects criteria and the likelihood of a potential residual effect occurring, a review of background information and available field study results, consultation with government agencies, First Nations, and other experts, and professional judgement. Particular consideration was given to magnitude, geographic context, duration and social context, since together they are the key criteria for understanding change in relation to sustainable economy and how affected parties and institutions would experience or adapt to change in relation to the Proposed Project.

- **Negligible effect, not significant:** no measureable change or a change that is within the range of natural variability based on residual effect criteria. Negligible residual effects are not carried forward to the cumulative effects assessment.
- **Not significant:** the assessment identifies that the effect is generally measurable at the sub-community, community or larger population level but not likely to result in substantial changes in economic or social well-being.
- **Significant:** the assessment identifies that the overall effect is measurable at the sub-community, community or larger population level, results in strong interest or concern by a community or broader population group, and/or results in substantial changes in economic and/or social well-being.

The above definitions were adopted for the following reasons:

- In many cases, determining the significance of a residual economic and social effect depends on the perceptions and values of affected people/communities (as made evident through consultation and engagement) with regards to their interpretation of significance; and qualitative data and interpretation, and observations of the socio-economic environment of affected communities or populations (including the resilience of populations/communities to effectively deal with/address a residual effect).
- There are often no established thresholds or standards for economic VCs. Although it may be possible to set thresholds for some social effects for purposes of an EA, in many cases it is not possible to demonstrate a consensus on a specific threshold value or what such a threshold means in terms of significance of an effect.
- Social and economic effects may not lend themselves to the assignment of criteria for the determination of significance except in terms of potential, thus introducing a larger element of uncertainty into the effects assessment. For any predicted Proposed Project effect, the actual effect that occurs will be dependent on:
 - the response on the part of individuals and/or communities to socio-economic mitigation and management measures implemented by the Proposed Project; and
 - decisions made by individuals and/or communities with regards to events and situations that are unrelated to the Proposed Project, but interact with the Proposed Project effect.
- It can be difficult to conclude with certainty that mitigation measures will result in no residual effect. This is because as mitigation measures are developed and implemented over the course of the Proposed Project (particularly relevant for projects with long timelines), social and economic changes naturally take place, some

of which can be difficult to predict during the assessment. In addition, some of the changes are outside the control of the Proposed Project, but can interact with the Proposed Project over its life cycle and in some cases affect the success of mitigation measures.

In summary, the challenges of: a) quantifying effects, b) identifying thresholds, and c) incorporating community resiliency, community perceptions and values in determining significance, coupled with the inherent uncertainty with respect to mitigation effectiveness and prediction of social and economic effects into the future, necessitates a qualitative approach to determination of significance.

6.1.3.3.5 Level of Confidence

The level of confidence for each predicted effect is discussed to characterize the level of uncertainty associated with both the significance and likelihood determinations. Level of confidence is typically based on expert judgement and is characterized as:

- Low: Limited evidence is available, models and calculations are highly uncertain, and/or evidence about potential effects is contradictory.
- Moderate: Sufficient evidence is available and generally supports the prediction.
- High: Sufficient evidence is available and most or all available evidence supports the prediction.

As there are many outside influences that can affect the magnitude and nature of the Proposed Project's impact on the VCs, such as economic conditions and broad factors affecting societal change, predictions of the Proposed Project's economic effects cannot be made with complete certainty.

Table 6.1-3: Criteria for Characterizing Potential Residual Effects: Sustainable Economy

VC	Context	Magnitude	Geographic Extent	Duration	Reversibility	Frequency
Labour Market	<p>Resilient: effects occur in an environment of high resiliency and or low vulnerability;</p> <p>Moderately Resilient: effects occur in an environment of moderate resiliency and/or moderate vulnerability; or</p> <p>Sensitive: effects occur in an environment of low resiliency and/or high vulnerability.</p>	<p>Negligible: Proposed Project will have no measurable effect;</p> <p>Low: Changes cannot be distinguished from base case variations;</p> <p>Moderate: Changes are evident, but remain within recent historical norms; or</p> <p>High: Changes result in effects that are beyond historical norms.</p>	<p>Local: Effect restricted to LSA;</p> <p>Regional: Effect extends beyond the LSA into the RSA; or</p> <p>Beyond Regional: Effect extends beyond the RSA.</p>	<p>Short-term: <1 years;</p> <p>Medium-term: 1 year to life of Proposed Project; or</p> <p>Long-term: >life of Proposed Project.</p>	<p>Fully reversible: Effect reversible with reclamation and/or over time;</p> <p>Partially Reversible: Effect can be reversed partially; or</p> <p>Irreversible: Effect irreversible and cannot be reversed with reclamation and/or over time.</p>	<p>Once: Occurs once.</p> <p>Continuous: Occurs on a regular basis and at regular intervals; or</p> <p>Periodic: Occurs at irregular intervals.</p>
Regional Economic Development						
Local Government Revenue						
Real Estate						

6.1.4 Baseline Conditions

6.1.4.1 Labour Market

Labour market, as applied in this report, is defined as the exchange of the supply of labour by workers for the demand of labour by employers. Proposed Project labour will be supplied by workers with the relevant skills and associated occupational training. Proposed Project labour demand will correlate with the number of positions of the necessary skills to construct and operate the Proposed Project. It will also correspond with demand by supplier industries (i.e., indirect employment) and consumer industries (i.e., induced employment) that are directly or indirectly supported by Proposed Project related spending.

This section describes factors that characterize the supply of labour in the spatial study areas including size of the labour forces by occupation and industry affiliation, unemployment rates, labour incomes and training opportunities.

6.1.4.1.1 Labour Force by Industry

The size of the labour force in the SCRD was 14,325 in 2011, and experienced a relatively small 1% increase over the 2006 to 2011 census period (Table 6.1-4). Labour force growth in the Town of Gibsons was similar to the SCRD during this period, and its 2,080 workers represented approximately 14% of the SCRD's labour force. Electoral Area F, (where the Proposed Project is located), had a decline in its labour force, from 1,290 in 2006 to 1,075 in 2011. The nearby Metro Vancouver labour force is much larger, approximately 1.3 million workers in 2011. Over the 2006-2011 period, labour force growth in Metro Vancouver and B.C. was much higher, 8.9% and 5.7%, respectively, than in the SCRD (1%).

The top three industries by employment within the SCRD in 2011 were 'Transportation and Warehousing' (13.8%), 'Arts, Entertainment and Recreation' (11.7%), and 'Construction' (10.7%; Table 6.1-5). There were approximately 1,500 workers in the SCRD's construction sector labour force in 2011.

Reflecting Gibsons' position as a tourism destination and retirement community, the top three employing industries in this community were 'Health Care and Social Assistance' (16.3%), 'Retail Trade' (10.8%), and 'Transportation and Warehousing' (10.3%; Table 6.1-5). According to the 'We Envision' sustainability plan adopted by the SCRD, there is a lack of local employment and income opportunities on the Sunshine Coast, and a significant proportion of the labour force travels out of the region by boat or plane (Sunshine Coast Regional District 2012). A 2010 survey of ferry commuters estimated that there are 1,200 residents of the Sunshine Coast who regularly commute to the Lower Mainland (Best Coast Initiatives 2010a).

The proportion of the labour force in the construction industry in the Town of Gibsons and Metro Vancouver was below the B.C. average (7.7%), but the SCRD (10.7%) and SLRD (12.9%) had higher labour force concentrations in construction than the B.C. average (Table 6.1-5). The labour force concentration within the 'Mining; Quarrying, and Oil and Gas Extraction' sector in the SCRD was slightly higher than the provincial average at 1.6%, which reflects the presence of Lehigh Materials' sand and gravel mining operation in Sechelt.

6.1.4.1.2 Labour Force Participation, Unemployment and Income

Labour force participation rates experienced small declines of between about 0.5 and 2 percentage points across Metro Vancouver and the SCR D and SLRD between 2006 and 2011 (Table 6.1-4). In both census periods, the labour force participation rate in the Town of Gibsons and the SCR D was below the provincial average, primarily due to the large number of retirees residing on the Sunshine Coast (Sunshine Coast Community Economic Development 2014). In contrast, the participation rate in Electoral Area F was the same as the provincial average, while the SLRD's participation rate was higher than the B.C. average by approximately 10 percentage points, which reflects the younger working age population in Squamish and Whistler (Table 6.1-4).

Unemployment rates in mainland southwest B.C. generally rose between 2006 and 2011, but the increase was more pronounced in the SCR D (4.4% to 7.2%) and SLRD compared to Metro Vancouver or B.C. (Table 6.1-4). The exception to this was the Town of Gibsons, where the unemployment rate dropped approximately three percentage points during this period (7.5% to 4.3%). In 2011, the unemployment rate was particularly high in the SLRD at over 10%, while the unemployment rate in the SCR D and the Town of Gibsons remained below the B.C. average (7.8%). A recent analysis of the Sunshine Coast economy observed that the number of employment insurance recipients in the SCR D 'declined sharply' in late 2009 and early 2010 but the 2013 level of employment insurance recipients in the region remained above the 2007-2008 lows (Central 1 Credit Union 2014a). The current (November 2014) unemployment rate in Metro Vancouver stood at 6.0% (Statistics Canada 2014). The SCR D rate today is likely below its 2011 rate of 7.2% (Table 6.1-4).

The median income in the SCR D increased by over \$5,000 (21%) between 2005 and 2010, while increases in median income in the Town of Gibsons, SLRD, Metro Vancouver and B.C. were below \$4,000 (a range of increases from 11 to 16%; Table 6.1-4). The 2010 median income in both the Town of Gibsons (\$28,826) and SCR D (\$28,795) was comparable to that of the province (\$28,765), while the SLRD's median income was approximately \$2,000 higher. Both median and average incomes were higher in Electoral Area F compared to the province's median income level, at \$31,934 (median) and \$47,117 (average), respectively. The gap between the 2010 average and median incomes in the SCR D, Town of Gibsons, SLRD and the province as a whole is roughly the same, whereas by comparison the average and median income gap in Metro Vancouver is higher reflecting greater income disparity here in the province's largest metropolitan area.

Table 6.1-4: Participation and Unemployment Rates and Median and Average Incomes, 2006 and 2011

	Town of Gibsons	Sunshine Coast Regional District	Squamish-Lillooet Regional District	Metro Vancouver	British Columbia
2011					
Total Labour Force	2,080	14,325	22,995	1,273,335	2,354,245
Participation rate	56.5%	58.7%	75.5%	66.1%	64.6%
Unemployment rate	4.3%	7.2%	10.3%	7.1%	7.8%
Median Income (2010)	\$28,826	\$28,795	\$30,918	\$28,726	\$28,765
Average Income (2010)	\$38,520	\$38,826	\$40,864	\$41,031	\$39,415
2006					
Total Labour Force	1,995	14,215	22,195	1,169,720	2,226,380
Participation rate	56.9%	60.5%	77.3%	66.8%	65.6%
Unemployment rate	7.5%	4.4%	7.0%	5.6%	6.0%
Median Income (2005)	\$26,038	\$23,817	\$27,149	\$25,032	\$24,867

Source: Statistics Canada 2006, 2013a

Table 6.1-5: Labour Force Distribution (%) by Industry Sector 2011

	Town of Gibsons	Sunshine Coast Regional District	Squamish-Lillooet Regional District	Metro Vancouver	British Columbia
Total Labour Force	2,080	14,325	22,995	1,273,335	2,354,245
Agriculture; forestry; fishing and hunting	1.7%	3.2%	2.5%	1.0%	2.6%
Mining; quarrying; and oil and gas extraction	0.0%	1.6%	0.7%	0.4%	1.1%
Utilities	0.0%	0.6%	0.6%	0.6%	0.6%
Construction	6.7%	10.7%	12.9%	6.6%	7.7%
Manufacturing	9.9%	7.0%	2.1%	6.4%	6.3%
Wholesale trade	1.7%	7.0%	2.1%	6.4%	6.3%
Retail trade	10.8%	2.4%	1.6%	4.7%	3.8%
Transportation and warehousing	10.3%	13.8%	11.0%	10.6%	11.3%
Information and cultural industries	2.9%	5.5%	3.5%	5.4%	5.0%
Finance and insurance	2.4%	2.3%	1.9%	3.5%	2.6%
Real estate and rental and leasing	1.2%	2.3%	2.6%	4.9%	3.9%
Professional; scientific and technical services	5.3%	2.2%	3.3%	2.6%	2.3%
Management of companies and enterprises	0.0%	6.0%	5.8%	9.5%	7.6%
Administrative and support; waste management and remediation services	3.4%	0.0%	0.0%	0.1%	0.1%
Educational services	4.8%	4.5%	4.9%	4.5%	4.2%
Health care and social assistance	16.3%	5.3%	5.8%	7.4%	7.1%
Arts; entertainment and recreation	2.6%	11.7%	7.1%	9.9%	10.6%
Accommodation and food services	6.5%	4.0%	5.0%	2.4%	2.4%
Other services (except public administration)	4.1%	6.1%	14.7%	7.6%	7.6%
Public administration	5.8%	3.6%	4.6%	4.8%	4.8%

Source: Statistics Canada 2013a

6.1.4.1.3 Education and Skill Base

There are a limited number of trades training situations on the Sunshine Coast. In collaboration with the ITA, School District no.46 offers a few ACE IT (Accelerated Credit Enrolment in Industry Training) programs, which give local high school students the opportunity to begin work experience and training in a certified trade. Students who successfully finish their program receive credit from Vancouver Island University for their Level 1 certification and have their work-based hours recognized by the ITA.

There are many industry and commercial training opportunities in Metro Vancouver, including:

- B.C. Institute of Technology (B.C.IT) offers engineering and trades and apprenticeship programs with construction, transportation, electrical, and mechanical specializations (B.C.IT n.d.). B.C.IT serves 18,000 full-time students and 28,000 part-time students annually at its Burnaby and downtown Vancouver campuses (B.C.IT n.d.);
- Kwantlen Polytechnic University (KPU) Faculty of Trades and Technology offers carpentry, construction electrician, masonry, metal fabrication, millwright, parts & warehousing, plumbing, welding, and automotive servicing programs. Apprenticeships are provided for most of these programs (excluding construction electrician, masonry, powerline and appliance servicing technicians) (KPU 2014a). KPU serves over 17,500 students at its four campuses in Metro Vancouver (KPU 2014b);
- *Skwxwú7mesh* Nation Trades Centre offers a range of training programs through partnerships with Capilano University, Kwantlen Polytechnic University, Vancouver Community College, the First Nations Employment Centre and the ITA. Located in North Vancouver, the centre offers programs related to crane operation, metal fabrication, sheet metal, and welding (*Skwxwú7mesh* Nation 2013a); and
- Vancouver Community College offers automotive, commercial transport vehicle mechanic and heavy duty mechanic apprenticeships (Vancouver Community College n.d. [a]). The college serves over 22,000 students annually operates two campuses in the City of Vancouver (Vancouver Community College n.d. [b]).

Sector-specific industry-based training programs are offered for construction, resource, and transportation-related occupations under the auspices of the ITA. In 2012-13, 34 programs were offered through the Construction Industry Training Organization; 22 programs were offered through the Transportation Career Development Association; and 16 training programs were offered through the Resource Training Organization (ITA 2011, 2013).

With the support of the training policies, programs and initiatives above, the ITA reported 35,041 registered apprentices in the B.C. trades training system as of March 2013. This represents approximately double the number of students involved prior to the establishment of the ITA in 2004. Although the number of registrants peaked in 2008/2009, 2012/2013 figures exceed those of 2011/2012 (Province of B.C. 2012; ITA 2013). Of the 15,068 apprentices registered with the ITA, 43% were located in the Lower Mainland region of B.C. (ITA 2013). According to the B.C. Jobs Plan's Skills and Training Plan, there has also been a 103% increase in Aboriginal apprenticeship between 2006 and 2011 (Province of B.C. 2012). Between 2008 and 2013, the ITA provided trades and technical training to more than 1,800 Aboriginal people (ITA 2013).

Skill Base

In 2011, the 'Sales and Service' occupational category accounted for the highest proportion of the labour force in each of the SCR D, Town of Gibsons, Metro Vancouver and SLRD (Table 6.1-6). Approximately 10% of the workers in the labour force of each of the Town of Gibsons and Metro Vancouver, 16.5% of the SCR D labour force and 18% of the SLRD labour force are in 'Trades, Transport and Equipment Operator' occupations (compared to the B.C. average of 14%).

Table 6.1-6: Labour Force Distribution (%) by Occupation 2011

	Town of Gibsons	Sunshine Coast Regional District	Squamish-Lillooet Regional District	Metro Vancouver	British Columbia
Total Labour Force	2,080	14,325	22,995	1,273,335	2,354,245
Management occupations	9.1%	9.9%	13.0%	11.7%	11.2%
Business; finance and administration occupations	10.1%	12.1%	11.6%	17.2%	15.7%
Natural and applied sciences and related occupations	9.1%	7.1%	4.4%	7.5%	6.5%
Health occupations	9.6%	6.6%	5.0%	6.0%	6.3%
Occupations in education; law and social; community and government services	11.8%	9.3%	9.7%	11.3%	11.3%
Occupations in art; culture; recreation and sport	4.8%	4.9%	3.7%	4.0%	3.3%
Sales and service occupations	27.6%	23.9%	28.2%	23.9%	23.5%
Trades; transport and equipment operators and related occupations	11.1%	16.5%	17.7%	12.0%	14.3%
Natural resources; agriculture and related production occupations	2.4%	4.0%	3.6%	1.3%	2.6%
Occupations in manufacturing and utilities	2.4%	3.2%	1.2%	3.0%	3.2%

Source: Statistics Canada 2013a

6.1.4.1.4 Labour Market Outlook

The Lower Mainland labour market is distinct within B.C. because of its relatively large size and, as important, its dynamism; the region attracts large numbers of inter-provincial migrants and immigrants on the basis of its attractive quality of life and large, diverse economic base. Labour markets are relatively fluid within Canada and as capital projects in the Lower Mainland come on stream, the potential to rollover work on these fixed schedule projects attracts workers on a permanent basis to the region.

There is a general consensus that labour markets are tightening in B.C. and that certain regions and occupations are likely to experience imbalances when the major projects begin to come on stream until the labour demands from these projects diminish in the early 2020's (Central 1 Credit Union 2014b). The out-migration of B.C. residents for work in other provinces will reverse by 2015, as the economy continues to grow (Central 1 Credit Union 2014b). Although the B.C. Jobs Plan identifies the need to attract new workers and increase training, observers see further opportunities to increase B.C.'s training capacity (Business Council of British Columbia 2014).

