

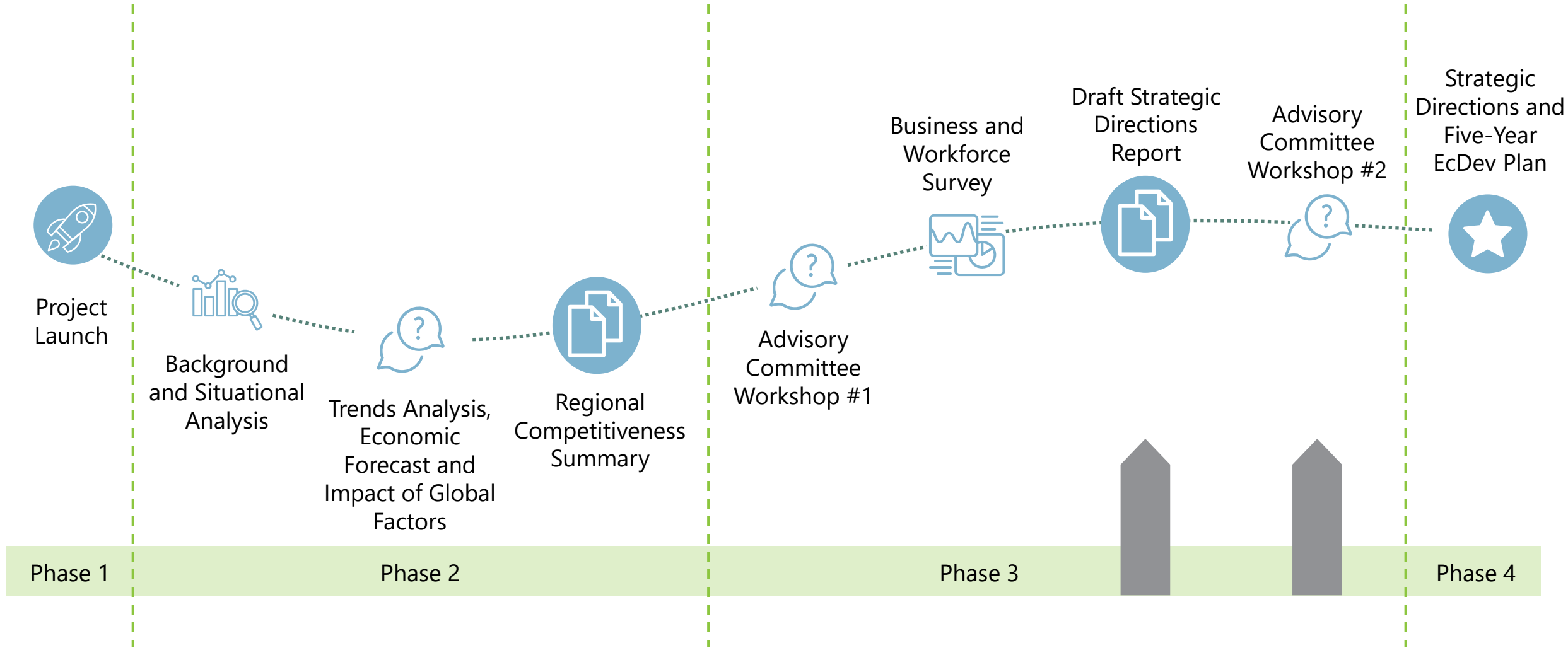


Regional District of Central Okanagan Economic Development Strategy 2025-2030

RDCO Board Presentation

October 24, 2024

Project Overview

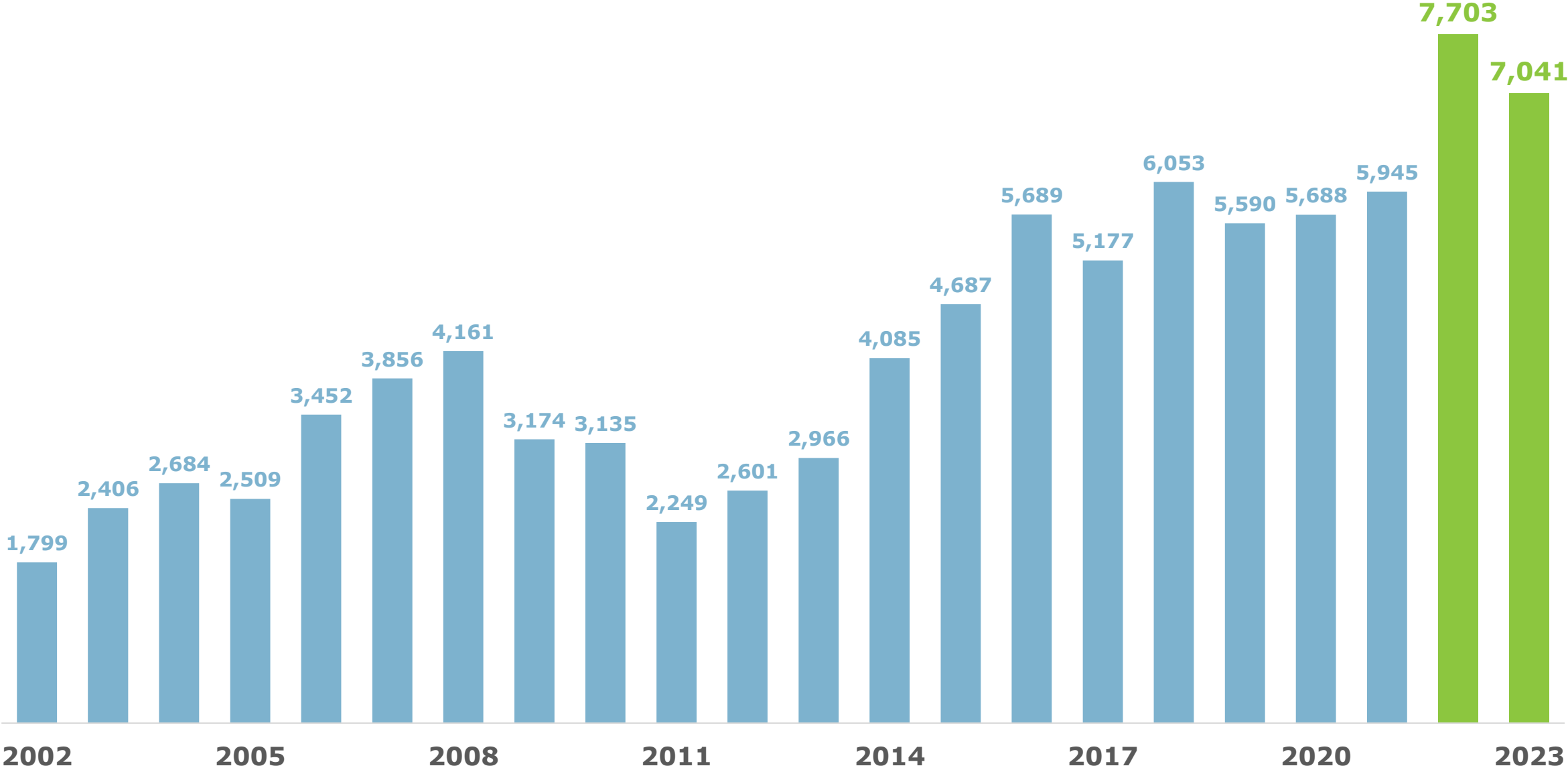




