

Economic Prosperity

“Economy” is well defined as the system of production, distribution and consumption of goods and services. The idea of a “sustainable” economy is not well defined, this part of the plan will evolve as we learn together what that can mean for Prince George. Initiatives Prince George, as the City’s economic development corporation provides economic development services that are aimed at developing Prince George as a ‘knowledge based resource economy connected to the world’¹.

Description

Economic prosperity has traditionally been equated with economic growth. While bringing many benefits, economic growth has also been tied to problems such as income inequalities, air and water pollution, and loss of wildlife habitat. Sustainable economic development can be thought of as economic development that creates shared wealth and health for people while maintaining the health of the surrounding environment. Before we plan for it, there is a need to build a shared understanding of what sustainable prosperity means in the context of Prince George’s unique situation.



Status

Prince George’s economy, as measured by population, number of jobs, business development and expansion, and other traditional indicators of economic prosperity, has grown at a slower rate than the rates of growth seen elsewhere in the province of British Columbia and across Canada over the last ten to fifteen years. However, aside from this fact, people and businesses in Prince George are surviving, and some are thriving. Despite relatively slower growth, there have been significant changes in the economy in past decades that have lessened the city’s vulnerability to global boom/bust cycles and have created new opportunities in the community.

This suggests that healthy economic development can occur, not simply through growth, but through transition and change in an economy. The Prince George economy has traditionally been a forest-based economy, but the transformation of the traditional forest industry, along with growth in other sectors including transportation, education, health care and other knowledge-based service industries, has changed the character of the community and created a more stable economy. Average incomes and employment rates are consistently above the provincial average, and the economy is more diversified. Prince George’s experience may have a lot to tell us about what makes a prosperous, sustainable economy in the long-term.

In the coming years, we are likely to see increased dialogue around the meaning of growth, as well as shifting attitudes and measurements of economic prosperity. Prince George should be well-prepared for a potential change in thinking about growth. Elsewhere, studies are starting to investigate if residents of slow growth centres are “happier” than residents of “Boom Towns.” In this context, could the city’s economic development plan consider the idea of success without growth?

Performance Measurement

Of the potential measures listed below, which should we use to measure and communicate progress? Would you rather use another one? Why?

A number of traditional measurements of economic performance are available. They include:

- GDP growth (total, per capita)
- Job growth

Other potential indicators of prosperity could be drawn from other fields, for example:

- Genuine Progress Index
- Happiness Index

Questions for Consideration

- Can Prince George gain strategic advantage by embracing a different understanding of prosperity? What risks and benefits might this involve?
- Is a stable economy a desirable goal, as opposed to one that relies on growth?

More Information

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