Moving forward, unemployment is predicted to fall in the SCRDR, reaching 6.8% in 2016 and dropping to 5.1% in 2021 (Central 1 Credit Union 2014a). Reflecting expected population increases for the SCRDR, employment is forecast to grow by 3.3% over the 2011 to 2016 census period (after decreasing by 2.1% over the previous five year period, 2006-2011).

Demand for tradespersons and skilled operators is tied to new capital projects coming on stream, so there is the potential for both lesser and higher labour demands from this source based on investments coming on-stream or being delayed or cancelled. In 2010, the Mainland/Southwest Development Region accounted for 55.3% of all trades jobs in B.C. (251,340 positions). By 2020, this proportion is expected to increase to 57.4%, with approximately 63,430 new trade workers needed in the region (WorkBC 2011). Approximately two-thirds of job openings in the Mainland/Southwest Development Region are forecasted to be replacement positions (e.g., filling vacancies left by retirees and people moving jobs) and one-third of openings will be new positions resulting from economic growth. The expected level of investment in new projects is the factor driving concerns about tightening in the Lower Mainland region (Asia Pacific Gateway Skills Table 2013).

Increased demand for tradespeople is being brought on by large scale development projects anticipated across the province. In February 2014, 47 major projects worth over \$500 billion had been identified for construction between 2013 and 2023 (Ministry of Jobs, Tourism and Skills Training 2014b). These projects ranged in sectors and location, but will each require tradespeople and skilled labourers within the same general time period should they proceed (Premier's LNG Working Group 2014). Because most of these projects are major construction endeavours, such as the Site C dam, Roberts Bank Terminal 2 project, natural gas pipelines and LNG facilities, the labour demand associated with them is seen as peaking in 2018 and shrinking in the early 2020's.

This labour market tightening means that a combination of different measures will likely occur, including additional immigration, additional in-migration from other provinces, B.C. residents who currently work in Alberta staying in B.C. to work, older workers choosing to work longer thereby increasing the participation rate, wage rates rising to attract workers into B.C. or out of retirement, substituting capital or new production processes (for labour) and possibly delaying some projects. A caveat in regard to this forecast of labour market tightening is that it is predicated to a substantial extent on the realization of these proposed industrial projects.

6.1.4.2 Regional Economic Development

The regional economic development data collection focused on a business and contracting profile of the LSA and RSA that would be relevant for the Proposed Project, using the following key indicators:

- economic diversity;
- regional and local business profile; and
- economic development plans.

6.1.4.2.1 Economic Diversity

6.1.4.2.1.1 Sunshine Coast Regional District

The SCRDC includes several small communities extending from Port Mellon to Egmont, with Sechelt and the Town of Gibsons being the largest population centres. Settlement of the Sunshine Coast by non-Aboriginal peoples began in the 1880s, with fishing and logging the main industries, along with small scale subsistence farming (Sunshine Coast Museum and Archives 2014a). The B.C. Wood Pulp & Paper Company was established in 1908 at Port Mellon, and was the first mill in B.C. to produce wood fibre based paper (Sunshine Coast Museum and Archives 2014b). In the 1950's, road development and the introduction of a car ferry service connecting the Sunshine Coast to the rest of the B.C. mainland initiated new population and economic growth (Sunshine Coast Museum and Archives 2014a). After the construction of a road from the Town of Gibsons to Port Mellon, the mill became one of the largest employers in the Town of Gibsons (Sunshine Coast Museum and Archives 2014b). The SCRDC's economy grew between the late 1980s and early 1990s, but slowed down in the late 1990s (Central 1 Credit Union 2011). Major resource-based industries such as forestry, mining and fishing declined between 1991 and 2000, and the region's economic structure has become more service and consumer orientated (Sunshine Coast Regional District 2012; Central 1 Credit Union 2014a). As with the rest of the province, economic growth increased in the early 2000's, but stalled in 2008 with the economic recession and has since remained modest (Central 1 Credit Union 2011 2014a).

Within the Town of Gibsons and the surrounding areas, the Howe Sound Pulp and Paper Mill is the largest private sector employer (approximately 540 workers) (Gibsons and District Chamber of Commerce 2014 pers. comm.; Central 1 Credit Union 2014a). Most businesses in Gibsons are small with a high percentage of self-employed and home businesses (Gibsons and District Chamber of Commerce 2014 pers. comm.; Central 1 Credit Union 2014b). Although separated by the marine waters of Howe Sound, the SCRDC economy is integrated into the larger mainland southwest B.C. regional economy, which includes Metro Vancouver and the southern communities of the SLRD, Squamish and Whistler (Central 1 Credit Union 2011). Tourism is an important element of the economies of the Town of Gibsons and the SCRDC, but their tourist offerings are relatively small-scale and not well known outside the Lower Mainland region (Gibsons and District Chamber of Commerce 2014, pers. comm.; Central 1 Credit Union 2011). It is estimated that tourism generates approximately 3% of income in the Sunshine Coast (Central 1 Credit Union 2011).

Economic diversity indices⁴ for the Town of Gibsons and the SCR D are presented in Table 6.1-7. The SCR D is a relatively diverse region in economic terms, shown through its diversity index score of 0.07 in 2011 and 2006, but the Town of Gibsons has become less diverse over the same period, moving from a diversity score of 0.06 to 0.17. The latter diversity score still indicates a relatively diverse local economy in Gibsons, which is slightly more dependent on transportation and warehousing and health care and social assistance and less dependent on educational services relative to B.C. as a whole.

6.1.4.2.1.2 Squamish-Lillooet Regional District

Similar to the SCR D, natural resources and agriculture have both played an important part in the SLRD's early economic development. In the late 1800's, logging activity began and the first ore deposits were discovered at Britannia Beach (SLRD 2013; SLRD 2001; Paul 2003). The completion of new rail and road infrastructure to Vancouver in the 1950's opened the region to more economic development, with resource development remaining a primary economic driver until the 1980's. Although forestry still remains an important sector despite economic issues such as economic slowdown in Asia and softwood lumber disputes with the US, tourism has increasingly become an important economic sector in Squamish and along the Sea-to-Sky Highway (District of Squamish 2009; SLRD 2001; Canbritic Consultants Ltd. 2006). Tourism gained importance in the SLRD started with the development of Whistler as a year-round resort in the 1970's, and in 2000 the District of Squamish started to brand this community as the 'Outdoor Recreation Capital of Canada' (Canbritic Consultants Ltd. 2006; District of Squamish 2009). The development of tourism infrastructure in the District of Squamish was supported by investments in accommodations, recreational activities, entertainment and the arts in conjunction with the 2010 Vancouver Winter Olympic Games, further bolstering its position as an emerging tourism centre.

A future tourism development in Squamish is the Oceanfront Development Lands project, which would transform a 60-acre brownfield site on the Squamish waterfront into an urban space with residential, commercial and open space development (District of Squamish 2014a, Ministry of Jobs, Tourism and Skills Training 2014b).

Over the past decade, the District of Squamish's economy has shifted away from its traditional industrial and forestry base following the closure of a local chemical facility and wood processing facilities, including Western Forest Products' Woodfibre pulp mill in 2006. The film industry is a priority for the District of Squamish, and in 2013 the District created a new Film and Events Manager position to forge relationships with film and event industry providers and to manage events and filming held on municipal property (District of Squamish 2013). Between 2011 and 2013, the number of film productions in Squamish rose from 14 to 26 (District of Squamish 2014b). Over the same time period, the number of production days peaked in 2012 at 227, driven in part by filming of the movie *Twilight* in Squamish (District of Squamish 2014b, c pers. comm.).

⁴ The economic diversity index characterizes the diversity of a community's economy by comparing the proportion of jobs in different industries to the provincial distribution.

6.1.4.2.1.3 Metro Vancouver

Metro Vancouver is B.C.'s principal economic hub, currently generating more than half of the province's economic activity (Metro Vancouver 2014). It is consistently ranked among the world's most liveable cities, and received global exposure through the 2010 Vancouver Olympic Games; recognition which has supported new economic activity in the region. Metro Vancouver is known for its sustainable, innovative business culture, and its role as Canada's Asia-Pacific gateway (Vancouver Economic Commission 2014a). The region has a diverse economic base; key sectors are education, film and television production, tourism, financial services, information and communication technology, health services, mining, digital media, apparel, and transportation and logistics (Vancouver Economic Commission 2014b). As the provincial economic hub, Metro Vancouver has a highly diverse economy; its diversity index score has remained constant at 0.03 since 2006 (Table 6.1-7).

Reflecting its metropolitan dynamism, there were approximately 375 projects in Metro Vancouver either proposed or under construction in 2013 (Ministry of Jobs, Tourism and Skills Training 2014b). Based on available data, their estimated combined budget is over \$64.5 billion, with individual project costs ranging from \$20 million to \$4 billion. These projects are being developed in a range of industries, including: arts, entertainment and recreation; commercial and residential development; retail; accommodation and food service; educational services; information services; natural gas pipelines; health care and social assistance; oil and gas extraction; port and harbour facilities; public administration; seniors housing; social housing; transportation; utilities; warehousing; research and development; and sewage and other systems.

Metro Vancouver is an economic service centre for both the SCRD and SLRD, and the proximity of these regions to Metro Vancouver is both an advantage and disadvantage. In the latter case, there is leakage of consumer and business goods and services spending to Metro Vancouver from the SCRD and SLRD communities but in the former instance, SCRD and SLRD residents have ready access to the metropolitan region's business and employment opportunities and their local tourism sectors benefit from the large number of visitors drawn to Vancouver for events, conventions, family visits and vacations and from Vancouver area residents using recreation homes and using the recreation resources in the SCRD and SLRD (Vann Struth Consulting Group Inc. 2013; Central 1 Credit Union 2011).

Table 6.1-7: Economic Diversity Index, 2011 and 2006^(a)

	Town of Gibsons	Sunshine Coast Regional District	Squamish-Lillooet Regional District	Metro Vancouver
2011	0.17	0.07	0.21	0.03
2006	0.06	0.07	0.18	0.03

Source: Calculated from Statistics Canada 2013a

(a) Table 6 presents the diversity indices for the local and regional economies, which is the percentage of employment by industry class and community compared to the provincial percentage of employment by industry class. The closer the diversity index score is to zero, the closer that community matches the provincial labour force breakdown by economic sector or industry. A higher index number indicates the community's economy is less diverse than the province, and therefore has a greater reliance on certain industries which can make it more vulnerable to changing economic trends. The Province of B.C. does not appear in Table 6 because it is used as the comparator for each year.

6.1.4.2.2 Regional and Local Business Profile

The number of business locations with employees rose by a small percentage increase across the board in the studied areas over the 5-year 2008-2012 period (Table 6.1-7)⁵. The data however shows distinct shifts in the SCR D economy during this period that was not evident elsewhere, a 20.9% decrease in 2009 over 2008, and a compensating 28.0% rise in 2010 over 2009. These shifts may be a statistical collection anomaly but likely reflect an outcome of the financial crisis of 2008 and the economic boost in B.C. generated by the 2010 Vancouver Winter Olympics. Business formations were higher in 2013, with health care and social assistance, arts/entertainment/recreation, and information/culture showing the most growth (Central 1 Credit Union 2014b).

Construction industry businesses were well represented in the SCR D and SLRD between 2008 and 2012; the percentage share or concentration was above the B.C. average. Almost 15% of the businesses (with employees) in the SCR D are in the construction sector (Table 6.1-9). Construction was the industry with the largest number of businesses in the SCR D and SLRD in 2012, and was the industry with the third largest number of businesses with employees in Metro Vancouver. The concentration of retail trade businesses in the SCR D and SLRD was also higher than in Metro Vancouver.

The preceding reflects trends in businesses with employees, however, the SCR D economy has a majority of businesses with no employees (Central 1 Credit Union 2014b).

This higher concentration of retail activities within the SCR D economy is due to the region's tourism visitation, substantial segment of recreation home owners and retirees, and the lesser role of resource extraction and processing industries in the local economy and increasing service orientation (Central 1 Credit Union 2011, 2014b). Although the SCR D does not have the same representation of 'professional, scientific and technical services businesses within its economy as in Metro Vancouver, the presence of this business category was close to the provincial average of just over 10%.

In the Town of Gibsons, 435 businesses renewed their licenses in 2014 (Sunshine Coast Community Economic Development 2014). However, it should be noted that a large proportion of small businesses in the area are located just outside of the boundary of the Town of Gibsons, and these businesses are not captured in this data (Gibsons and District Chamber of Commerce 2014 pers. comm.). Approximately 46% of these businesses were retail or consumer services, 19% were in tourism-related services, 18% were in business and professional services and 13% were in construction (Sunshine Coast Community Economic Development 2014).

Table 6.1-8: Number of Business Locations with Employees, 2008 to 2012

		Sunshine Coast Regional District	Squamish-Lillooet Regional District	Metro Vancouver	B.C.
2012	Number	1,184	1,893	91,866	175,950
	% Annual Change	-0.20%	2.40%	1.60%	1.36%
2011	Number	1,186	1,848	90,415	173,589
	% Annual Change	-1.40%	-1.50%	-1.80%	-1.80%

⁵ Data for business locations with employees is available only at the regional district and provincial levels.

		Sunshine Coast Regional District	Squamish-Lillooet Regional District	Metro Vancouver	B.C.
2010	Number	1,203	1,876	92,053	175,913
	% Annual Change	28.00%	-0.20%	-0.30%	-0.30%
2009	Number	940	1,879	92,331	176,124
	% Annual Change	-20.90%	2.50%	1.10%	1.10%
2008	Number	1,188	1,833	91,322	175,003

Source: B.C. Stats 2013a

Table 6.1-9: Distribution (%) of Business Locations with Employees by Major Industry, 2012

Sector	Sunshine Coast Regional District	Squamish-Lillooet Regional District	Metro Vancouver	B.C.
Number of businesses with employees				
2012 (total no.)	1,184	1,893	91,866	175,950
Agriculture, Forestry, Fishing and Hunting	5.8%	3.7%	1.3%	4.1%
Mining, Oil and Gas Extraction	0.4%	0.3%	0.5%	0.7%
Utilities	0.3%	0.4%	0.1%	0.1%
Construction	14.8%	16.5%	10.3%	12.0%
Manufacturing	4.4%	2.4%	4.4%	4.1%
Wholesale Trade	2.6%	2.4%	6.9%	5.4%
Retail Trade	14.0%	15.4%	10.7%	11.7%
Transportation and Warehousing	3.4%	3.2%	3.9%	4.3%
Information and Cultural Industries	1.6%	1.3%	1.9%	1.5%
Finance and Insurance	2.1%	2.2%	4.4%	3.8%
Real Estate, Rental and Leasing	6.2%	6.4%	6.6%	6.0%
Professional, Scientific and Technical Services	10.1%	8.6%	13.3%	11.3%
Management of Companies and Enterprises	0.8%	0.6%	1.8%	1.4%
Admin., Support, Waste Mgmt. and Remedtn.	5.1%	7.1%	5.1%	4.8%
Educational Services	1.6%	1.4%	1.5%	1.3%
Health Care and Social Assistance	7.3%	5.2%	9.0%	9.1%
Arts, Entertainment and Recreation	2.4%	3.6%	1.5%	1.6%
Accommodation and Food Services	7.5%	11.3%	6.7%	6.9%
Other Services (excl. Public Administration)	9.0%	7.0%	9.9%	9.4%
Public Administration	0.6%	1.1%	0.1%	0.5%

Notes: Data represents businesses with employees

Source: B.C. Stats 2013a

6.1.4.2.3 Economic Development Outlook and Plans

6.1.4.2.3.1 *Sunshine Coast Regional District*

While natural resource endowment and geographic location relative to Metro Vancouver plays a large role in the SCRD's regional economy, its growth is also heavily influenced by external factors (Central 1 Credit Union 2011, 2014a). The regional economy of the Mainland Southwest Development Region (which includes the SCRD) saw a small increase in job creation and employment in 2013, generally related to an increase in U.S. and international demand for exports of energy, minerals and forest products. The economic outlook is for continued improvement in the regional labour market and stronger GDP growth (Chartered Professional Accountants 2014).

Within the SCRD, construction, real estate, professional/technical services and retail trade are expected to experience above-average growth in the long-term. The local transportation, high tech, finance/insurance, administrative/support/waste management, tourism, utilities and pulp-paper sectors are seen as being on a moderate growth path. Industries with expected below-average growth include logging, agriculture, aquaculture, health, education, and public administration (Central 1 Credit Union 2011, 2014a).

The 2004 economic development strategy for Gibsons, Area E and Area F framed its strategy around four priority target sectors: knowledge-based; tourism arts and culture; retail and other services; and primary/secondary industries (Economic Growth Solutions Inc. and Gardner Pinfold Consulting Inc. 2004). The Gibsons and District Chamber of Commerce delivers economic development services in the Gibsons area under funding agreements signed with the Town of Gibsons and the SCRD in spring 2013. The SCRD's Strategic Plan for 2013–2014 included an objective of supporting the development of a Sunshine Coast wide economic strategy (Sunshine Coast Regional District 2013a).

An important economic initiative of the SCRD is the Hillside Industrial Park, which consists of 188 hectares of industrial zoned land on Howe Sound, of which 108 hectares are allocated for industrial use, and 63 hectares are water leases (Sunshine Coast Regional District 2013b). Over 80 hectares have been sold (Sunshine Coast Regional District 2014). The low cost of land at Hillside Industrial Park, coupled with its relatively higher cost of development, suggests that low output value industries that do not require significant development of services and infrastructure are most likely to find Hillside Industrial Park opportunities to be attractive. Sectors targeted for the Hillside Industrial Park include value-added forest products, dry land marina and marine services and biomass energy opportunities (Sunshine Coast Regional District 2013b). A previous report that assessed the marketing for Hillside Industrial Park noted disadvantages in terms of proximity to markets and general competitiveness within the industrial land market of the Lower Mainland, which includes Vancouver, Richmond, Surrey and the Fraser Valley communities (Best Coast Initiatives 2010b).

Broader and longer-term goals for 2020, set out in the 'We Envision' Strategic Plan, a sustainability plan created by several local organizations and adopted by the SCRD in 2011 includes 'economic vitality' as a core value and listed the following actions:

- enhance and grow the local green building sector;
- support the development of local resource recovery and manufacturing industries;
- establish the Sunshine Coast as a world-class, year-round destination;

- increase local (vs. off-coast) spending by 20%; and
- create a technology centre (Sunshine Coast Regional District 2012).