Competitiveness Assessment

Annual Change in Population, Kelowna CMA, 2002-2023

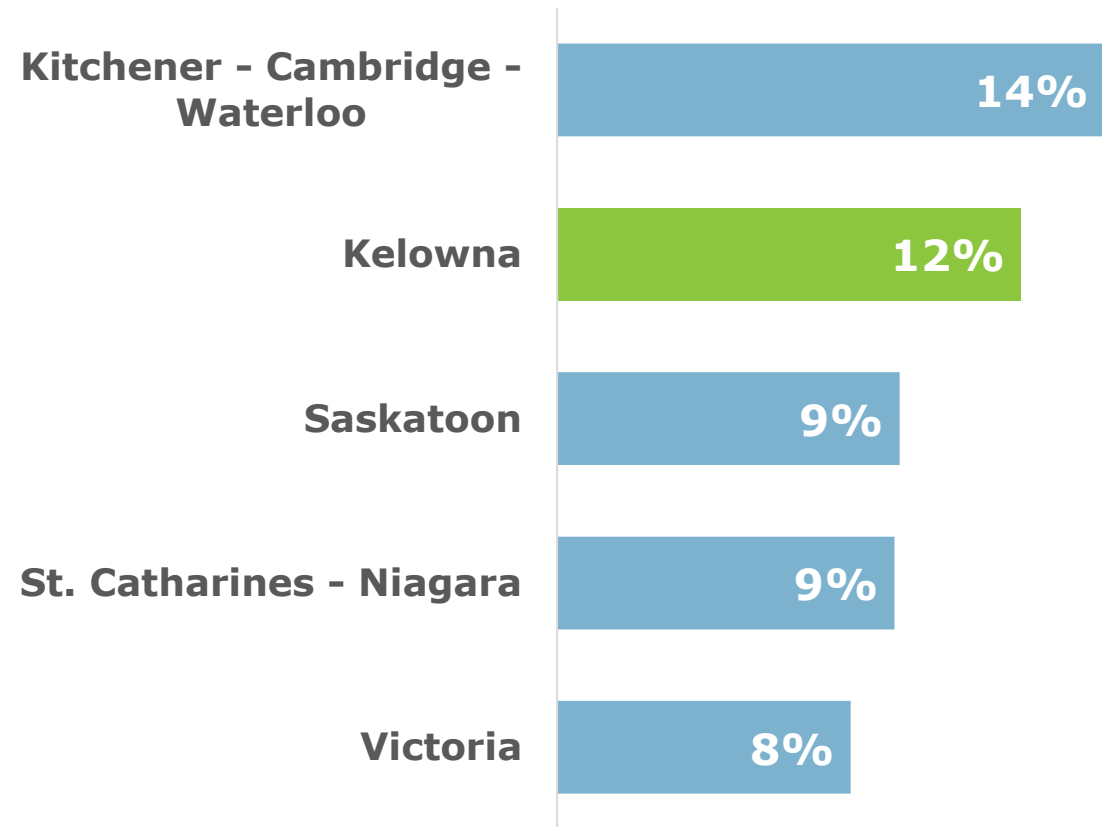
Source: Statistics Canada. Table 17-10-0005-01 Population estimates on July 1, by age and gender



In 2023, the region's population (Kelowna CMA) was estimated at 246,894 people.

Between 2019 and 2023, the region's population grew by 12%; higher than B.C. and Canada.

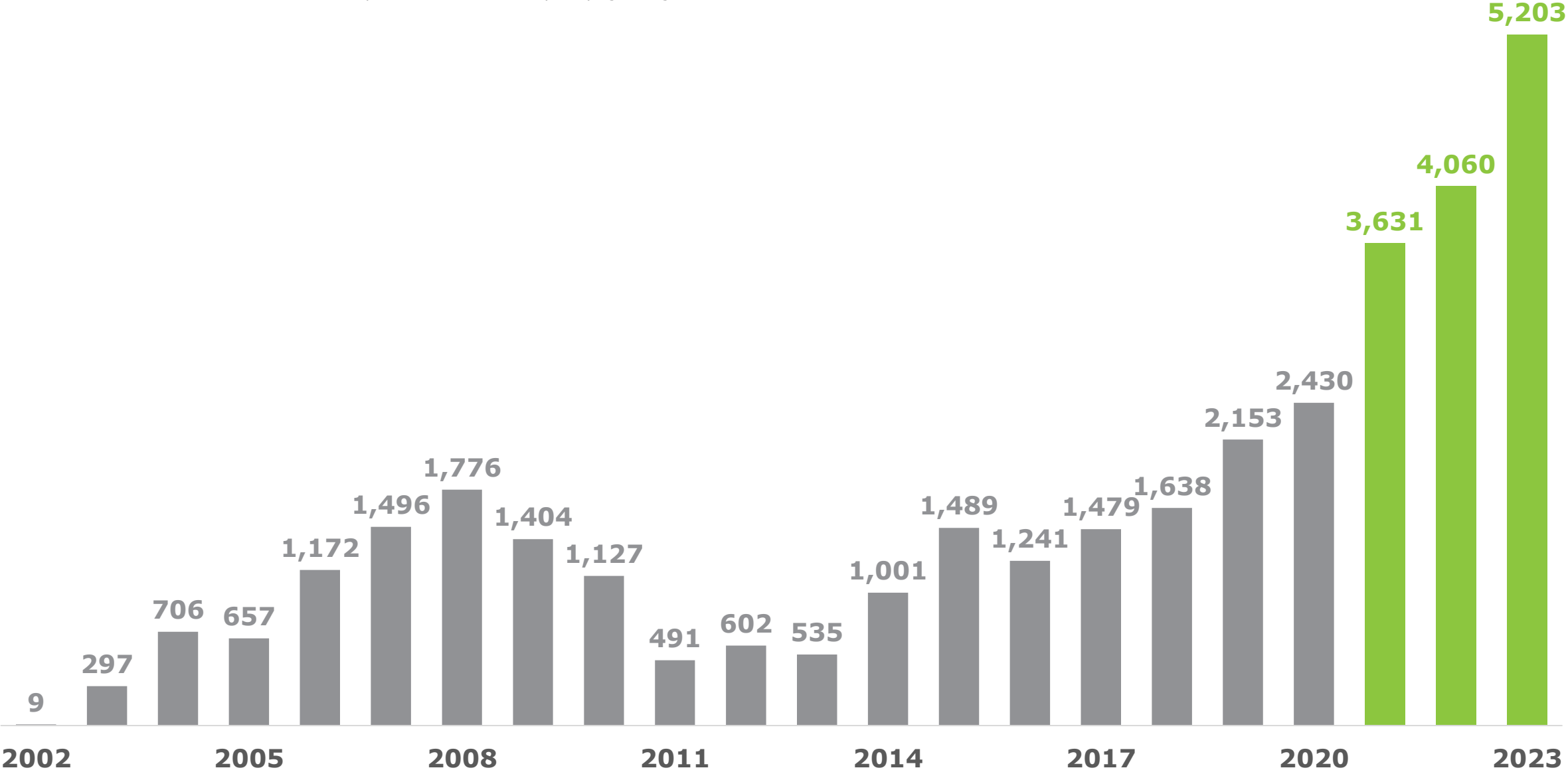
Estimated Population Growth, Comparable CMAs 2019-2023



Source: Statistics Canada. Table 17-10-0005-01 Population estimates on July 1, by age and gender