6.1.4.2.3.2 Squamish-Lillooet Regional District

The Squamish-Lillooet Regional District Regional Growth Strategy (adopted in 2010) provides a 20-year growth plan with the following economic goals (SLRD 2008):

- Improve transportation linkages and options;
- Support a range of quality, affordable housing;
- Diversify the regional economy, including support for opportunities in Arts and Culture, and expand the opportunity for a range of employment types and pay levels;
Support small businesses and encouraging local spending;
- Engage the business community to provide leadership and support for sustainable economic development initiatives, including partnering with First Nations; and
- Improve collaboration amongst jurisdictions including exploring the potential for a regional industrial development strategy (SLRD 2008).

In 2010, the District of Squamish commissioned an Economic Development Recommendations document, with implementation subsequently laid out in its 'Outline for Economic Development Activities 2011-2015'. Key economic development recommendations focus on the enhancement of the District of Squamish's brand, image and competitive advantage as the "Outdoor Recreation Capital of Canada." The document also suggests strategic support for targeted sectors (e.g., tourism, port and marine businesses, regional service centres, smaller-scale manufacturing, green industries, recreation technology, construction, healthcare, recreation and industrial industries); the separation of the Squamish Adventure Centre from the District's economic development functions (achieved); assigned priorities based on committed budgets; and the formalization of strategic partnerships with *Skwxwú7mesh* Nation, Whistler and other governmental and non-governmental bodies was recommended to support stronger local and regional economic development (Restraint Consulting 2010).

6.1.4.2.3.3 Metro Vancouver

According to the Conference Board of Canada, Vancouver's gross domestic product (GDP) is expected to rise by 2.8% in 2014, which is below the 25 year average of 3%. This lowered increase is attributed in part to lagging employment in Vancouver's film, media and tech sectors, but there is steady job growth in the tourism sector (Parry 2014). Over the longer term, the Metro Vancouver economy is forecasted to see growth in the following sectors:

- Tourism, given its existing and role as gateway to North America for Asian visitors;

- Film and television, given Metro Vancouver's established cluster, variety of shooting locations and arts and culture infrastructure;
- Retail and personal services, corresponding with population growth and strengths in tourism, specialty/destination retail and office retail;
- Knowledge-based industries (e.g., digital media, communications, high tech, and biotechnology research), given Metro Vancouver's academic infrastructure and strategic location, attractive to knowledge workers and firms;
- Health, spurred by the aging domestic population of B.C.; and
- Green business, given Metro Vancouver's reputation and expertise in advanced energy technologies, green building and environmental sciences, and supported by the City of Vancouver's Greenest City Action Plan.

Transportation-related industries are also expected to increase in importance in Vancouver, with continued growth due to the expansion of Pacific Rim business. Over the 2012-22 period, \$22 billion in new public and private sector investment has been identified for the Pacific Gateway in order to benefit from and support growing trans-Pacific trade (Context Research Ltd. 2012). This investment includes: the Roberts Bank Terminal 2 Project that will approximately double Port Metro Vancouver's marine container handling capabilities; terminal, baggage handling and runway improvements at Vancouver International Airport; and a Canada Post e-commerce processing facility near the Vancouver airport.

6.1.4.3 Local Government Revenue

The 2012 consolidated revenues and expenditures for the SCRD indicate its revenue streams are primarily Electoral Area and Local Government requisitions (55.5%),⁶ sale of services (26.1%) and B.C. and federal government contributions (6.3% and 1.5%; Ministry of Community and Rural Development 2012a, b). The SCRD's largest expenditure was for 'Parks, Recreation and Culture' at over \$8.7 million, or approximately 28% of total expenditures. Solid waste management and recycling and water services were the next highest expenditure categories at 14.3% and 13.4% of total expenditures, respectively.

According to the SCRD's five-year plan, revenues are expected to stay relatively constant at over \$32 million per year between 2014 and 2017 (Table 6.1-10). Recreational and cultural services are anticipated to remain the highest expenditure area, followed by infrastructure services. The 2012 Annual Report for the SCRD indicates that Electoral Area F has consistently provided over 20% of its funding over the last five years (Table 6.1-11). In 2013, the next highest contributing area was the District of Sechelt at 16.6%, or approximately five percentage points below Electoral Area F (Sunshine Coast Regional District 2013c, d).

⁶ Unlike municipalities, regional districts do not levy and collect taxes directly from residents. Regional districts create annual property tax requisitions specifying the amount to be collected for each service it provides, such as fire protection, recycling, sewage, in order to meet their annual revenue needs. Based on this information, the Province taxes property owners on the regional districts' behalf and remits the revenue to the regional district (Ministry of Community, Sport and Cultural Development 2014).

Table 6.1-10: Sunshine Coast Regional District Five-Year Financial Plan, 2014 to 2018

	2014 (\$)	2015 (\$)	2016 (\$)	2017 (\$)
Revenues				
Property Taxes	14,659,604	14,865,548	14,816,229	14,758,960
Parcel Taxes	4,811,622	4,811,729	4,811,621	4,811,621
Frontage Taxes	65,170	65,170	65,170	65,170
Grants in Lieu	54,787	54,787	54,787	54,787
Unconditional Transfers	192,000	192,000	192,000	192,000
Conditional Transfers	1,102,527	1,093,327	1,093,327	1,093,327
Sales of Services	6,815,518	6,852,555	6,852,555	6,852,555
Other Revenue Own Sources	3,533,201	3,583,935	3,583,935	3,583,935
Other Transfers	1,315,952	1,212,841	1,193,447	1,136,894
Surpluses	-	-	-	-
Total Revenue	32,550,381	32,731,892	32,663,071	32,549,249
Expenses				
General Government Services	2,170,017	2,191,668	2,191,661	2,191,661
Fiscal Services	1,152,011	1,047,696	1,028,946	972,393
Protective Services	2,362,213	2,435,270	2,395,711	2,387,799
Transportation Services	4,547,779	4,582,981	4,582,981	4,582,982
Infrastructure Services	9,949,059	10,023,029	10,017,767	9,994,156
Public Health Services	241,985	243,471	243,471	243,471
Planning and Development Services	1,963,403	1,985,945	1,985,945	1,985,945
Recreation and Cultural Services	10,163,913	10,221,832	10,216,589	10,190,842
Total Expenses	32,550,381	32,731,892	32,663,071	32,549,249

Source: Sunshine Coast Regional District 2013c

Table 6.1-11: SCR D Tax Contributions by Participating Area, 2008 to 2013

	2008	2009	2010	2011	2012	2013
Electoral Area F contribution (\$) (West Howe Sound)	\$2,625,847	\$2,970,379	\$2,776,349	\$2,846,444	\$2,970,363	\$3,023,352
Total SCR D tax contributions (\$)	\$11,564,328	\$13,090,684	\$13,141,460	\$13,639,156	\$14,098,203	\$14,541,082
Electoral Area F contribution (%)	22.7%	22.7%	21.1%	20.9%	21.1%	20.8%

Source: Sunshine Coast Regional District 2013c, d

6.1.4.4 Real Estate

The real estate baseline data collection focused on zoning, residential uses and property values within proximity of the Proposed Project. Baseline data is presented on the following key indicators:

- Regional district land zoning;
- Description of McNab Creek Strata real estate in relation to number of lots and residences, use and value; and
- Description of permanent and temporary residential properties on Gambier Island (which is located within the RSA).

Factors contributing to real estate values, with a focus on real estate in the Proposed Project Area, are also discussed.

6.1.4.4.1 Land Use Zoning

- The Proposed Project is located on a 30 hectare (ha) portion of a 320 ha, privately-owned property (“the Project Property”) which has been owned since 2008 by 0819042 B.C. Ltd and BURNCO. The Proposed Project Property is currently zoned by the SCRD as rural land use (RU2 Zone). Given the size of the Property, the allowable uses in a RU2 Zone include:
 - bed and breakfast;
 - housing;
 - garden nursery;
 - agriculture;
 - keeping of poultry or rabbits;
 - keeping of livestock;
 - raising of fish for domestic consumption;
 - forest management; and
 - vehicle repair and maintenance (Sunshine Coast Regional District 2013e).

Historically the Proposed Project Property has been used for forestry purposes. Within the McNab Valley, logging activity has occurred since 1900. Canfor Ltd., a former owner, began large scale logging operations in the valley in the 1970s and established a logging camp, warehouse and maintenance facilities near the Proposed Project Property’s beach.

In 1997, Westcoast Gas Services proposed an above-ground liquefied natural gas (LNG) storage facility in the upper valley and received a B.C. Government EA approval in 1999, however the company did not proceed with development of this facility. In 2006, Canadian National Investments (CNI) purchased the Proposed Project Property and undertook forest harvesting across more than 90% of it during its period of ownership.

While bylaws cannot prohibit the extraction of minerals on the Proposed Project Property, regional districts can regulate through zoning the processing (i.e., crushing, sorting and storage) of minerals (Sunshine Coast Regional District 2013f). Through an application to the SCR, BURNCO is seeking to rezone the property to industrial use (I5 Zone) to allow for a processing facility (Sunshine Coast Regional District 2013e). The allowed uses in an I5 Zone include:

- wood processing, including shakemills and sawmills;
- auto wrecking, auto storage yards;
- log booming and sorting;
- refuse disposal grounds;
- mineral, sand and gravel processing;
- manufacture of concrete products;
- animal processing;
- aquaculture;
- keeping of poultry or rabbits; and
- keeping of livestock (Sunshine Coast Regional District 2013e).

6.1.4.4.2 McNab Creek Strata

McNab Creek Strata is located to the east of McNab Creek, approximately half a kilometre from the northern boundary of the BURNCO property. McNab Creek Strata is a bare land strata⁷ and includes 16 lots, as well as 22 ha of adjacent forested land on the hill to the east of McNab Creek. Access is water only to the McNab Creek Strata properties.

The first houses built on the McNab Creek Strata lots date back to the late 1940's. Out of the 16 strata lots, currently 13 have houses, of which nine were built on or before 1950, two in the 1980s, one in 1998, and one in 2009. The combined total assessed value of the real properties of the McNab Creek Strata was \$2,104,700 in 2013, down from \$2,177,900 in 2012 (Landcor Data Corporation 2013). The assessed value of the strata lots with houses was in a range between \$100,000 and \$150,000, with the exception of one strata property that was assessed at over \$350,000 in 2013. The value of this property (strata lot and house) almost doubled between 2011 and 2012, which

⁷ Strata interests are collectively associated with the bare land, not the structures that individual owners construct, therefore maintenance and repair of buildings is the responsibility of the individual owner rather than the strata (Gioventu 2014).

indicates that substantial improvements were made to the real property (Landcor Data Corporation 2013). The McNab Creek Strata residents occupy their homes intermittently throughout the year. The level of use varies between years and is influenced by holiday, work and family schedules (McNab Creek Estates Strata Corp. 2014 pers. comm.).

McNab Creek Strata holds two water licences that are used to supply water for the residences and to provide fire protection. Both licenses are for 36 m³/day, with one for McNab Creek and the other for Lost Lake Creek. Generators supply electricity to the residences.

6.1.4.4.3 Gambier Island

Gambier Island is the largest island in Howe Sound, approximately twenty-five square miles in area. Its northern end is located about 2.7 km across Howe Sound from the Proposed Project. Gambier Island has a scheduled walk-on B.C. Ferries service from Langdale on the Sunshine Coast to New Brighton at the southern end of the island. Mercury Tug and Launch runs a regular Friday, Saturday and Sunday service from Horseshoe Bay to the southern end of Gambier Island. Charter water taxi services to Gambier Island are available through Mercury Tug and Launch, Sunshine Coast Water Taxi and Gambier Water Taxi. The northern areas of Gambier Island are accessed by water taxi or private boat, as only trails connect the southern part of the island to its northern areas (Gambier Island Local Trust 2014a pers. comm.).

Gambier Island has a permanent full-time population of approximately 100 to 130 residents and a part-time population of between 550 and 750 residents who visit it on weekends and summer vacations. Since 2008, the proportion of part-time residents is thought to have increased, as newer residents often maintain a small home in Vancouver for the weekdays and a larger property on Gambier Island for use on weekends (Gambier Island Local Trust 2014a pers. comm.). The permanent population on Gambier Island is concentrated in its southern areas, at New Brighton, Gambier Harbour and West Bay, due to their easier access (Gambier Island Community 2014; Gambier Island Local Trust 2014a pers. comm.).

The closest residential properties on Gambier Island to the Proposed Project are at the northern end of the island. At Ekins Point (about 2.7 km from the Proposed Project), there are three residential lots, two of which have recreational houses (Gambier Island Local Trust 2014b pers. comm.). About 3.7 km to the east of the Proposed Project, there are 53 lots at Douglas Bay. Approximately 10 recreational homes have been built at Douglas Bay to date (Dietrich 2014).

Peak use of Gambier Island occurs between mid-May and early October, although part-time residents use Gambier Island year-round due to its proximity to Vancouver and the North Shore communities. During peak season, weekend use by part-time residents is high for all of Gambier Island. In the off-season, a fifth of part-time residents in Ekins Point and Douglas Bay are estimated to use their properties (Gambier Island Local Trust 2014a pers. comm.).

6.1.4.5 Aboriginal Peoples

Baseline data collection on Aboriginal peoples focused on the available secondary sources of information and data for labour, business and contracting, using the following key indicators:

- Labour force characteristics;
- Labour force distribution across industry and occupational affiliation; and
- Economic development.

This section reflects available secondary data for Aboriginal peoples residing in the SCRD, SLRD, Metro Vancouver and *Skw̓x̓wú7mesh* Nation communities.⁸

6.1.4.5.1 Aboriginal Labour Force by Industry and Occupation

The labour force of the *Skw̓x̓wú7mesh* Nation communities numbered approximately 850 persons in 2011. The labour force in the SCRD in 2011 included approximately 750 Aboriginal persons, 5.2% of the total SCRD labour force. Metro Vancouver had an Aboriginal labour force of 27,235 workers in 2011. Aboriginal workers represented 2.1% of the total Metro Vancouver labour force in 2011.

Between 2006 and 2011, the Aboriginal labour force in the SCRD decreased by nearly 4% (or 30 people), which is in contrast to growth in the Aboriginal labour force seen in the Metro Vancouver (32.8%) and SLRD (18.2%; Table 6.1-12). In comparison, the *Skw̓x̓wú7mesh* Nation communities labour force increased by approximately 6% over the same time period.

For *Skw̓x̓wú7mesh* Nation, public administration accounted for the largest portion of its labour force (30.2%), and is due to the extensive administrative and commercial activities of the *Skw̓x̓wú7mesh* Nation. This was marginally higher than in the SLRD where a quarter of the Aboriginal labour force was also in 'public administration' but considerably higher than the SCRD, Metro Vancouver or B.C.

'Retail trade' was the largest employment sector for the Aboriginal workforce in the SCRD (19.5%), Metro Vancouver (10.6%) and B.C. (11.3%). 'Health Care and Social Assistance' and 'Construction' sectors each represented 8.3% of the *Skw̓x̓wú7mesh* Nation workforce. Construction was also an important employment sector in the SCRD (11.4%) and SLRD (8.4%) for their Aboriginal labour forces (Table 6.1-12).

About 4,300 Aboriginal workers in Metro Vancouver were in the trades, transport and equipment operation and related occupations related category, 16.3% of the region's total Aboriginal workers.

⁸ The data for the *Skw̓x̓wú7mesh* Nation communities is for the total Aboriginal population living there; people who live in these communities do not necessarily all belong to the *Skw̓x̓wú7mesh* Nation. As of December 2013, 40% of *Skw̓x̓wú7mesh* Nation members lived off-reserve.

Table 6.1-12: Distribution (%) of Aboriginal Labour Force by Industry, 2011

Industry	<i>Skwxwú7mesh</i> Nation ^(a)	Sunshine Coast Regional District	Squamish- Lillooet Regional District	Metro Vancouver	British Columbia
Total labour force (Aboriginal)	845	745	2,140	27,235	107,040
Agriculture; forestry; fishing and hunting (%)	1.2	3.4	5.8	1.0	2.6
Mining; quarrying; and oil and gas extraction (%)	0.0	5.4	0.5	0.4	1.1
Utilities (%)	0.0	0.0	0.7	0.6	0.6
Construction (%)	8.3	11.4	8.4	6.6	7.7
Manufacturing (%)	1.2	6.0	2.3	6.4	6.3
Wholesale trade (%)	1.8	4.0	0.7	4.7	3.8
Retail trade (%)	7.7	19.5	8.2	10.6	11.3
Transportation and warehousing (%)	3.6	6.0	2.3	5.4	5.0
Information and cultural industries (%)	0.0	0.0	0.0	3.5	2.6
Finance and insurance (%)	1.8	0.0	1.6	4.9	3.9
Real estate and rental and leasing (%)	0.0	2.7	0.7	2.6	2.3
Professional; scientific and technical services (%)	2.4	0.0	1.9	9.5	7.6
Management of companies and enterprises (%)	0.0	0.0	0.0	0.1	0.1
Administrative and support; waste management and remediation services (%)	3.6	6.7	6.8	4.5	4.2
Educational services (%)	4.1	1.3	4.9	7.4	7.1
Health care and social assistance (%)	8.3	7.4	8.9	9.9	10.6
Arts; entertainment and recreation (%)	6.5	0.0	2.3	2.4	2.4
Accommodation and food services (%)	7.1	6.0	5.1	7.6	7.6
Other services (except public administration) (%)	4.1	0.0	4.9	4.8	4.8
Public administration (%)	30.2	6.7	25.5	4.8	6.1

Source: Statistics Canada 2013b

(a) Data on the *Skwxwú7mesh* First Nations is reported by Statistics Canada as the Squamish Indian Band Area. The Squamish Indian Band Area includes information from residents of the following communities: Mission 1, Capilano 5, Seymour Creek 2, Chekwelp 26, Cheakamus 11, Kowtain 17, Seaichem 16, Stawamus 24, Waiwakum 14, Yekwaupsum 18. Statistics Canada did not report on the Squamish Indian Band Area in the 2001 census, therefore data is not available.

6.1.4.5.2 Aboriginal Labour Force Participation, Unemployment and Income

The labour force participation rates for Aboriginal persons in the SCRD, SLRD and *Skwxwú7mesh* Nation communities fell between 2006 and 2011 (Table 6.1-13). The decline to 62.6% was particularly pronounced in the SCRD (7.2 percentage points). Despite the decline, the participation rate of Aboriginal persons in the SCRD was close to the B.C. average for Aboriginal persons (62.4%) and well above rate for the SCRD general population of 58.7%. The participation rate in Metro Vancouver for Aboriginal persons rose slightly in 2011 over 2006, and was

several percentage points above the B.C. average, reflecting the younger age profile of the Aboriginal population in Metro Vancouver.