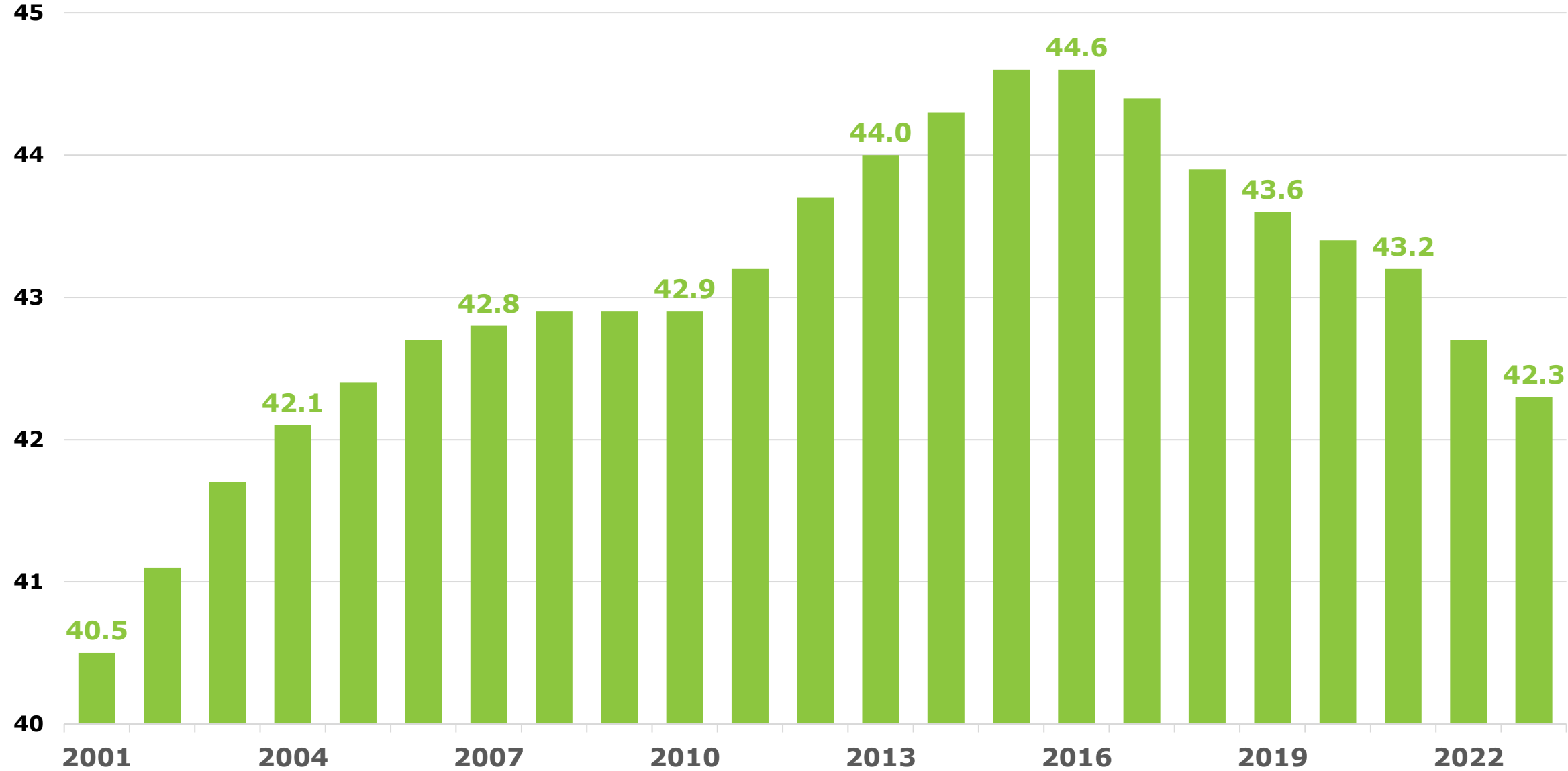
Annual Change in Prime Working-Age Population (25-54), Kelowna CMA, 2002-2023

Source: Statistics Canada. Table 17-10-0005-01 Population estimates on July 1, by age and gender