The unemployment rate in the SCRDC for Aboriginal workers in 2011 was the lowest of the studied areas, at 5.4%, well below the 16.4% average for Aboriginal workers in B.C., below the average for all B.C. workers (7.8%) and below the 7.2% rate for all SCRDC workers.

The Aboriginal unemployment rate for 2011 in the SCRDC declined from 9.0% in 2006, which was a relatively low rate at the time.

The *Skwxwú7mesh* Nation communities experienced higher unemployment (16.6%) and lower participation (56.7%) rates than the Aboriginal populations living off reserve within the SCRDC and Metro Vancouver. The *Skwxwú7mesh* Nation communities are located within the boundaries of metro areas having much lower unemployment rates, higher participation rates and larger, diversified economies so these rates suggest systemic challenges in regard to gaining and seeking employment for persons living in *Skwxwú7mesh* Nation communities.

In Metro Vancouver, the Aboriginal population experienced an unemployment rate of 12.6%, approximately 5.5 percentage points higher than the rate of the area's non-Aboriginal labour force (Table 6.1-13).

Based on available Census and NHS data, Aboriginal peoples living on reserve lands in the Metro Vancouver experienced higher rates of unemployment than their Aboriginal counterparts who resided off-reserve, which is a province-wide characteristic and attributed to historical, social, and systemic barriers to employment.

Although researchers have found that insufficient educational qualifications are the main barrier for Aboriginal persons when accessing employment opportunities (MNP LLP 2012; Sharpe et al. 2009), they are not the only barriers. Sharpe et al. (2009) found that Aboriginal persons with the same level of educational qualifications as non-Aboriginal persons are more likely to be unemployed than their non-Aboriginal counterparts, which points to other barriers at play. In a survey-based study for ITA, MNP LLP (2012) cited these other barriers:

- Lack of readiness and awareness, e.g., at community level, relative to life skills;
- Geographic barriers, e.g., access to transportation, ability to relocate;
- Funding, e.g., for individuals, for programs;
- Difficulty in securing employer sponsorship; and
- Lack of Aboriginal awareness within workplaces.

Table 6.1-13: Aboriginal Labour Force Participation, Unemployment and Income, 2006 and 2011

Labour Force Category	<i>Skwxwú7mesh</i> Nation ^(a)	Sunshine Coast Regional District	Squamish-Lillooet Regional District	Metro Vancouver	British Columbia
2011					
Total Labour Force	845	745	2,140	27,235	107,040
Participation rate	56.7%	62.6%	60.1%	67.7%	62.4%
Unemployment rate	16.6%	5.4%	24.1%	12.6%	16.4%
Median Income (2010)	\$13,648	\$25,111	\$15,575	\$22,326	\$19,264
Average Income (2010)	\$18,907	\$30,590	\$22,326	\$31,799	\$28,001
2006					
Total Labour Force	795	775	1,810	20,505	91,535
Participation rate	57.2%	70.8%	61.1%	67.3%	65.0%
Unemployment rate	15.1%	9.0%	18.8%	10.7%	15.0%
Median Income (2005)	\$9,892	\$15,885	\$13,600	\$18,203	\$15,836

Source: Statistics Canada 2013b

- (a) Data on the *Skwxwú7mesh* First Nations is reported by Statistics Canada as the Squamish Indian Band Area. The Squamish Indian Band Area includes information from residents of the following communities: Mission 1, Capilano 5, Seymour Creek 2, Chekwelp 26, Cheakamus 11, Kowtain 17, Seaichem 16, Stawamus 24, Waiwakum 14, Yekwaupsum 18. Statistics Canada did not report on the Squamish Indian Band Area in the 2001 census, therefore data is not available.
- (b) The Squamish Indian Band Area includes information from residents of the following communities: Mission 1, Capilano 5, Seymour Creek 2, Chekwelp 26, Cheakamus 11, Kowtain 17, Seaichem 16, Stawamus 24, Waiwakum 14, Yekwaupsum 18.

The median income rose between 2005 and 2010 for Aboriginal peoples in the SCRD by over \$9,000 to \$25,111 (Table 6.1-13). While the median income for Aboriginal persons was highest in the SCRD followed by Metro Vancouver, and despite the SCRD Aboriginal population having a lower unemployment rate and higher participation rate than the general population, the SCRD median income average for Aboriginal persons still trailed the general population average in the SCRD (\$28,795) by \$3,684. The Squamish Indian Band Area had substantially lower median and average incomes compared to the provincial average for Aboriginal persons. Median income growth for the Squamish Nation communities was also lower than the provincial average, with an increase of \$3,756 between 2006 and 2011, (or \$5,616 below the provincial median income).

6.1.4.5.3 *Skwxwú7mesh* Nation Economic Development Base and Plans

Skwxwú7mesh Nation maintains an active economic base centred on *Skwxwú7mesh* Nation-owned businesses and leases derived from developments on *Skwxwú7mesh* Nation lands. Due in part to the North Shore location of its main community and proximity to Metro Vancouver, *Skwxwú7mesh* Nation businesses are well integrated into the Lower Mainland regional economy.

The *Skwxwú7mesh* Nation's largest employer is the *Skwxwú7mesh* Nation Business Revenue and Services (BRS) department, which employs about 75 (*Skwxwú7mesh* Nation 2013b). BRS manages seven businesses, including

two marinas, one restaurant, three retailers, one RV park, and one forestry company (*Skwxwú7mesh* Nation 2013b). *Skwxwú7mesh* Nation also opened the Squamish Lil'Wat Cultural Centre jointly with Lil'Wat Nation in Whistler, offering an exhibition space, theatre, gift shop and eco-tourism desk (Tourism Whistler 2014).

The *Skwxwú7mesh* Nation's economic diversity decreased markedly between 2006 and 2011 (its diversity index score rose from 0.20 to 1.23). The change in the 2006 and 2011 index scores were driven by the relative importance of Band-owned businesses and real estate development in the *Skwxwú7mesh* Nation.

Skwxwú7mesh Nation maintains approximately 70 leases on Squamish lands, including those held by the Greater Vancouver Storage Sewage Plant, the International Plaza, and the Capilano Trailer Park (*Skwxwú7mesh* Nation 2014). A key tenant operating on *Skwxwú7mesh* Nation lands is the Park Royal Shopping Centre Holdings Ltd., as the south retail mall, 100 Park Royal, Village at Park Royal and several restaurants and storage facilities are situated on *Skwxwú7mesh* Nation lands. The Park Royal Shopping Centre was recently expanded and modernized to include an additional 120,000 square feet of leasable area and parking, increasing rents collected by *Skwxwú7mesh* Nation annually (*Skwxwú7mesh* Nation 2013c).

Skwxwú7mesh Nation also has a number of proposed real estate developments at Capilano, Kitsilano, Chekwep, Stawamus and Senakw (*Skwxwú7mesh* Nation 2013c). Segments of the Whistler Alpine Lands were acquired by the *Skwxwú7mesh* Nation through the Olympic Joint Legacy Agreement, and have been developed into townhouse units in partnership with Bethel Lands Corporation (*Skwxwú7mesh* Nation 2013c). According to the B.C. Major Projects Inventory, *Skwxwú7mesh* Nation and Concord Pacific are seeking to undertake the Porteau Cove Residential Development, a residential/commercial development outside of Electoral Area D (i.e., in Furry Creek). The project, which is currently on hold, has an estimated cost of \$200 million, and would cover 476 ha of land for 1,100 single and multifamily units and 295 ha of open space (Ministry of Jobs, Tourism and Skills Training 2014b). The development of a \$65 million, 430,000 square foot destination shopping centre in partnership with Progressive Properties is also proposed on 12 hectares at Seymour Creek Village, with consideration of accompanying residential developments (Coyne 2013).

Revenue generated from First Nation businesses and leases are invested back into the community to support member programs and services, home financing, community infrastructure, and land acquisition (*Skwxwú7mesh* Nation 2013c).

Member-owned businesses also contribute to the *Skwxwú7mesh* Nation economy. Small businesses include: artists (28 in number); contracting, construction and excavation firms (7 in number); tourism-related businesses (e.g., traditional cultural performers and outfitters) (7 in number); and gift shops and galleries (5 in number) (*Skwxwú7mesh* Nation 2012).

The Xay Temixw (Sacred Land) Land Use Plan identifies the community's Forest Stewardship Zone as a potential area for future tourism (*Skwxwú7mesh* Nation 2013d). This plan includes a discussion of the Nation's economic priorities and concerns. The development of eco-tourism was noted as both a potential opportunity which would generate jobs and economic benefits, and as a potential threat that could reduce the quality of and access to the local environment for the *Skwxwú7mesh* Nation (Land and Resources Committee *Skwxwú7mesh* Nation 2001).

6.1.5 Effects Assessment

The following sections summarize the potential effects of the Proposed Project on sustainable economy during the construction, operation, and remediation closure phases.

6.1.5.1 Project-VC Interactions

A preliminary evaluation of identified interactions between the various physical works and activities and the selected VCs across all spatial and temporal phases of the Proposed Project is presented in Table 6.1-14. Potential Project-VC interactions are characterized as:

- a) Positive, none or negligible, requiring no further consideration; or
- b) Potential effect requiring further consideration and possibly additional mitigation.

Rationale is provided for all determinations that there is no or negligible interaction and that no further consideration is required.

For those Proposed Project-VC interactions that may result in a potential direct, indirect and induced effects requiring further consideration, the nature of the effects (both adverse and positive) arising from those interactions is described in Section 6.1.5.2 below.

With a few exceptions, economic effects are largely in response to the totality of the Proposed Project, to its location, scale and operational policies and procedures and not to individual project works and activities. Also, unlike environmental effects, where there can be substantive differences between construction and operations phase impacts, most economic impacts occur on a continuum, from the initiation of construction activity through operations. Impacts on individuals, households and communities are a result of the same processes in both phases. For example, employment will begin with the start of construction and continue through operations. Where construction and operation effects are clearly different, these differences are noted in the assessment. However, for many of the effects, the assessment (and associated mitigation) does not always differentiate between project phases. Closure effects are, however, quite distinct from those of construction and operations, and are presented separately.

For a particular aspect of the economic environment to qualify as an “effect”, the aspect must be relevant to the LSA and RSA of influence and there must be a reasonable expectation that the aspect could be meaningfully affected by the Proposed Project. The selection of economic effect categories (and associated assessment indicators) is based on the following:

- Consultation and engagement with a focus on economic issues and concerns identified as being important by individuals and communities;
- Key aspects of the socio-economic environment that are susceptible to change within the spatial context of the Proposed Project;
- The local and regional economic development context; and
- Experience with similar environmental assessments for gravel mining projects.

Table 6.1-14: Project-VC Interaction Table: Sustainable Economy VCs

Project Activities	Labour Market		Regional Economic Development		Local Government Revenue		Real Estate	
	Potential Interaction	Potential Effect / Rationale for Exclusion	Potential Interaction	Potential Effect / Rationale for Exclusion	Potential Interaction	Potential Effect / Rationale for Exclusion	Potential Interaction	Potential Effect / Rationale for Exclusion
Construction								
All	●	Construction activities would generate direct, indirect and induced employment opportunities and potentially affect labour market balance.	●	Demand for goods and services, corporate procurement policies and procedures, value of Proposed Project procurement would generate contract opportunities for supplier industries and businesses.	●	Employment, capital expenditures and tax payments during construction would generate tax revenues for local government. Use of local infrastructure for construction activities will temporarily increase demand local services and infrastructure, potentially affecting government expenditures.	●	Construction activities would generate effects on noise, air quality and visual resources, and thereby potentially affect financial values of real estate adjacent to the Proposed Project.
Operations								
All	●	Operational activities would generate direct, indirect and induced employment opportunities and potentially affect labour market balance.	●	Demand for goods and services, corporate procurement policies/procedures, value of Proposed Project procurement would generate contract opportunities for supplier industries and businesses.	●	Employment, operating expenditures and tax payments during construction would generate tax revenues for local government. Use of local infrastructure for operational activities may temporarily increase demand for local services and infrastructure, potentially affecting government expenditures.	●	Operational activities would result in a change in land use and zoning of the Proposed Project property and would generate effects on noise, air quality and visual resources, and thereby potentially affect financial values of real estate adjacent to the Proposed Project.

Project Activities	Labour Market		Regional Economic Development		Local Government Revenue		Real Estate	
	Potential Interaction	Potential Effect / Rationale for Exclusion	Potential Interaction	Potential Effect / Rationale for Exclusion	Potential Interaction	Potential Effect / Rationale for Exclusion	Potential Interaction	Potential Effect / Rationale for Exclusion
Reclamation and Closure								
All	○	Mine reclamation and closure would end employment opportunities and labour income generation from the Proposed Project, but not below baseline conditions.	○	Mine reclamation and closure would reduce Proposed Project expenditures on goods and services, but not below baseline conditions.	○	Mine reclamation and closure would likely result in Proposed Project site re-zoning and lower property tax payments, but not below baseline conditions.	○	Mine reclamation and closure would result in cessation of noise, air effects. Visual disturbance effects will be managed through reclamation landscaping and re-vegetation. The improved aesthetic qualities of the Property would likely have a positive effect on nearby property use and value.

Notes:

- = Potential effect of Proposed Project activity on VC is positive, none or negligible; no further consideration warranted.
- = Potential effect of Proposed Project activity on VC that may require mitigation or benefit enhancement; warrants further consideration.

6.1.5.2 Potential Project-Related Effects

The following sections summarize the potential effects of the Proposed Project on labour market, regional economic development, local government revenue and real estate during the construction, operation, and remediation closure phases of the Proposed Project.

6.1.5.2.1 Labour Market

Construction and Operations

This section presents estimates of the direct, indirect and induced employment opportunities that the Proposed Project is expected to generate in the LSA and in the province. As well, this section presents a comparison of Proposed Project labour requirements with labour supply in the LSA to assess the expected employment and labour market effects of the Proposed Project in the local area.

Direct employment, indirect employment and induced employment are defined as:

- Direct employment - workers required to build and operate the Proposed Project;
- Indirect employment - workers associated with production of goods and services consumed in Proposed Project construction and operation (direct supply) plus workers in upstream businesses making goods and services (indirect supply) used in the production of the direct supply goods and services; and
- Induced employment - workers associated with the consumer or household spending of the wages and incomes earned in Proposed Project-associated direct and indirect employment.

Table 6.1-15 shows the estimated employment of the Proposed Project for the construction phase, an estimated total of 119 jobs in B.C. over the up to 2-year construction phase (an average of approximately 60 jobs per year).⁹ The Proposed Project's construction is estimated to generate 40 direct jobs, and these are largely going to be located on-site (i.e. within the LSA).

In general, the potential labour supply for the Proposed Project comprises those workers with the required skills and occupational training and this labour supply may be drawn from residents living close by the Proposed Project, as well as persons throughout B.C. and Canada. However, most on-site direct employment and the projected LSA indirect and induced employment is foreseen as being drawn from the LSA's pool of labour. The available labour supply in the LSA is expected to be sufficient in terms of numbers and skills; this result is expected because of the smaller scale of the Proposed Project and the largely non-specialized skill requirements. No in-migration to the LSA is anticipated for either the Proposed Project's construction or operations work.

⁹ Jobs represent an annual count of employment. For each industry, they are based on the wages paid and hours spent on the job by a typical worker in the industry. For an industry where most employees work full-time, the numbers will be very similar to full-time equivalent (FTE) job counts. However, in an industry where part-time work is more common, the job counts will be for one person working part-time for one year.

Most of the other employment associated with the Proposed Project in B.C. is anticipated to be located in Metro Vancouver and no in-migration to Metro Vancouver or the rest of B.C. is expected in connection with this Proposed Project associated employment.

Of the total of 40 direct construction jobs, approximately 26 jobs are anticipated to be filled by Sunshine Coast residents, representing 65% of total employment, with the remainder expected to be filled by residents of Metro Vancouver. There would be an estimated 12 jobs in site preparation, 25 jobs in equipment installation and 3 jobs in engineering. There were close to 100,000 construction workers in the SCRCD and Metro Vancouver in 2011, and all but approximately 1,500 were based in Metro Vancouver (Section 6.1.4.1.1).

The actual number of jobs and residency of workers filling these Project construction positions would depend on the selection of the contractors that BURNCO (the proponent) secures to build the Proposed Project, including constructing buildings and the jetty and installing capital equipment.

Within B.C., the Proposed Project's spending on materials, goods and services to help construct the new aggregate mining, processing and transport facilities is expected to support a total 65 indirect jobs. These positions would be in supplier industries in B.C. (mainly in manufacturing, wholesale trade and professional, scientific and technical service industries). Only 5 indirect jobs are anticipated at this juncture to be located in the LSA and filled by LSA residents. The employment impact at the indirect level for the LSA (SCRCD) is anticipated to be low (compared to Metro Vancouver) because the goods and services supply base for industrial construction projects in the SCRCD is relatively small and because of the SCRCD's proximity to Metro Vancouver and its well-developed supply base for major construction projects. Water taxi and certain other services are expected to be sourced from within the SCRCD to assist with Project construction.

Major pieces of the Proposed Project's capital equipment are anticipated to be made outside of B.C. and therefore would not have an impact on the B.C. economy other than through potential in-province sales and services arrangements (employment effects outside of B.C. are not shown in Table 6.1-15).

The household spending of the Proposed Project's direct and indirect employment in B.C. is anticipated to support an estimated 14 jobs of induced employment, mainly in the finance, insurance, and real estate (FIRE), retail trade and accommodation and food services sectors. Four induced jobs are currently anticipated to be located in the LSA and filled by LSA residents. The induced impact is a function of the combined impact of direct and indirect employment. Although a majority of the direct employment is expected to be sourced from the LSA, a minority of the induced employment is expected to be located in the LSA because the bulk of the indirect employment is seen as being based in Metro Vancouver, mainly, and elsewhere in B.C. Local induced employment is also affected by leakage of household spending to Metro Vancouver.

The direct job estimate for the construction phase was provided by BURNCO and is based on its financial and engineering estimates. The number of jobs supported in supply and other industries in the LSA and B.C. by Proposed Project expenditures was estimated with the B.C. I-O Model, which traced the Proposed Project's construction phase expenditures through the local and B.C. economies. Table 6.1-15 presents the job estimates for direct, indirect and induced employment that would be generated during construction within the LSA (i.e., SCRCD) and the province.

Table 6.1-15: Estimated Employment (no. of jobs), Construction Phase

Area	Direct	Indirect		Induced		Total Employment	
	LSA	LSA	Total B.C.	LSA	Total B.C.	LSA	Total B.C.
Employment	40 (located in LSA) 26 (filled by LSA residents)	5	65	4	14	49 (located in LSA) 35 (filled by LSA residents)	119

Source: Author's calculations and British Columbia Input-Output Model customized simulation conducted by B.C. Stats (B.C. Stats 2013b).
Note: Assumes a social safety net is in place.

Given the proximity of the main *Skwxwú7mesh* Nation communities on the North Shore to the Proposed Project via water taxi from Horseshoe Bay and the type of construction and environmental monitoring that will occur in the Proposed Project Area, there are likely to be opportunities for employment and services provision for interested and qualified *Skwxwú7mesh* Nation members and businesses.

Annual direct labour needs to run the new aggregate operation are expected to be an estimated 14 jobs, and these are largely going to be located on-site (i.e., within the LSA). There is anticipated to be 10 jobs in operations, 2 in administration and 2 part-time jobs. Within B.C., the Proposed Project's spending on materials, goods and services to operate the new aggregate mining, processing and transport facilities is expected to support 70 indirect jobs. These positions would be in supplier industries in B.C. (mainly in the transportation and warehousing, utilities, mining, wholesale trade and manufacturing industries).

As with construction, most indirect economic activity associated with the Proposed Project is likely to be based in Metro Vancouver; about 16 indirect jobs would be LSA-based, about 23% of the total indirect employment supported in B.C. by Proposed Project expenditures.

The household spending of the Proposed Project's direct and indirect labour is anticipated to support an estimated 15 jobs of induced employment in the province (mainly in the finance, insurance, and real estate (FIRE) sector, retail trade and accommodation and food services sectors). The induced employment impact correlates with the location of the direct and indirect employment, and as a result, approximately 5 induced employment jobs in the LSA would be supported on an annual basis by the household spending of the Proposed Project direct and indirect labour.

The direct job estimate was provided by BURNCO and the indirect and induced estimate was developed through the application of the B.C.I-O Model to Proposed Project expenditures. Table 6.1-16 presents the job estimates for direct, indirect and induced employment that would be generated during operations within the LSA (i.e., SCRCD) and the province.

Table 6.1-16: Estimated Annual Employment (no. of jobs), Operation Phase

Area	Direct	Indirect		Induced		Total Employment	
	LSA	LSA	Total B.C.	LSA	Total B.C.	LSA	Total B.C.
Employment	14 (located in LSA) 12 (filled by LSA residents)	16	70	5	15	35 (located in LSA) 33 (filled by LSA residents)	99

Source: Author's calculations and British Columbia Input-Output Model customized simulation conducted by B.C. Stats (B.C. Stats 2013b).
Note: Assumes a social safety net is in place.

In general, the annual average figure for the operation phase can be viewed as the number of long-term jobs that will be generated through the operation of the new aggregate mine and processing facility, i.e., although individuals may leave a direct, indirect or induced position an open position will be filled by another worker. It can be said there would be an estimated 99 long-term jobs in B.C. and 35 long-term jobs in the LSA (SCRD) associated with the new aggregate mine and processing facility (Table 6.1-16).

These Proposed Project-associated labour demand changes are predicted to generate a beneficial effect on employment in the LSA during the construction and operation phases. The potential beneficial effect of a change in employment due to Proposed Project construction and operation is carried forward to the benefits enhancement section.

The Proposed Project's effects on the local labour markets would depend on the capacity of the local labour force to meet local labour demand while the overall labour market in the LSA stays in balance (i.e., labour market balance). Labour force capacity is dynamic, especially in the construction sector, in that there are high levels of both hiring and worker separations, including workers quitting, being laid-off and retirements (this process is called worker reallocation), and changes in labour market attachments. A factor in local capacity is the number of qualified unemployed persons within an LSA community in excess of a 5.0% natural rate of unemployment.¹⁰ The local unemployment rate during the construction and operations phases would depend on the then current state of the local and regional economies. The baseline information shows an overall current (November 2014) unemployment rate of 6.0% in Metro Vancouver. An estimate for the current rate in the SCR D is 7.0%. The difference between this figure and a 5.0% natural rate of unemployment amounts to over 14,000 available workers in Metro Vancouver and the SCR D, with approximately 300 of these workers residing in the SCR D. Only a portion of these job seekers would be qualified for direct construction or operations employment, but there would be Proposed Project-associated indirect and induced employment positions requiring lower qualifications. An

¹⁰ The natural rate of unemployment is the level of unemployment in an economy that is operating at full capacity and its wage increases are gradual and not inflationary. There is unemployment in this scenario because of the time required to find a job, some job seekers will hold out for a higher wage or a certain job and some persons are unwilling to move to accept new employment for a variety of reasons. The Conference Board of Canada (2007) estimated the natural rate of unemployment in Ontario as 5.2%. A common indicator to establish a balanced labour market on an economy-wide basis is the unemployment rate. The Alberta Government has put forth an unemployment rate of 5% as indicating a "balanced labour market"; 4.5% to 5% indicating a "tight labour market"; and less than 4.5% as indicating a "labour shortage" (Labour Force Planning Committee 2001). This level of 5% is based on the overall economy, and not focused on a single sector. The natural rate of unemployment provides a guide as to when an economy is in a tight labour market situation but other labour market factors, such as part-time employment rates, participation rates and worker reallocation rates, are also considerations in determining available labour market capacity to adjust to incremental labour demand.

estimated total of 33 long-term jobs that are connected to the Proposed Project are expected to be filled by Sunshine Coast residents during its operation phase.

Labour force attachment is another factor that affects labour force capacity. There are persons who share some characteristics of the unemployed but do not fit all the criteria in order to be classified as such. A minority but a large segment of the employed workforce has only part-time employment. The part-time employment rate in the Lower Mainland was 20% in 2013 Statistics Canada (Statistics Canada 2014). Based on this rate, there were approximately 255,000 part-time workers in the Lower Mainland in 2013. Within this segment are part-time workers who want full-time work and are available to do so and offer additional labour market capacity in the LSA. As the unemployment rate declines, which is forecasted to occur, over the 2014 to 2018 period, part-time workers will gain full-time employment, which is a mechanism within the labour market that eases the pressures on higher labour demand.

In terms of labour market capacity in the LSA, there are also persons available to work but not seeking work (such as discouraged workers and recently retired workers) and persons seeking work but not immediately available (which is the smallest segment).

There is a general consensus that labour markets are tightening in B.C. and that certain regions and occupations are likely to experience imbalances when the major projects begin to come on stream until the labour demands from these projects diminish in the early 2020's (Central 1 Credit Union 2014a). As well, local labour market conditions are foreseen as tightening (Central 1 Credit Union 2014b). A "shortage" does not mean that job openings will necessarily go unfilled, but rather that open positions for occupations experiencing low unemployment rates will require a longer time to fill, that there may be upward pressure on wages and salaries for these occupations, and that employers may have to change how they operate, such as substituting capital or technology for labour, and/or reducing their production or services (Antunes 2013).

Based on foreseen labour supply and capacity conditions in the LSA, there is expected to be sufficient capacity within the LSA labour force to meet BURNCO's hiring demand for labour during both construction and operation phases. Even assuming relatively low future unemployment rates in the SCRCD and Metro Vancouver construction industries, there is ample labour supply to fill the expected direct labour demands of the Proposed Project over its up to two year duration. In the event that constraints in sourcing labour from the LSA become evident, then BURNCO is expected to augment the local labour supply through additional recruitment from labour pools in Metro Vancouver.

For the reasons described above, there will be a negligible effect on labour market balance in the LSA due to the Proposed Project's construction and operations activities as sourcing of labour in the LSA for the Proposed Project is maximised while not putting the labour market in the LSA out of balance, and where some Proposed Project direct labour requirements would be sourced through non-local recruiting, and by enhancing local skills profiles and labour participation rates in the LSA. The negligible effect on labour market balance in the LSA due to Proposed Project construction and operation is not carried forward for mitigation.

Reclamation and Closure

Once the mine site is remediated and closed, all Proposed Project-related employment and income generating benefits would cease as conditions revert to their pre-Proposed Project conditions. Shutting production and dismantling of the facilities at the Proposed Project site would not result in a reduction of employment opportunities in the LSA below existing conditions. Compared to existing conditions, no adverse effects on the labour market in the LSA are likely to result from the Proposed Project during the reclamation and closure phase.

6.1.5.2.2 Regional Economic Development

Construction and Operations

This section presents an estimate of the materials, goods and services supply opportunities expected to be generated by the Proposed Project in total and in the province and a comparison of the Proposed Project's materials, goods and services supply requirements with the business capabilities and capacity in the LSA. As well, this section assesses the economic diversification implications of the Proposed Project and its consistency with local economic development plans.

During construction, total expenditures on goods and services by BURNCO are expected to be \$21.5 million¹¹. Of this total, \$5.3 million is expected to be spent on goods and services from other provinces, \$5.6 million on goods and services from other countries, and \$260,000 on goods withdrawn from inventories. Total direct expenditures from the Proposed Project accruing to suppliers of B.C. produced goods and services would be approximately \$8.3 million during construction, and approximately \$13.0 million per year during operations. In total, there would be close to \$170 million in direct spending on materials, goods and services produced in B.C. These figures are based on the goods and services produced in B.C. and Proposed Project spending that has an economic impact in the province.

The capacity of businesses in the SCRD to offer goods and services to support Proposed Project construction would determine the proportion of direct spending captured in the local economy. While the SCRD has some potential suppliers, such as water taxi services and certain retail and wholesale services, there are relatively few industrial construction projects undertaken on the Sunshine Coast and the nearby Metro Vancouver economy has extensive capabilities and experience with larger and industrial construction endeavours. The proximity of the Proposed Project Area to the communities of the SCRD presents a competitive opportunity for local suppliers but the limited number of suppliers and their capabilities would present competitive challenges when larger and established suppliers are in Metro Vancouver.

Among industries directly supplying goods and services purchased by the Proposed Project during construction, spending on professional, scientific and technical services is anticipated to account for an estimated \$2.1 million. This would be primarily for engineering, project management and environment management and monitoring services. The next largest spending impact in B.C. would be for manufactured goods and equipment, at about

¹¹ Estimates of Project spending and revenues of suppliers are presented in 2012 constant dollars.

\$2.0 million. Spending on operating, office, cafeteria and lab supplies (mainly parts and maintenance supplies) is estimated to be \$1.9 million, while spending on wholesale trade services would account for about \$1.7 million.

Of the \$13.0 million used to purchase goods and services annually during operations, \$2.0 million is expected to be spent on goods and services imported from other parts of Canada, and \$1.7 million on goods and services from other countries. Total direct expenditures from the Proposed Project accruing to suppliers and contractors in B.C. would be about \$9.3 million per year.

During operations, the Transportation and Warehousing sector is expected to experience the largest effect relative to other direct suppliers (\$4.4 million per year), followed by the Utilities sector (\$1.3 million per year). Another \$17.7 million in indirect and induced output is estimated per year of operation.

Effects to regional economic development in the LSA due to Proposed Project spending on goods and services are considered to be beneficial in the operation phase. This potential beneficial effect of a change in goods and services supply opportunities due to Proposed Project construction and operation is carried forward to the benefits enhancement section.

The household spending of the Proposed Project's direct and indirect labour would provide another goods and services supply opportunity for businesses. This opportunity would be mainly tied to the direct construction and operations employment that resides in the SCRDC as indirect employment tied to the Proposed Project is seen as limited in the SCRDC due to the region's modest goods and services capabilities for industrial projects. Induced output over the up to 2 year construction phase is expected to be an estimated \$1.9 million in the province and about \$0.8 million in the LSA. The LSA's average annual induced output in the operation phase is anticipated to be approximately \$0.75 million and \$2.1 million in the province as a whole.

The same industries will be the main induced output earners for both construction and operation phases and across activities, and they are anticipated to account for approximately 60% of induced output. The Finance, Insurance and Real Estate sector is no. 1, followed by Retail Trade, Accommodation and Food Services, Manufacturing and Information and Cultural Industries.

Proposed Project effects to regional economic development in the LSA based on incremental household spending by Proposed Project associated direct and indirect employment are considered to be beneficial in the construction and operation phases.

When operational, the Proposed Project would add to the diversification of the SCRDC economic base. In recent years, the area has lost some goods producing and specifically primary industries employment (Central 1 Credit Union 2014a). The increase in employment would be relatively small, 14 jobs added to a base of primary industries employment of approximately 700.

Proposed Project effects to regional economic development in the LSA based on contributing to the diversification of the local economy are considered to be beneficial in the operation phase.

The Proposed Project incorporates extraction, processing and barging of aggregate products to existing facilities owned and operated by the Proponent in either Burnaby or Langley along established barge shipping routes and marine navigation channels. The Proponent will manage the Property as private forest lands and will accommodate other industrial or transportation use, along with the needs of neighboring property owners including B.C.TS for

access to Crown lands in upper portions of the watershed, B.C. Hydro for access to the existing transmission line right-of way and Fortis B.C. to support maintenance of the existing natural gas pipeline in the upper portions of the watershed. At the end of the Proposed Project's life span, the Proponent will maintain ownership and manage long-term stewardship for forest, fisheries, wildlife, and water resources on the Property.

In broad terms, based upon the Proposed Project's location in Area F, which is also the location of the local area's largest private sector employer, Howe Sound Pulp and Paper, the Proposed Project will be consistent with the goal and directions of the 2004 economic development strategic plan for the Gibsons area to target primary processing industries.

The Proposed Project Property is currently zoned by the SCR D as rural land use (RU2 Zone). Through an application to the SCR D, BURNCO is seeking to rezone the property to industrial use (I5 Zone) to allow for a sand and gravel processing facility (Sunshine Coast Regional District 2013e).

Proposed Project effects to regional economic development in the LSA based on consistency with local economic development plans are considered to be beneficial in the operation phase.

Reclamation and Closure

Once the mine site is remediated and closed, almost all Proposed Project-related spending on goods and services, either directly by BURNCO or through the household spending of direct and indirect employees would cease as conditions revert to their pre-Proposed Project conditions. Shutting production and dismantling of the facilities at the Proposed Project site would not result in a reduction of goods and service supply opportunities in the LSA below existing conditions. Compared to existing conditions, no adverse effects on regional economic development in the LSA are likely to result from the Proposed Project during the reclamation and closure phase.

6.1.5.2.3 Local Government Revenue

Construction and Operations

This section presents an assessment of incremental expenditures expected to be incurred and revenues expected to be earned by municipal and regional district governments in the LSA due to the Proposed Project.

Increases in local government expenditures during construction and operation phases are expected to be minimal as BURNCO would provide its own water and waste disposal. BURNCO holds a water licence from Harlequin Creek for potable water and all household and industrial solid waste would be barged off-site and disposed of in an approved landfill facility. Increase in demand on services and infrastructure due to Proposed Project-induced population growth can affect local government expenditures. As the Proposed Project is not expected to affect population growth, an increase in such expenditures is not anticipated (see Volume 22, Part B - Section 7.1 of this EA for more information on Social Conditions).

The Proposed Project would be subject to property taxation based upon SCR D requisitions. The change in property tax revenues due to the Proposed Project would be based on the change in the Property's assessment class and the enhancement of the assessed value of the Property through the change in the Property's use and

the construction of aggregate extraction, processing and transport facilities on the Property.¹² The Property consists of four parcels and they are assessed as managed forest (Class 7). When operating, the Property would be assessed as light industry (Class 5), which is typically subject to higher tax rates. For example, the tax rate in 2014 is 4.3445 for the SCRD's electoral area tax versus 3.8334 for managed forest. From a local perspective, the Property is subject to the aforementioned electoral area tax, and defined service area taxes for regional planning, regional recreation, animal control and Sunshine Coast Hospital. In addition there would be property taxation by the Province of B.C. for school (a 2014 rate of 6.000) and general purposes (a 2014 rate of 2.9100).

At this juncture, neither the Sunshine Coast nor Town of Gibsons has instituted a Municipal and Regional District Tax on Accommodation.

The assessed value of the Property for 2014 totalled approximately \$628,800, which reflects current use as a managed forest and property tax payments for 2014 totalled \$6,319.¹³ At the start of operations, the Property's assessed value would increase markedly due to the change in use and addition of improvements. The actual assessed value at that point would be subject to confirmation through a valuation conducted by B.C. Assessment. The payments of property taxes to the SCRD and the Province of B.C. would be much higher for the Property as a result of the change in assessment class to light industry and the rise in assessed value based on the use for aggregate extraction and processing.

As a result of negligible incremental expenditures by local governments in the LSA and Proposed Project associated increases in regional district property tax revenues, Proposed Project effects on local government revenue are considered to be beneficial in the construction and operation phases.

Reclamation and Closure

Once the mine site is remediated and closed, all Proposed Project-related beneficial effects on the government revenues would cease as conditions revert to their pre-Proposed Project conditions. Shutting production and dismantling of the facilities at the Proposed Project site would not result in a reduction of local government revenue in the LSA below existing conditions. Compared to existing conditions, no adverse effects on local government revenue in the LSA are likely to result from the Proposed Project during the reclamation and closure phase.

6.1.5.2.4 Real Estate

Construction and Operations

This section presents an assessment of the change in value of real estate in the LSA as a result of changes in land use, air quality, noise and visual aesthetics associated with Proposed Project activities and infrastructure.

According to the Canadian Institute for Environmental Law and Policy, there is evidence to suggest that properties located next to aggregate extraction sites experience lower property values (than similar properties not located next to aggregate extraction sites), but "proving this conclusively is challenging due to the wide range of factors that may potentially reduce property values" (Canadian Institute for Environmental Law and Policy 2011). Real

¹² There are four individual parcels and one foreshore tenure that together comprise the Property.

¹³ The shown assessed value is the aggregated value for the four individual parcels and one foreshore tenure.

estate values are subject to supply and demand factors from the national, provincial, regional, local and site levels. For example, national macro-economic factors effect both short- and long-term housing price movements, including interest rates, credit availability, land prices, the unemployment rate, and mortgage regulation changes (TD Economics 2013). Over the last two decades in Canada, the drop in interest rates has allowed the average household to carry larger mortgages, which has been an important driver of rising housing prices in Canada and in B.C. (TD Economics 2014). In addition to economic trends, values are influenced by a number of different housing characteristics, including size, location, age, condition, and number of bathrooms (Sirmans & Macpherson 2003). Recreational property is also a niche market; as recreational properties are not a necessity, the market is more sensitive to economic conditions and recreational properties can be more difficult to sell during an economic downturn than a property in an urban area (Vancouver Sun 2011). Weak economic growth since the 2008 has led to lower recreational housing demand on the Sunshine Coast (Central 1 Credit Union 2014a). The size of the recreational property market is also smaller, and families with children and couples between the ages of 40 and 60 comprise the majority of the recreational property demand in the Sunshine Coast. Water-access only properties are also generally less valuable than similar land-access properties within the Sunshine Coast (Royal LePage 2013).