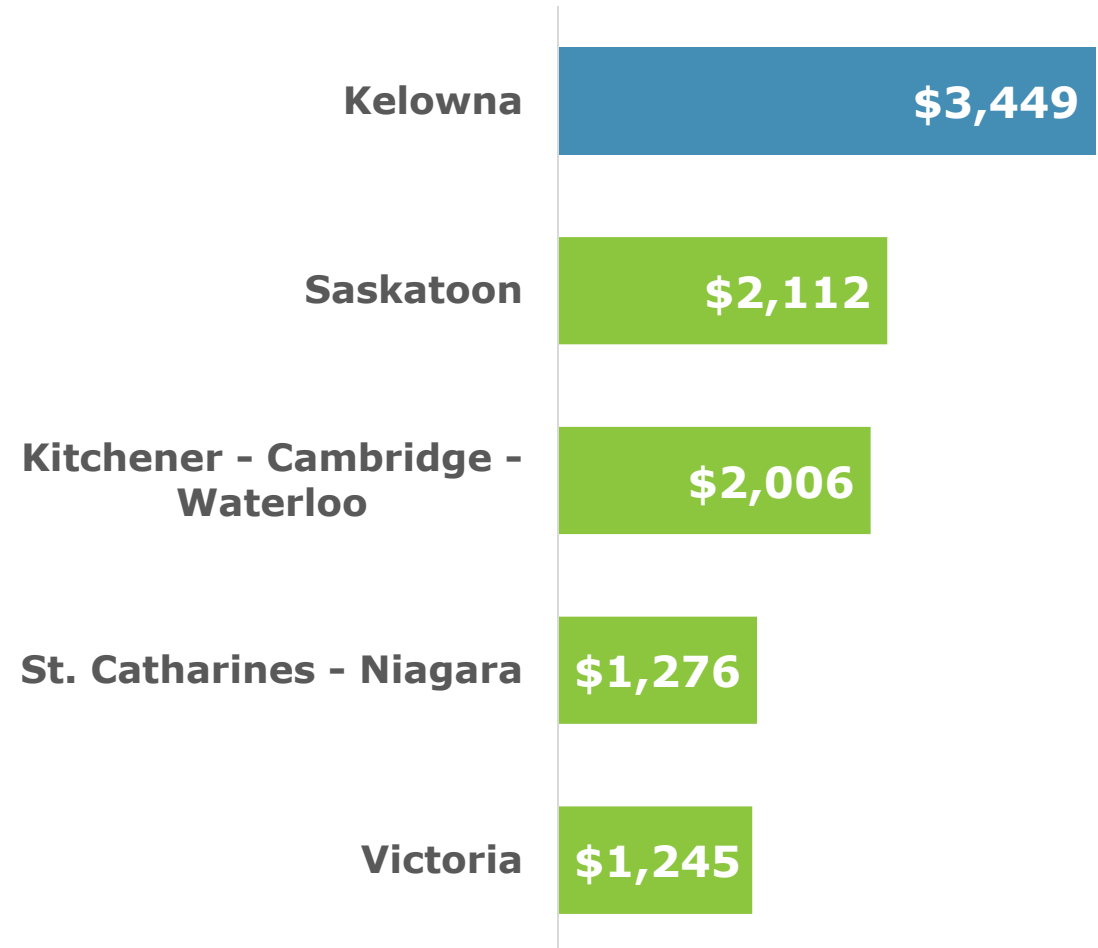
Median Age, Kelowna CMA, 2001-2023

Source: Statistics Canada. Table 17-10-0005-01 Population estimates on July 1, by age and gender



Private sector investment in commercial and industrial property also highest in Central Okanagan in the last three years.

Commercial + Industrial Building Permit Values per capita, 2021-2023 (Total)