Studies specific to the effects of mining on property values show a wide range of effects and, generally, that the magnitude of effects are site-specific in nature. For example, a 2006 paper reported that a residential property located a half mile from a gravel mine would experience an estimated 20% reduction in value (Erickcek 2006). In contrast, a 2002 study on the impact of longwall coal mining on property values found that while there was a correlation between distance and assessed property values, the actual sale prices were not influenced by proximity (Kern et al. 2002). Other studies on the effect of industrial projects on property values also show significant variability for similar projects at similar distances (Cambridge Econometrics et al. 2003; Hoen et al. 2013). Site-specific factors that may influence the level of impact include size of a project (Ready 2008), age (Cambridge Econometrics et al. 2003), consumer preference (Heintzelman and Tuttle 2011), and/or quality of operation (Bouvier et al. 2000). Residents living in close proximity to aggregate extraction operations were most likely to identify noise, dust and vibration as impacts of concern (Canadian Institute for Environmental Law and Policy 2011).

Based on the above research, the distance of the Proposed Project to nearby properties, the development context in which the Proposed Project and nearby properties are located (e.g., rural/undeveloped/greenfields versus urban/developed/brownfields), potential effects (actual and/or perceived) of the Proposed Project on air quality, noise and visual aesthetics, and environmental integrity are taken into consideration to qualitatively assess potential Proposed Project effects on real estate as described below.

McNab Creek Strata is located in a relatively remote area of Howe Sound with a history of nearby forestry activity. Since 1900, the surrounding area and larger McNab Valley has been periodically and historically subject timber harvesting, log transport and silviculture activities. Just north of the Proposed Project Property, logging is currently active within McNab Valley.

The northern boundary of the Proposed Project Area is situated about half a kilometer from the McNab Creek Strata lots. The Proposed Project will operate five days per week on a year round basis once construction is completed. Proposed Project construction and operations would alter the current land use of the Property and entail industrial activities that are incremental to the forestry activities that intermittently take place in the McNab

Valley, along the road that parallels the Proposed Project Areas' southern boundary and at the water dump to the south of the Property.

Expected changes in air, noise and visual qualities due to the Proposed Project are summarised in Table 6.1-17. These changes would alter the current environmental character of the Property and its surrounding area, including the McNab Creek Strata property, through changes to existing noise, air quality and visual resource conditions, but residual air and noise emissions associated with the Proposed Project are not anticipated to change air quality and noise conditions to the extent that they exceed government regulatory standards. Screening by natural vegetation on the McNab Creek Strata lots and the Property is expected to shield the majority of McNab Creek Strata residences from having a view of either the Proposed Project's facilities or activities. An estimated six of the 16 residences are expected to be able to see the Proposed Project's marine facilities and buildings near the Property's foreshore.

The change in land use on the Property based on its proximity to the McNab Creek Strata lots and the change in noise, air quality and visual resource conditions could result in an adverse effect on potential buyers' perceptions of the real estate values of some or all of the McNab Creek Strata lots and residences. Perceived (not actual) environmental changes in environmental conditions due to quarry construction and/or operations could also adversely affect McNab Creek Strata real estate values. The full dimensions of the real estate value effect on the McNab Creek Strata lots and residences cannot be quantifiably predicted at this time however as there are no recent marketplace price changes or market price comparable in the Howe sound area that are based on similar circumstances. A moderate adverse effect on McNab Creek Strata real estate is predicted due to an unquantified negative effect on real estate values resulting from the changed land use on the Proposed Project site and small changes in noise, air quality and the visual resource due to the Proposed Project.

Table 6.1-17: Summary of Noise, Air Quality and Visual Resource Effects

Issue	Potential effects at McNab Creek Strata lots and residences
<p>Volume 2, Part B - Section 5.2 Air Quality</p>	<ul style="list-style-type: none"> The air quality assessment predicts that (when coupled with a background particulate concentration) particulate matter predicted concentrations do not exceed ambient air quality standards at the McNab Creek Strata lots and residences.
<p>Volume 2, Part B - Section 7.4 Visual and Aesthetics Resources</p>	<ul style="list-style-type: none"> The results of landscape modeling indicate that the marine loading and barge features located in the foreshore area would be visible from approximately six homes located in the southern portion of the McNab Creek Strata. Visibility of Proposed Project features from the northern portion of the McNab Creek Strata would be restricted due to vegetation screening.
<p>Volume 2, Part B - Section 9.2 Noise</p>	<ul style="list-style-type: none"> The baseline daytime average noise level recorded near the McNab Creek Strata was 40 decibels (dBA) without forestry activities and 43 dBA with forestry activities¹⁴. During construction of the barge load jetty and new dock facilities, noise levels are predicted to be above 50.0 dBA at all of the McNab Creek Strata residences with the exception of one residence. The highest noise level anticipated to be 53.9 dBA at two of the McNab Creek Strata residences. Pile driving is anticipated to take approximately two weeks to complete. Noise levels during construction of the McNab Creek Flood Protection Dyke near McNab Creek would cause noise levels to peak at over 47.0 dBA at two residences, but will range between 43.0 dBA and 47.0 dBA at other locations. Other construction phases are anticipated to result in noise levels at or below 45.0 dBA for all residences. When operations begin, the Proposed Project would increase noise levels to between 47.0 dBA and 48.0 dBA, with the exception of one residence that would remain below 45.0 dBA. In years 10 and 12 of operations (when the clamshell dredge is expected to be closest to the McNab Creek Strata), noise levels would reach a high of 48.7 dBA at one of the McNab Creek Strata residences. During these years of operation, 11 residences would have noise levels over 48.0 dBA, 3 residences over 47.0 dBA, and 1 residence below 45.0 dBA. Health Canada's high annoyance criterion estimates the percentage of residents that would be highly annoyed by a project's noise. The construction and operational noise effects of the Proposed Project indicate that the Proposed Project would be below the 6.5% highly annoyed threshold of this Health Canada criterion.¹⁵ More qualitatively, a change of between 3 and 5 dBA is considered to be perceptible to the human ear (Minnesota Pollution Control Agency 1999), and as such there would be perceptible changes at some of the McNab residences during construction and operations.

¹⁴ A noise level of 40.0 dBA is equivalent to the noise level found in a library, 50.0 dBA is comparable to background noise in a suburban area while 60.0 dBA is similar to a busy office environment. Changes in noise levels of 3-5 dBA are perceptible to humans (Cowan 1994).

¹⁵ The Project's effects on noise were rated as negligible with respect to the BC Oil and Gas Commission and Health Canada standards. The SCRDP Noise Control Bylaw specifies that no person or property owner should be responsible for noise or sound which disturbs the quiet, peace, rest, enjoyment, comfort or convenience of any person in the neighbourhood or vicinity. It also specifies construction and machine noise must be limited to the hours of 7 a.m. to 9 p.m., or 7 a.m. to 6 p.m. on holidays. As construction and operation activities for the Project will occur during daytime hours only and the Project meets the BC Oil and Gas Commission and Health Canada standards, it is concluded that the noise bylaw will be satisfied.

Reclamation and Closure

The final site reclamation will include a ground-and-surface water fed pond at the former quarry site, and the surrounding areas reclaimed by contouring the landscapes and planting vegetation, including trees. Once reclamation is complete, BURNCO will maintain ownership and manage long-term stewardship for forest, fisheries, and wildlife and water resources of the Property. The improved aesthetic qualities of the Proposed Project Area would not adversely affect the use and real estate values of McNab Creek Strata real estate.

6.1.5.3 Mitigation and Benefit Enhancement

The following mitigation is presented to mitigate potential adverse Proposed Project-related effects and enhance positive effects to Sustainable Economy VCs. Measures proposed to mitigate potential social effects is presented in Table 6.1-18.

The mitigation strategy outlined below forms the basis for the commitments that the Proposed Project is making with respect to sustainable economy. A detailed list of all commitments of the Proposed Project are provided in Volume 3, Part F – Section 19.

6.1.5.3.1 Labour Market and Regional Economic Development

As discussed in Sections 6.1.5.2.1 and 6.1.5.2.2, a beneficial Proposed Project effect is predicted for the local labour market and regional economic development during the construction and operation phases. BURNCO will implement the following measures in order to enhance economic benefits generated by the Proposed Project for local residents and businesses within the LSA:

- Hiring policies and practices to support local employment:
 - Communicate employment requirements to local and First Nations residents to assist them in accessing opportunities;
 - Actively seek to identify, recruit, employ and retain available local First Nations persons;
 - Consider qualified local and regional residents for employment opportunities; and
 - Include local and First Nations content as a consideration in the awarding of contracts.
- Policies and practices to support local procurement:
 - Communicate contract and procurement requirements to local businesses to assist them in accessing opportunities;
 - Compile and update inventories of existing and potential regional and local suppliers of goods and services to the Proposed Project; and
 - Use regional and locally based suppliers when their products and services meet BURNCO criteria of time sensitivity, scale of operations and productivity, cost competitiveness, quality, quantity, safety, technical, professional capability, financial capacity, community effect, and past work history.

6.1.5.3.2 Real Estate

Mitigation measures, including any standard operating practices as well as management practices or measures developed to specifically avoid or reduce the potential adverse effects of the Proposed Project on real estate are described in this section. Each mitigation measure is described below and is summarized in Table 6.1-18.

As discussed, other sections of the EA assess potential effects and describe mitigation measures that are relevant to the assessment of effects on and consideration of mitigation measures for real estate. These include the following:

- Volume 2, Part B - Section 5.2: Air Quality;
- Volume 2, Part B - Section 7.4: Visual and Aesthetics Resources; and
- Volume 2, Part B - Section 9.2: Noise.

To help offset the anticipated negative effect on real estate values, BURNCO will offer owners of McNab Creek Strata real estate the option to access B.C. Hydro electricity service. McNab Creek Strata real estate owners currently do not have access to B.C. Hydro electricity service. Certain McNab Creek Strata owners use fossil fuel fired generators to provide their electricity. These generators create noise and air emissions. In order to access electricity for the Proposed Project, BURNCO will explore electricity distribution infrastructure and apply for a suitable interconnection to the B.C. Hydro 138 kV transmission line that traverses the Proposed Project Area. Based upon agreement of McNab Creek Strata, BURNCO is prepared to study the feasibility of extending access to this cleaner, quieter and more efficient energy to the boundary of McNab Creek Strata. If an interconnection is feasible, strata owners would need to arrange to install suitable infrastructure within the strata to connect their residences to this electrical service.

BURNCO will allow special access to certain parts of BURNCO's private property to residents of McNab Creek Strata. These areas will be outside of the active mine site and specific access arrangements will be developed and agreed upon through further discussions between BURNCO and McNab Creek Strata residents.

As well BURNCO is committed to ongoing engagement with McNab Creek Strata residents regarding issues of benefit and concern, including implementation of these and potentially other mitigation measures. As part of the Air Quality and Dust Control Management Plan outlined in Volume 3, Part E - Section 16.0, an ongoing process will be established for identifying and addressing the concerns about air quality of McNab Creek Strata residents.

Table 6.1-18: Identified Mitigation and Benefit Enhancement Measures: Sustainable Economy

Potential Effect	Mitigation and Benefit Enhancement Measures	Anticipated Effectiveness
Construction and Operations		
<p>Labour Market - employment and income generating opportunities for local residents</p>	<ul style="list-style-type: none"> ▪ Local hiring and procurement policies and practices. 	<p>Proposed Project effects are positive and therefore no residual adverse effects are anticipated.</p>
<p>Regional Economic Development – goods and services business and contracting opportunities for local businesses</p>		
<p>Local Government Revenue – local and regional governments would receive taxes and fees in association with construction and operation of the Proposed Project</p>	<ul style="list-style-type: none"> ▪ No mitigation required. 	
<p>Real Estate – reduced value of McNab Creek Strata real estate</p>	<ul style="list-style-type: none"> ▪ Implement noise, visual resource and air quality mitigation measures. ▪ Explore electricity distribution infrastructure and apply for a suitable interconnection to the B.C. Hydro 138 kV transmission line in order to potentially offer access to B.C. Hydroelectricity service to McNab Creek Strata real estate owners. If this electricity service is realized for strata owners then reliance on generators would be diminished along with their associated noise and air emissions. ▪ Implementation of an Access Management Plan (Volume 3, Part E - Section 16.0) to provide special access to certain parts of BURNCO's private property pursuant to discussions between BURNCO and strata residents on access arrangements. ▪ Ongoing engagement with McNab Creek Strata residents regarding issues of benefit and concern. 	<p>It is not possible at this stage of Proposed Project development to determine if the proposed mitigation measures will fully offset the anticipated negative effects on real estate values of McNab Creek Strata real estate. At a minimum, they are expected to partially offset the identified adverse effect.</p>
Reclamation		
<p>Labour Market</p>	<p>No mitigation required.</p>	<p>No adverse residual adverse effects anticipated.</p>
<p>Regional Economic Development</p>		
<p>Local Government Revenue</p>		
<p>Real Estate</p>		

6.1.5.4 Residual Effects Assessment

Potential Proposed Project-related residual effects have been characterized using the criteria for each VC identified in Table 6.1-3. As indicated in Section 6.1.5.2.4, there is the potential for the Proposed Project to affect marketplace values of McNab Creek Strata real estate. The characterization of potential residual effects (i.e., following application of appropriate mitigation measures) is described below and presented in Table 6.1-19 and the likelihood of the occurrence of the residual effects is presented in Table 6.1-20.

There are a number of factors that contribute to the determination of property values, ranging from broad economic forces to various site specific considerations. However, the values of McNab Creek Strata real estate may be adversely affected by the Proposed Project construction and operations (similarly during both Proposed Project phases) due to the change in land use on the Property and perceived and/or actual changes to the environmental setting, including general integrity of the natural environment and more specifically, changes in air quality, noise emissions and visual resources. While it is anticipated that proposed mitigation will help offset Proposed Project effects on property values by adding features that likely enhance their real estate value, especially access to B.C. Hydro electricity service and elimination of the use of fossil fuel fired generators, it is not known at this juncture of Proposed Project development if these measures either singly or in combination would fully offset the unquantified adverse effect.

Post-mitigation, the magnitude of the adverse effect in qualitative terms is expected to be low (and possibly negligible). The effect on real estate would be local, medium-term in duration (i.e., for the life of the Proposed Project), rated as low reversibility (i.e., any reduction in property values could be reversed once Proposed Project operations and reclamation are completed) and continuous in nature throughout Proposed Project construction and operations. The social context within which the effect would take place is rated as moderate, as the effect occurs in a remote environment where some human development and landscape disturbance has previously occurred and is evident, indicating resiliency with respect to the overall magnitude of property value change.

The likelihood of an adverse residual Proposed Project effect on real estate was deemed to be low because, neither the Proposed Project effect on real estate values nor the effectiveness of mitigation measures can be accurately quantified at this juncture. The proposed mitigation measures have the potential to offset, at least, to a low level the anticipated negative effect of the Project (absent mitigation) on real estate value. This magnitude rating of low was based on a literature review of the effects of quarry and other mining projects on property values, an understanding of the cost of accessing B.C. Hydro electricity service in the vicinity of the McNab Creek Strata and professional judgement.

Table 6.1-19: Characterization of Potential Project-Related Residual Effects: Sustainable Economy VC – Real Estate

Potential Residual Effect	Residual Effect Assessment Criteria					
	Social Context	Magnitude	Geographical Extent	Duration	Reversibility	Frequency
Construction						
Construction activities would generate effects on noise, air quality and visual resources, and thereby potentially affect financial values of real estate adjacent to the Proposed Project Area.	MR	L	L	MT	FR	C
Operation						
Operational activities would result in a change in land use and zoning of the Proposed Project property and would generate effects on noise, air quality and visual resources, and thereby potentially affect financial values of real estate adjacent to the Proposed Project Area.	MR	L	L	MT	FR	C
Reclamation and Closure						
None						

Assessment Criteria:

Context: S-Sensitive, MR-Moderately Resilient, R-Resilient

Magnitude: N – Negligible, L – Low, M – Moderate, H – High;

Geographic Extent: L – Local, R – Regional, BR – Beyond Regional;

Duration: ST – Short-term, MT – Medium-term, LT – Long-term;

Reversibility: FR - Fully Reversible, PR - Partially Reversible, IR - Irreversible;

Frequency: O – Once, C-Continuous, P-Periodic

Table 6.1-20: Likelihood of Occurrence of Potential Residual Effects: Sustainable Economy

VC	Potential Residual Effect	Likelihood	Rationale
Construction			
Real Estate	Construction activities would generate effects on noise, air quality and visual resources, and thereby potentially affect financial values of real estate adjacent to the Proposed Project Area.	L	Research evidence indicating residential properties located within 0.8 km of an operating gravel quarry would experience reduction in property values. Unquantified beneficial effect of proposed mitigation measures on marketplace values of McNab Creek Strata real estate.
Operations			
Real Estate	Operational activities would result in a change in land use and zoning of the Proposed Project property and would generate effects on noise, air quality and visual resources, and thereby potentially affect financial values of real estate adjacent to the Proposed Project Area.	L	Research evidence indicating residential properties located within 0.8 km of an operating gravel quarry would experience reduction in property values. Unquantified beneficial effect of proposed mitigation measures on marketplace values of McNab Creek Strata real estate.
Reclamation and Closure			
None			

Assessment Criteria: Likelihood: L – Low, M – Moderate, H – High

6.1.5.5 Significance of Residual Effects

The significance of potential residual adverse effects will be determined for each VC based on the residual effects criteria and the likelihood of a potential residual effect occurring, a review of background information and available field study results, consultation with government agencies, First Nations, and other experts, and professional judgement.

The determination of significance of residual adverse effects is rated as negligible-not-significant, not significant, or significant, which are generally defined as follows:

- Negligible-Not Significant: The basis for determining that effects are negligible will be provided in the Application for each VC. Negligible effects will not be carried forward to the cumulative effects assessment
- Not significant: Effects determined to be not significant are residual effects greater than negligible that do not meet the definition of significant. Residual effects that are not significant will be carried forward to the cumulative effects assessment.
- Significant: The basis for determining that a residual effect is significant will be provided in the Application for each VC. Significant residual effects will be carried forward to the cumulative effects assessment.

Detailed rationale for significance determinations is provided below.

A summary of significance determinations is presented in Table 6.1-21. Detailed rationale for significance determinations is provided below.

Table 6.1-21: Significance of Potential Residual Effects: Sustainable Economy

VC	Potential Residual Effect	Significance	Rationale
Construction			
Real Estate	Construction activities would generate effects on noise, air quality and visual resources, and thereby potentially affect financial values of real estate adjacent to the Proposed Project Area.	Not significant	Overall, the effect on marketplace values of McNab Creek Strata real estate was rated as not significant after mitigation based on the following: <ul style="list-style-type: none"> ▪ The adverse effect is expected to be of low magnitude; ▪ Social context is viewed as moderately resilient; and ▪ The effect is local and fully reversible upon Proposed Project closure in approximately 18 years (2 years of construction plus 16 years of operation).
Operations			
Real Estate	Operational activities would result in a change in land use and zoning of the Proposed Project Property and would generate effects on noise, air quality and visual resources, and thereby potentially affect financial values of real estate adjacent to the Proposed Project Area.	Not significant	Overall, the effect on marketplace values McNab Creek Strata real estate was rated as not significant after mitigation based on the following: <ul style="list-style-type: none"> ▪ The adverse effect is expected to be of low magnitude, and possibly less; ▪ Social context is viewed as moderately resilient; and ▪ The effect is local and fully reversible upon Proposed Project closure in approximately 18 years (2 years of construction plus 16 years of operation).

6.1.5.6 Level of Confidence

The level of confidence of predicted residual effects is provided in Table 6.1-22. The prediction confidence of the assessment on each VC is based on scientific information and statistical analysis, professional judgement and effectiveness of mitigation (rated as High confidence, Moderate confidence, and Low confidence).

Table 6.1-22: Level of Confidence in Potential Residual Effect Predictions: Sustainable Economy

Potential Residual Effect	Level of Confidence (LOC) in Residual Effect Prediction	LOC Rationale
Construction		
Construction activities would generate effects on noise, air quality and visual resources, and thereby potentially affect financial values of real estate adjacent to the Proposed Project Area.	Moderate	<ul style="list-style-type: none"> ▪ Effects analysis relied upon secondary research on correlation between mining projects/industrial developments and effects on property values. A quantitative property valuation study was not carried out. ▪ There is high level of uncertainty with respect to how the local recreational property market would respond to the Proposed Project effects on McNab Creek Strata real estate. ▪ Significance of the Proposed Project effects on real estate are reliant upon the perceptions and values of McNab Creek Strata residents (as made evident through Proposed Project consultation) with regards to their interpretation of actual effects and their economic significance.
Operations		
Operational activities would result in a change in land use and zoning of the Proposed Project property and would generate effects on noise, air quality and visual resources, and thereby potentially affect financial values of real estate adjacent to the Proposed Project Area.	Moderate	<ul style="list-style-type: none"> ▪ Effects analysis relied upon secondary research on correlation between mining projects/industrial developments and effects on property values. A quantitative property valuation study was not carried out. ▪ There is high level of uncertainty with respect to how the local recreational property market would respond to the Proposed Project effects on McNab Creek Strata real estate. ▪ Significance of the Proposed Project effects on real estate are reliant upon the perceptions and values of McNab Creek Strata residents (as made evident through Proposed Project consultation) with regards to their interpretation of actual effects and their economic significance.

6.1.5.7 Cumulative Effects Assessment

Cumulative effects result from interactions between Proposed Project-related residual effects and incremental effects of reasonably foreseeable projects and activities. Potential effects from past and present projects were assessed as part of the baseline conditions. Cumulative effects assessment methodology is described in Volume 2, Part B - Section 4.6.

6.1.5.7.1 Cumulative Effects Assessment Boundaries

As described in Section 6.1.3.2, the spatial boundary of the cumulative effects assessment for effects on the Real Estate VC is defined as the RSA, and includes the properties on the west side of Howe Sound in the vicinity of Thornbrough Channel, including McNab Creek Strata and the west side of Gambier Island.

Projects that overlap with the cumulative effects assessment boundary are shown on Figure 4-6 in Volume 2, Part B – Section 4.0.

6.1.5.7.2 Residual Effects Considered in Cumulative Effects Assessment

While no cumulative effects on air quality or noise are predicted, there is the potential for cumulative visual effects to create a cumulative effect on the real estate values of residential properties located at McNab Creek Strata and on the northern end of Gambier Island in the RSA.

Negligible residual effects were not carried through to the cumulative effects assessment as they are not considered measurable or are within natural variability and are therefore unlikely to interact cumulatively with other reasonably foreseeable projects. The residual effect for the real estate VC in the cumulative effects assessment and the basis for this adverse effect are presented in Table 6.1-23.

Table 6.1-23: Residual Effects Considered in Cumulative Effects Assessment

VC	Residual Effect	Considered in Cumulative Effects Assessment	Rationale
Real Estate	Change in real estate value	Yes	Due to a cumulative adverse effect on visual resources there is a potential cumulative adverse effect on real estate values

6.1.5.7.3 Effects of Other Projects and Activities

A list of certain and reasonably foreseeable projects and activities with potential effects that could interact temporally and/or spatially with Proposed Project-related residual effects are provided in Volume 2, Part B - Section 4.5.5: Table 4-5. Those projects that have the potential to result in a cumulative effect on real estate values are provided in Table 6.1-24. All other projects were not considered to interact with this residual effect because they are not anticipated to create a cumulative effect on the visual resources enjoyed by users of residences located within the RSA (Volume 2, Part B - Section 7.4: Visual Resources).

Table 6.1-24: Potential Incremental Effects of Other Project and Activities on Real Estate

Project	Timeline	Phase of the Proposed Project overlaps with the Proposed Project ¹⁶	Project Description	Rationale
Reasonably Foreseeable Future Projects				
Box Canyon Hydro (Box Canyon Hydro Corp. (Sound Energy Inc.))	Proposed start in 2017.	Construction and Operations	<ul style="list-style-type: none"> ▪ Temporary Use Permit issued in February of 2014 to construct concrete batch plant relating to the construction project. ▪ Planned future run-of-river hydroelectric project with a capacity of 15 MW and proposed start of 2017. ▪ Total project footprint will be 64.5 ha ▪ Electricity Purchase Agreement obtained from BC Hydro 2010 Clean Power Call ▪ Multiple water intakes in three McNab drainages: Box Canyon, Marty, and Cascara creeks are planned with total penstock length of 7,847 m. ▪ All intake water delivered to a powerhouse located on the Banks of McNab Creek ~1250 m upstream in existing cut block. ▪ A 2.8 km 138 kV timber pole overhead line will connect powerhouse to BC Hydro 1L31 138 kV transmission line along the McNab Ck FSR. ▪ Habitat compensation is planned for Box Canyon Creek (possibly Marty and Cascara) in the form of rearing habitat for juvenile Coho salmon and cutthroat trout <p>Website: http://www.elementalenergy.ca/projects/</p>	There is a potential cumulative effect on real estate values in the RSA due to cumulative effects on visual resources from activities related to the Box Canyon Hydro project during its construction and operations.

¹⁶ When timelines are uncertain it was assumed that the Proposed Project would overlap with both construction and operations.

Project	Timeline	Phase of the Proposed Project overlaps with the Proposed Project ¹⁶	Project Description	Rationale
Reasonably Foreseeable Future Activities				
Active and Pending Forest Tenures (Various)	Several. Exact timelines for tenures are unknown.	Construction and operations	Crown component of Timber Harvesting Forestry Land Base in Howe LU is 11,285 of 52,209 total gross hectares.	There is a potential cumulative effect on real estate values in the RSA due to cumulative effects on visual resources from forestry activities.

6.1.5.7.4 Potential Interactions with Other Projects

Interactions between adverse effects from certain or reasonably foreseeable project activities and Proposed Project residual adverse effects that could result in cumulative adverse effects to the real estate VC are summarized in Table 6.1-25.

Table 6.1-25: Activities Considered in the Cumulative Effects Assessment for Real Estate

Activities	Potential Effect	Potential for Interaction of Effects	Rationale
Box Canyon Hydro (Box Canyon Hydro Corp. (Sound Energy Inc.))	Change in real estate value	Y	Potential cumulative adverse effects on visual resources identified (Volume 2, Part B - Section 7.4: Visual Resources), which could create effects on the real estate value of residential properties located in the McNab Creek Strata and on northern Gambier Island.
Active and Pending Forest Tenures (Various)	Change in real estate value	Y	Potential cumulative adverse effects on visual resources identified (Volume 2, Part B - Section 7.4: Visual Resources), which could create effects on the real estate value of residential properties located in the McNab Creek Strata and on northern Gambier Island.

No interaction or not likely to interact cumulatively (N), Yes, Potential cumulative effect (Y),

6.1.5.7.5 Cumulative Effects Related to Risk to Change in Real Estate Value

The Project is not anticipated to have a cumulative effect on either air quality or noise levels with other projects and activities identified in the RSA, but cumulative effects on visual resources may occur for users of the residential properties at McNab Creek Strata and on northern Gambier Island thereby creating a potential cumulative adverse effect on the real estate values of these properties.

As identified in Volume 2, Part B - Section 7.4: Visual Resources, the Box Canyon Hydro Project is located approximately 1,200m northwest of the Proposed Project Area and may be visible from some receptor sites within Thornbrough and Ramilles Channel. Visible features are expected to be small in scale relative to the landscape due to potential viewing angles and distances. Measures described for Proposed Project decommission would likely address potential visual effects related to vegetation clearing with a temporary and negligible adverse change to visual quality. In addition, ongoing forestry activities would create visual effects as a result of removing vegetated land cover during the development of cut blocks and forestry roads and re-planting through the cycles of forest management. The dominant adverse effects would last for approximately 15 to 30 years, until the visual impact of changes to the forest cover is lessened over time through re-planting and natural regrowth of the disturbed areas (Volume 2, Part B - Section 7.4: Visual Resources). The visual effects of log storage tenures are expected to remain consistent with existing activity related to log storage and booming and be confined to the current tenure area (212251), which is located near the Proposed Project.

6.1.5.7.6 Mitigation of Cumulative Effects

No mitigation measures have been identified to address cumulative interactions between the Proposed Project effects and other certain or reasonably foreseeable project activities for the adverse effects on either visual resources (Volume 2, Part B - Section 7.4) or real estate.

6.1.5.7.7 Residual Cumulative Effects and their Significance

Potential residual cumulative effects and their significance were characterized using the same methods that were used to characterize residual effects (see Table 6.1-3) and are summarized in Table 6.1-26.

A driver of the residual cumulative effect on the real estate VC would be visual disturbance generated through forestry activities. However, forestry is a pre-existing, intermittent activity dating back to the early 1900s in the McNab Valley, and changes in forest cover in the RSA over time through forestry activities is in keeping with the current visual character of the RSA. The social context within which the cumulative adverse effect would take place is rated as moderate, as the effect occurs in a remote environment where some human development and landscape disturbance has previously occurred and is evident, indicating resiliency with respect to the overall magnitude of property value change.

The magnitude of the effect on real estate value is determined to be low as no cumulative effects on noise or air quality are anticipated and visual disturbances through forestry activities (that are managed for visual quality objectives on Crown lands) are a longstanding effect in the RSA. Although cumulative effects on visual resources due to forestry activities are anticipated during the Proposed Project's construction and operations stages, the overall visual character of the forest cover landscape in the RSA would be sustained. The cumulative residual effect is regional in extent, and medium-term in duration as the effects would continue throughout the construction and operations phases. The effect is fully reversible through removal of built features and natural regrowth, replanting and green up. Frequency of the change in real estate value is rated as continuous as the Proposed Project associated visual effects would be ongoing. Likelihood of the occurrence of this effect is medium due to level of knowledge about the historical and planned forestry activities in the RSA, and established visual quality objectives for timber harvesting on Crown lands. The confidence level in the anticipated changes in real estate value due to the change in visual resources is rated as moderate based on available information, the use of spatial data and desktop landscape analysis, qualitative assessment of visual impacts and professional knowledge of visual impact assessment.

Table 6.1-26: Summary of Residual Cumulative Effects Characterization for Real Estate

Project-Related Residual Effect	Residual Cumulative Effect Assessment Criteria						Significance	Likelihood	Level of Confidence
	Context	Magnitude	Extent	Duration	Reversibility	Frequency			
Construction									
Change in real estate value.	MR	L	R	MT	FR	C	NS	M	M
Operations									
Change in real estate value.	MR	L	R	MT	FR	C	NS	M	M
Reclamation and Closure									
None									

Assessment Criteria:

Context: S-Sensitive, MR-Moderately Resilient, R-Resilient
 Magnitude: N – Negligible, L – Low, M – Moderate, H – High;
 Geographic Extent: L – Local, R – Regional, BR – Beyond Regional;
 Duration: ST – Short-term, MT – Medium-term, LT – Long-term;
 Reversibility: FR - Fully Reversible, PR - Partially Reversible, IR - Irreversible;
 Frequency: O – Once, C-Continuous, P-Periodic
 Significance: N – Negligible, NS - Not Significant, S – Significant
 Likelihood: L- Low, M - Medium, H – High
 Level of Confidence: L- Low, M - Moderate, H – High

Overall, the cumulative adverse effect on real estate was rated as not significant after mitigation based on the following:

- The adverse effect is expected to be of low magnitude, and possibly less;
- Social context is viewed as moderately resilient; and
- The cumulative effect is fully reversible.

6.1.6 Conclusions

The Proposed Project would have a positive effect on the local and B.C. economy, increasing the demand for goods, services and labour and generating tax revenue for all levels of government. During construction, total expenditures on goods and services by BURNCO are expected to be \$21.5 million¹⁷. Of this total, \$5.3 million is expected to be spent on goods and services from other provinces, \$5.6 million on goods and services from other countries, and \$260,000 on goods withdrawn from inventories. Total direct expenditures from the Proposed Project accruing to suppliers of B.C. produced goods and services would be approximately \$8.3 million during

¹⁷ Estimates of Project spending and revenues of suppliers are presented in 2012 constant dollars.

construction, and approximately \$13.0 million per year during operations. In total, there would be close to \$170 million in direct spending on materials, goods and services produced in B.C.

The Proposed Project would generate 119 jobs over the up to two year construction phase and an annual average of 99 direct, indirect and induced jobs during the operations phase in B.C. A third of the total operations phase jobs are expected to be filled by Sunshine Coast workers.

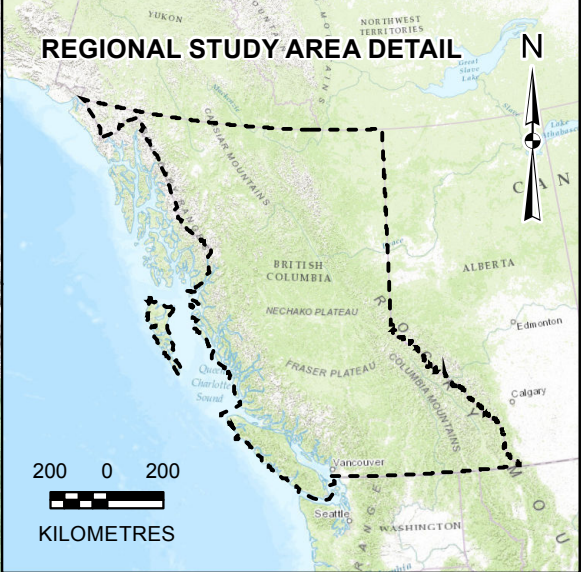
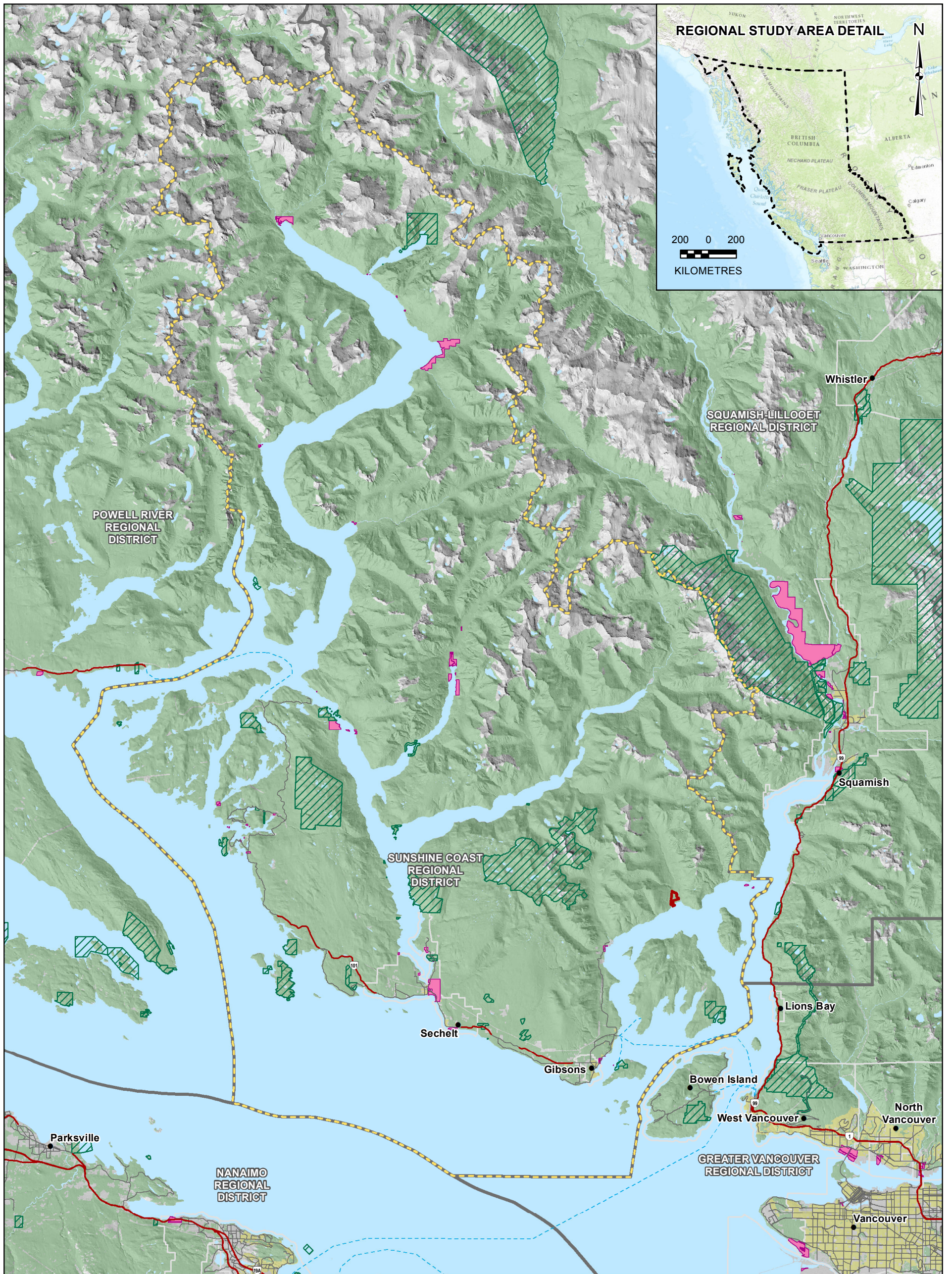
In general, the annual average figure can be viewed as the number of direct long-term jobs that would be generated through the operation of the new sand and gravel extraction and processing operation. An estimated total of 33 long-term jobs that are connected to the Proposed Project are expected to be filled by Sunshine Coast residents during its operation phase.