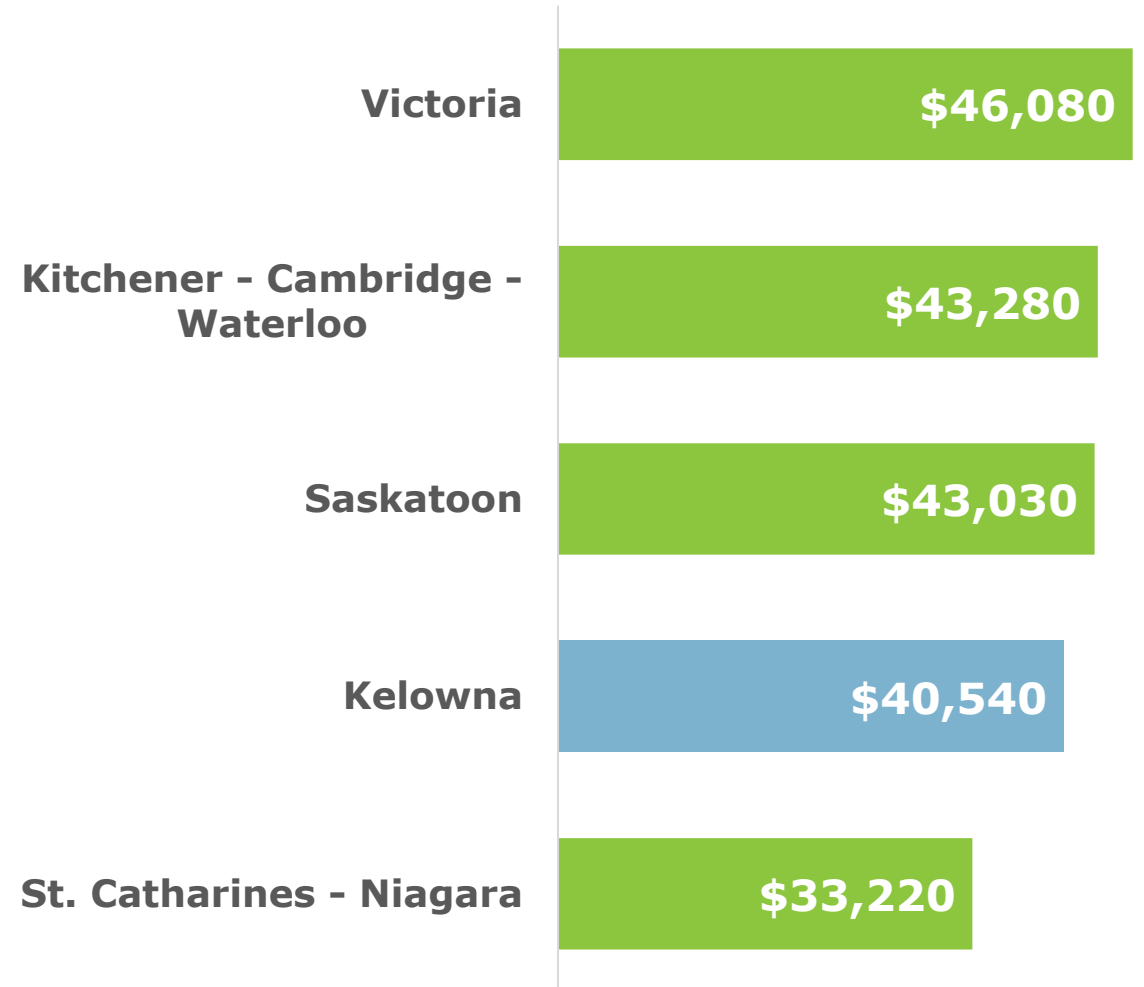


Source: Statistics Canada. Table 34-10-0285-01 Building permits by type of structure and type of work; Table 17-10-0005-01 Population estimates on July 1, by age and gender . Adapted by Deloitte LLP.

Employment incomes lower in the Central Okanagan than most comparable areas.

On the plus side, median employment income from 2017-2021 increased much more in Kelowna than any non-BC CMA.

Median Employment Income, 2021



Source: Statistics Canada. Table 11-10-0004-01 Selected characteristics of taxfilers and dependants, income and demographics

Global disruption in 4D: Exploring intersecting forces impacting Canada's future

CATALYST

FUTURE OF CANADA CENTRE

Global disruption in 4D: Exploring intersecting forces impacting Canada's future



Deloitte.



THE FOUR DISRUPTIONS

**TALENT
TRANSFORMATION**

AI REVOLUTION



**THE RACE
TO NET-ZERO**

**GEOPOLITICAL
UNCERTAINTY**

THE FOUR DISRUPTIONS

TALENT TRANSFORMATION

- **Shortages of workers AND skills**
- **Aging population, changing skill requirements, evolving worker preferences**

- **Global efforts to achieve net-zero are accelerating**
- **Clean energy costs are falling, and faster transition can have environmental and economic benefits**

THE RACE TO NET-ZERO

AI REVOLUTION

- **Generative AI disrupting activities from coding to creative work to health care**
- **Canada lagging in AI adoption, risking slower growth and missed productivity gains**

- **Globalization in retreat from rising protectionism, Russia-NATO instability and US-China conflicts**
- **Canada impacted by global supply chain disruptions and lowered access to foreign markets**