An estimate for the current unemployment rate in the SCRDC is 7.0%. The difference between this figure and a 5.0% natural rate of unemployment amounts to approximately 300 workers. Based on foreseen labour supply and capacity conditions in the LSA, there is expected to be sufficient capacity within the LSA labour force to meet BURNCO's hiring demand for labour during both construction and operation phases.

At the start of operations, the Property's assessed value would increase markedly due to the change in use and addition of improvements. The actual assessed value at that point would be subject to confirmation through a valuation conducted by BC Assessment. The payments of property taxes to the SCRDC and the Province of B.C. would be much higher for the Property as a result of the change in assessment class to light industry (from managed forest) and the expected rise in assessed value.

McNab Creek Strata is located to the east of McNab Creek, approximately half a kilometre from the northern boundary of the BURNCO property. McNab Creek Strata is a bare land strata and includes 16 lots, as well as 22 ha of adjacent forested land on the hill to the east of McNab Creek. Access is water only to the McNab Creek Strata.

There are a number of factors that contribute to property values, ranging from broad economic forces to various site specific considerations. However, the marketplace values of McNab Creek Strata real estate may be adversely affected by the Proposed Project's construction and operations due to the change in land use on the Property and perceived and/or actual changes to the environmental setting (i.e. changes in air quality, noise emissions and visual resources). While it is anticipated that proposed mitigation will help offset Proposed Project effects on real estate values by adding features that likely enhance their marketplace value, especially access to B.C. Hydro electricity service and elimination of the use of fossil fuel fired generators, it is not known at this juncture of Proposed Project development if these measures either singly or in combination will fully offset the unquantified adverse effect on real estate value.



- LEGEND**
- Project Area
 - Local Study Area
 - Regional Study Area
 - Regional District Boundary (Name)
 - Park / Protected Area
 - Vegetation
 - Residential Area
 - Indian Reserve
 - Highway
 - Road
 - Ferry

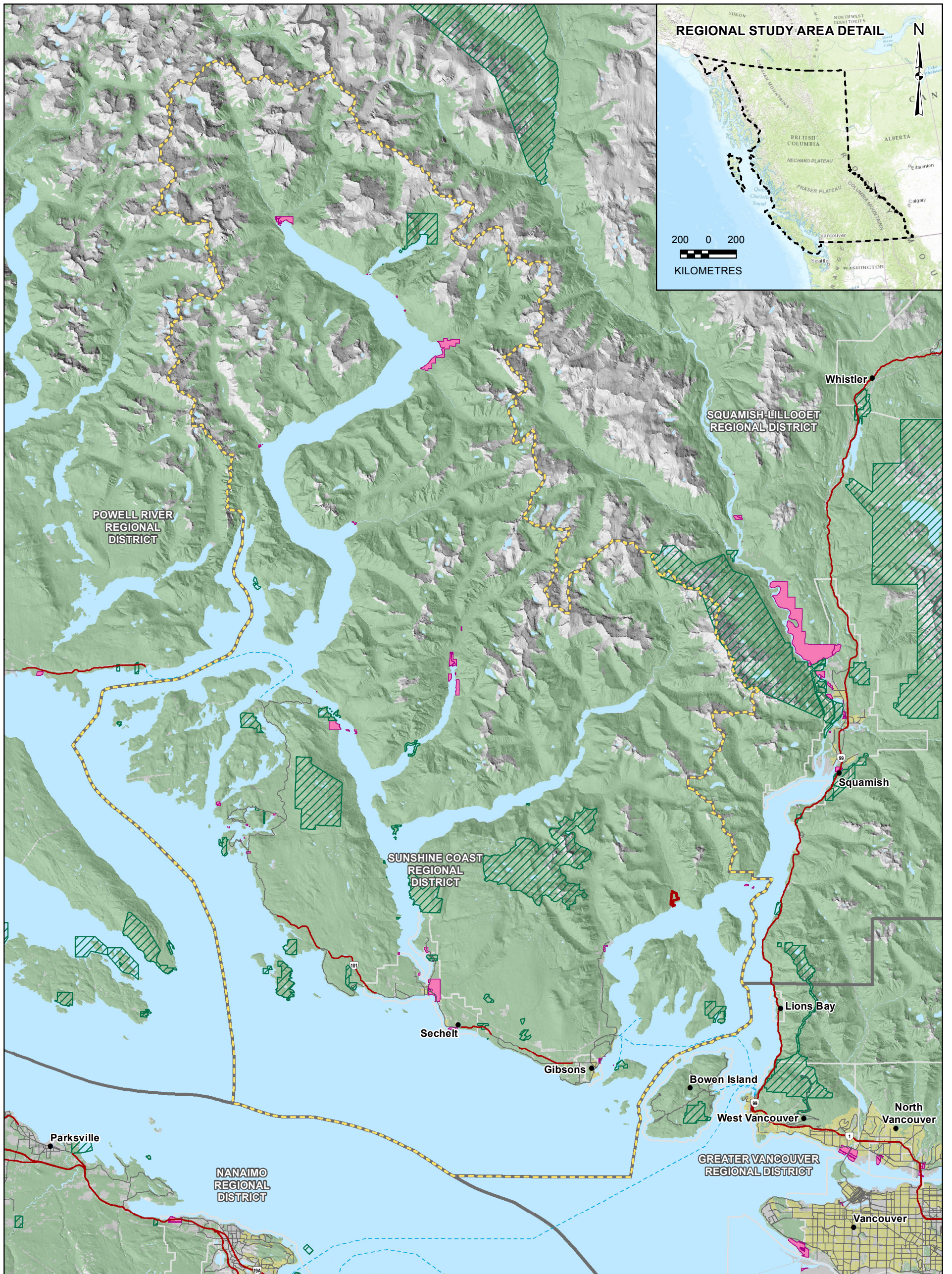
REFERENCE
 Parks/protected areas and regional district boundaries from the Province of British Columbia. Elevation and Indian reserves from Geobase. Base data from CanVec. Projection: UTM Zone 10 Datum: NAD 83



PROJECT		BURNCO ROCK PRODUCTS LTD. BURNCO AGGREGATE PROJECT, HOWE SOUND, B.C.	
TITLE		LABOUR MARKET LSA AND RSA	
	PROJECT NO. 11-1422-0046	PHASE No.	
	DESIGN MD 14 May. 2014	SCALE AS SHOWN	
	GIS DL 09 Mar. 2016	REV. 1	
	CHECK DDB 06 Mar. 2015	FIGURE 6.1-1	
REVIEW RS 06 Mar. 2015			

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Path: X:\Project Data\BC\Nab\Figures\WDX\Land and Resource Use\EA\BURNCO_ECONOMIC_Figure_6.1-2_Regional_Economic_Development_LSA_and_RSA.mxd



LEGEND

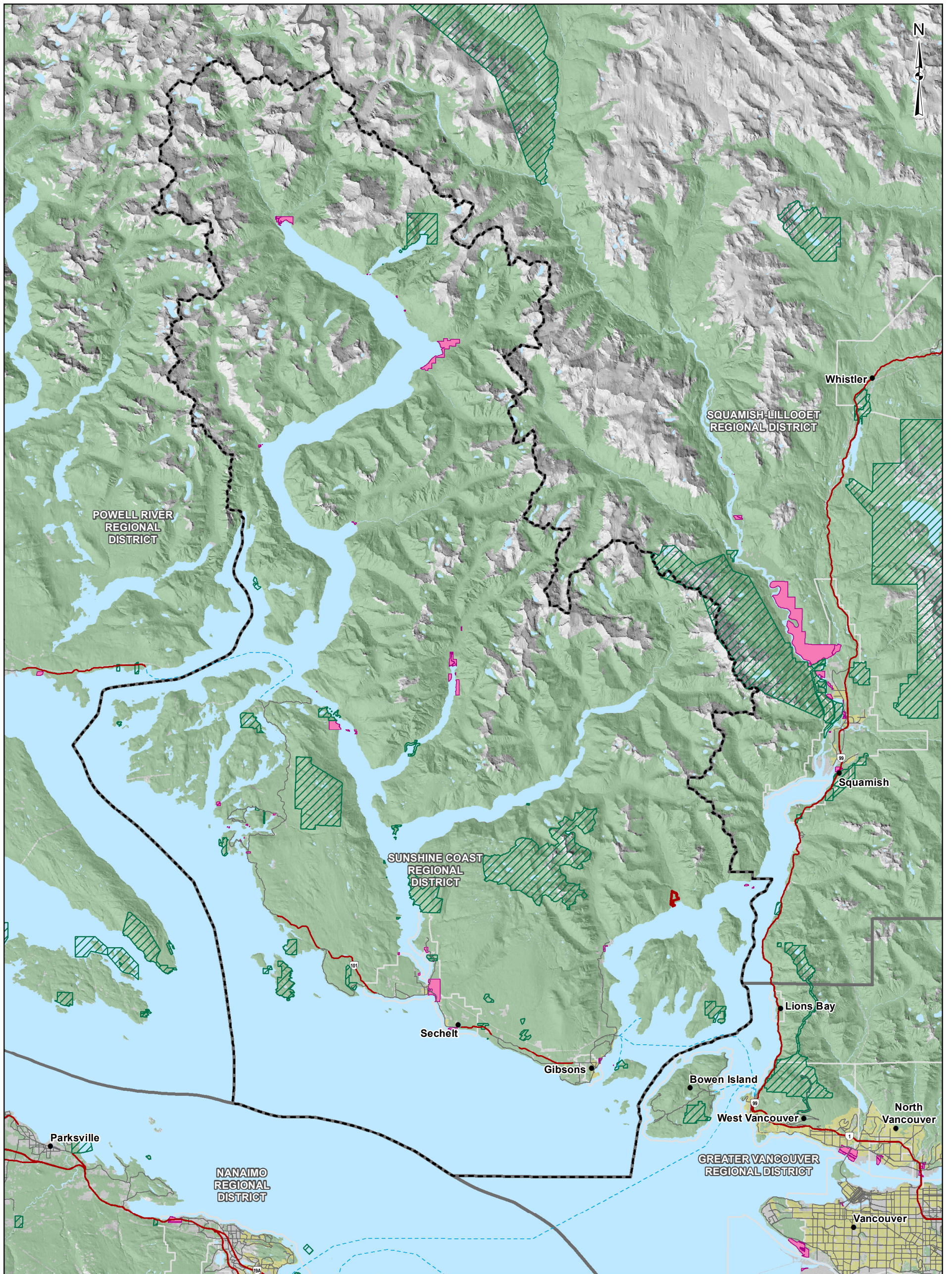
- Project Area
- Local Study Area
- Regional Study Area
- Regional District Boundary (Name)
- Park / Protected Area
- Vegetation
- Residential Area
- Indian Reserve
- Highway
- Road
- Ferry

REFERENCE

Parks/protected areas and regional district boundaries from the Province of British Columbia. Elevation and indian reserves from Geobase. Base data from CanVec. Projection: UTM Zone 10 Datum: NAD 83



PROJECT		BURNCO ROCK PRODUCTS LTD. BURNCO AGGREGATE PROJECT, HOWE SOUND, B.C.	
TITLE		REGIONAL ECONOMIC DEVELOPMENT LSA AND RSA	
	PROJECT NO. 11-1422-0046		PHASE No.
	DESIGN	MD	14 May. 2014
	GIS	DL	09 Mar. 2016
	CHECK	DDB	06 Mar. 2015
REVIEW	RS	06 Mar. 2015	FIGURE 6.1-2

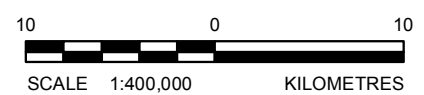


LEGEND

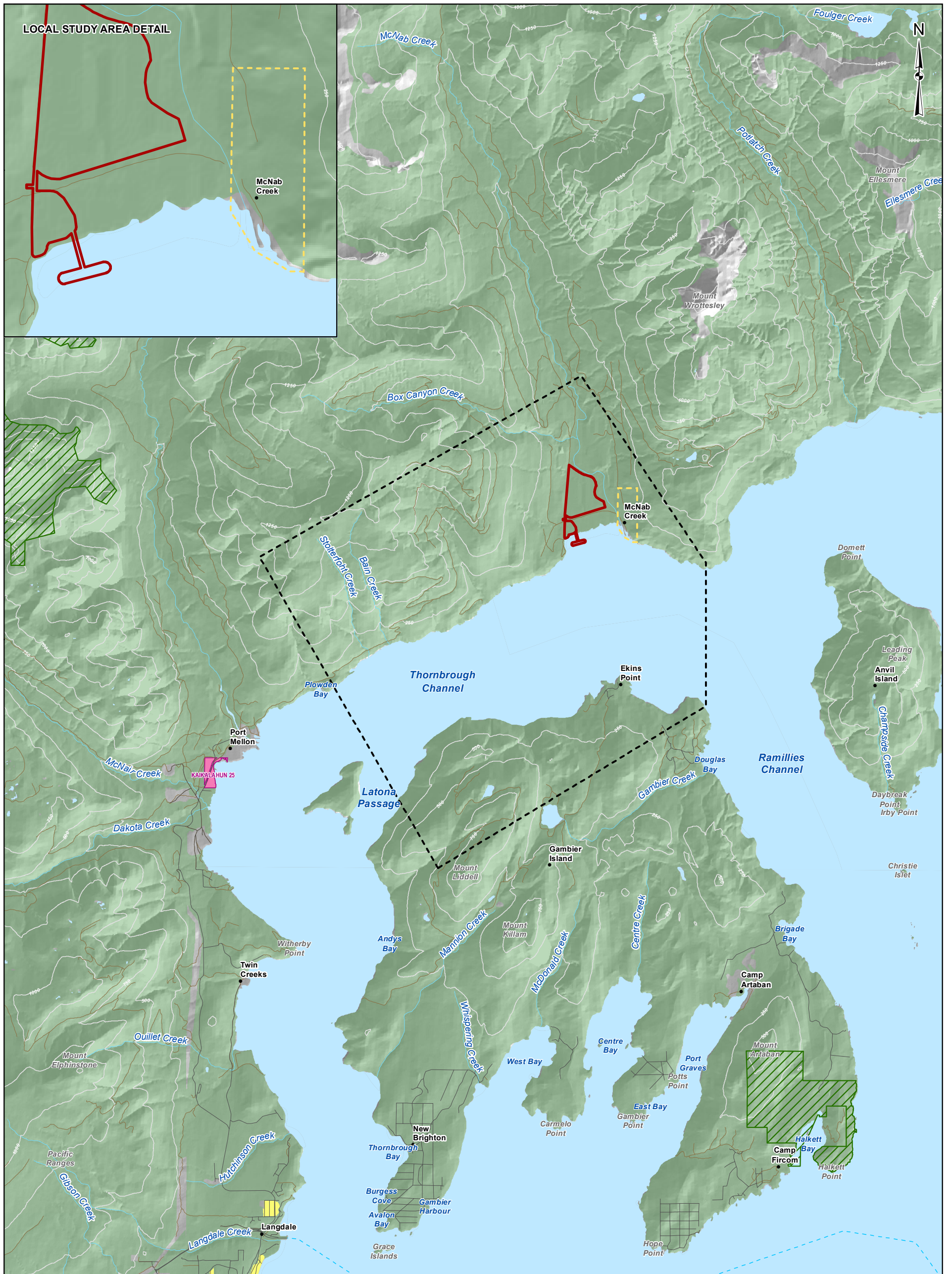
- Project Area
- Local and Regional Study Areas
- Regional District Boundary (Name)
- Park / Protected Area
- Vegetation
- Residential Area
- Indian Reserve
- Highway
- Road
- Ferry

REFERENCE

Parks/protected areas and regional district boundaries from the Province of British Columbia. Elevation and indian reserves from Geobase. Base data from CanVec. Projection: UTM Zone 10 Datum: NAD 83



PROJECT		BURNCO ROCK PRODUCTS LTD. BURNCO AGGREGATE PROJECT, HOWE SOUND, B.C.	
TITLE		LOCAL GOVERNMENT FINANCES LSA AND RSA	
	PROJECT NO. 11-1422-0046		PHASE No.
	DESIGN	MD	14 May. 2014
	GIS	DL	09 Mar. 2016
	CHECK	DDB	06 Mar. 2015
REVIEW	RS	06 Mar. 2015	SCALE AS SHOWN
			REV. 1
			FIGURE 6.1-3

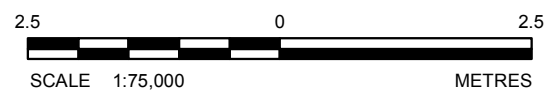


LEGEND

- Project Area
- Local Study Area
- Regional Study Area
- Park / Protected Area
- Vegetation
- Residential Area
- Indian Reserve
- Highway
- Road
- Resource Road
- Railway
- Ferry
- Contour (250m)

REFERENCE

Parks/protected areas from the Province of British Columbia. Elevation and indian reserves from Geobase. Base data from CanVec.
 Projection: UTM Zone 10 Datum: NAD 83



PROJECT	BURNCO ROCK PRODUCTS LTD. BURNCO AGGREGATE PROJECT, HOWE SOUND, B.C.		
TITLE	REAL ESTATE LSA AND RSA		
	PROJECT NO. 11-1422-0046		PHASE No.
	DESIGN	MD	14 May. 2014
	GIS	DL	09 Mar. 2016
	CHECK	DDB	06 Mar. 2015
	REVIEW	RS	06 Mar. 2015
		SCALE AS SHOWN	
		REV. 1	
		FIGURE 6.1-4	