GEOPOLITICAL UNCERTAINTY



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Survey Results



Business Survey

Key Insights

- **63% of respondents believe their revenues will be increasing over the next 12 months**, indicating a positive perception of financial performance from business owners.
- A total of **70% of all respondents felt somewhat or very satisfied with Central Okanagan** as a place to do business.
- Factors with the highest level of satisfaction:
 - Availability of post-secondary programming (75%)
 - Technology and productivity resources (73%)
 - Business-related training (69%)
- Which skill level is the most challenging to recruit candidates?
 - 40% of respondents indicated the **intermediate skill level of to be the most challenging**
- Over the next 24 months, **36% of respondents have plans for expansion** and 50% expect to maintain current business operations
- **69% of respondents somewhat or strongly agreed they would recommend the Central Okanagan** to another business looking to expand or relocate.
- Only **56% of business owners are aware** of the various supports/resources available to them.
- What types of business supports would be most helpful in achieving business goals?
 - Marketing and business development (42%)
 - Professional services (40%)
 - Financing services (35%) to be the top supports.



Workforce Survey

Key Insights

- Newcomers (in the region for 1-4 years) were asked what inspired their recent move?
 - Quality of life (50%)
 - The number of job opportunities (43%)
 - Having friends/family in the region (43%).
- Of the 26% currently searching for work, what challenges do they face in the job search process?
 - Limited opportunity in their occupation
 - Lack of recognition for credentials
 - Challenges finding a work-life balance
 - Inadequate salary options
- Respondents displayed an **85% overall satisfaction level with Central Okanagan as a place to work.**
- Respondents showed high satisfaction with:
 - Safety of the work environment (85%)
 - Job security (82%)
- Using a “derived importance” analysis, the top improvements that are needed are:
 - Commuting times, adequate pay, suitable job opportunities within each sector.
- What types of regional assistance would be most helpful for achieving their employment goals
 - Skills training (31%), housing accessibility (30%) and networking opportunities (27%) were deemed top supports.





Key Themes from Interviews

1. Innovation and technology adoption

- The region has a **very strong education sector** for its size, including the School District, Ok College, and UBCO that are providing a steady supply of skilled workers and integrating research and innovation programs with local industries.
- The **tech sector, aerospace, film, and other emerging industries are a key part of this picture**, but also **traditional industries like tourism and agriculture** are facing new challenges (largely environment-related) and **must evolve** to focus on higher-value activities that fit within environmental constraints.
- Everyday businesses need help integrating tech into day-to-day operations.

2. Impact of cost of living and housing on Workforce Development

- Housing costs and overall high cost of living are a significant constraint to retaining new graduates, attracting skilled workers, retaining skilled trades and “blue collar” workforce, and attracting and retaining immigrants.
- Major institutions and growing companies need to attract mid-career and senior managers and specialists but are hampered by housing situation.
- Okanagan quality of life still a major attraction, but diminished due to housing challenges for those without established wealth or high incomes.

3. Leveraging critical mass of a growing metro region

- Central Okanagan is the largest metro region between Calgary and Vancouver, which creates a critical mass in support services and allows opportunities for targeted investment attraction to growth-oriented companies who are not joining a stagnant region.
- Needs to be wider recognition of the requirements of a growing metro region for major investments in infrastructure, transportation systems, non-market housing, etc. Need more support from senior governments that recognize these metro challenges (it's not rural just because it's not on the coast). This includes allowing pay levels in the public sector to reflect metro cost of living, not rural.
- Airport and UBCO recognized as major assets for a region of this size.

4. Sustainability and resilience

- Wide recognition of the need for all companies and industries to integrate resilience to climate change impacts, which are acute in the Okanagan.
- Desire for COEDC to be selective and focused in this area and only do what is achievable for an economic development organization.
- Strong overlap on this topic with the innovation/technology ecosystem and the potential to develop needed solutions through local institutions and innovative clean tech and agri-tech companies.
- This was one of the four pillars of the previous COEDC strategy and received the highest support from the Advisory Committee to continue as an area of focus.



Questions / Discussion

Thank you!



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