

WORKING SOLUTIONS

labour market review
kamloops region

quarterly report
october to december
1994

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Labour Market Information

Information sur le marché du travail



Human Resources
Development Canada

Développement des ressources
humaines Canada

Canada

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Acknowledgements

This report includes material obtained through individual contacts, published and broadcast news.

PUBLICATIONS:

HRDC ECONOMIC REVIEW
KAMLOOPS DAILY NEWS
KAMLOOPS THIS WEEK
KAMLOOPS TODAY
MERRITT HERALD
ASHCROFT JOURNAL

BROADCASTERS:

CFJC RADIO
CHNL RADIO
CKRV RADIO

OTHERS

CITY OF KAMLOOPS
KAMLOOPS & DISTRICT REAL ESTATE BOARD
THOMPSON NICOLA REGIONAL DISTRICT
CANADA MORTGAGE & HOUSING

Individuals are named throughout this report as appropriate.
Thanks to all involved

RATES OF UNEMPLOYMENT (in percentages)

KAMLOOPS AREA

—Statistics Canada Economic Region 94
Thompson Lillooet

	1993	1994
OCTOBER	10.3	11.8
NOVEMBER	9.8	13.0
DECEMBER	9.9	13.6

ECONOMIC REGIONS

	DEC 1993	DEC 1994	PERCENT CHANGE
91 East Kootenay	N/A	N/A	
92 Kootenay-Columbia	10.6	9.5	-1.1
93 Okanagan-Boundary	11.9	6.9	-5.0
94 Thompson-Lillooet	9.9	13.6	+3.7
95 Lower Mainland	8.5	7.9	-0.6
96 Vancouver Island	8.5	9.1	+0.6
97 Central Interior	9.0	9.8	+0.8
98/99 Northeast/Northwest	7.0	7.0	0
Metro Vancouver	8.4	7.7	-0.7
Metro Victoria	8.0	6.9	-1.1
British Columbia	9.8	8.4	-1.4
Canada	11.2	9.6	-1.6

A substantial increase in the rate of unemployment occurred in Region 94 (Thompson-Lillooet) over the 4th quarter. Although December is traditionally one of the months with the highest unemployment rates, there was a marked increase over 1993. The increase is coupled with a decline in the participation rate from 67.2 percent in Dec. 1993 to 62 percent in Dec. 1994. The participation rate is the proportion of the potential labour force (population over 15 years) that are seeking employment. Participation often declines when people become discouraged in their search for work or perceive that there are few employment opportunities and thus, cease looking for employment.

Slight increases in the unemployment rate occurred on Vancouver Island (Region 96) and in the Central Interior (Region 97).

Although the rest of the province showed a slight decline to no change, Region 93 (Okanagan Boundary) showed a marked decline of 5% over December 1993. The participation rate in this area is very low (60.6 percent) reflecting the large number of retired persons in the area. It has, however, remained stable over the last year.

Note: Rates of Unemployment for Canada and British Columbia are seasonally adjusted. Commencing April 1991, Statistics Canada began releasing all Regional Unemployment rates as a 3 month moving average. Due to sampling variability, regional data should be used with caution.

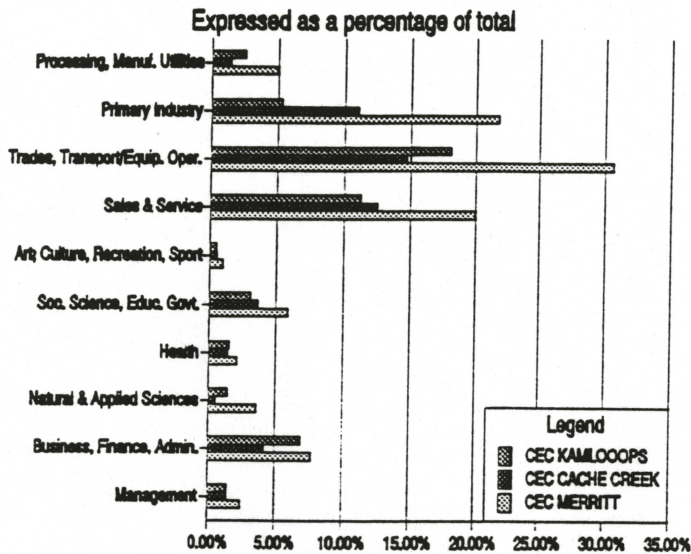
U.I. CLAIMANT PROFILES

	CEC KAMLOOPS		CEC MERRITT		CEC CACHE CREEK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
AVERAGE WEEKS WORKED	33	36	33	32	32	34
AVERAGE RATE OF BENEFIT	330	226	331	210	303	217
AVERAGE WEEKS PAID	13	14	13	14	13	15
AVERAGE AGE	36	37	37	38	39	39

UNEMPLOYMENT INSURANCE STATISTICS

	NEW UI CLAIMS RECEIVED		TOTAL BENEFITS PAID \$ MILLIONS		TRANSFER IN		TRANSFER OUT	
	1993	1994	1993	1994	1993	1994	1993	1994
1ST QUARTER	4,093	3,987	27,001	24,186	378	334	414	346
2ND QUARTER	3,074	3,293	22,030	21,098	467	379	350	345
3RD QUARTER	3,673	3,591	17,298	16,317	447	457	243	362
OCTOBER	1,713	1,589	4,750	4,718	135	142	114	112
NOVEMBER	1,824	2,135	6,242	5,384	134	152	150	151
DECEMBER	16,558	1,689	6,944	5,653	126	113	113	91
YTD TOTAL	16,558	16,275	84,265	77,356	1,687	1,577	1,484	1,407

UI CLAIMANTS BY MAJOR GROUP - SEPTEMBER 1994



The number of active claims in the Merritt CEC remained constant compared to September 1994, with Cache Creek showing a 4 percent increase and CEC Kamloops a 1 percent increase.

Trades, Transport & Equipment Operators remains the largest occupational group. Minor increases in Cache Creek and Kamloops were an indication of slowing construction activity. A decrease in the number of active claims in the Merritt area indicates an increase in highway maintenance activity.

Sales and Service is the next largest group in both Kamloops and Cache Creek. In Kamloops, the total number of claimants in this group decreased minimally since September 1994.

Strong retail activity reduced the impact of layoffs in the tourism sector.

In Merritt, the second largest group was Primary Industry. Layoffs in this sector increased the active claims from 22% to 27% of the total claims.

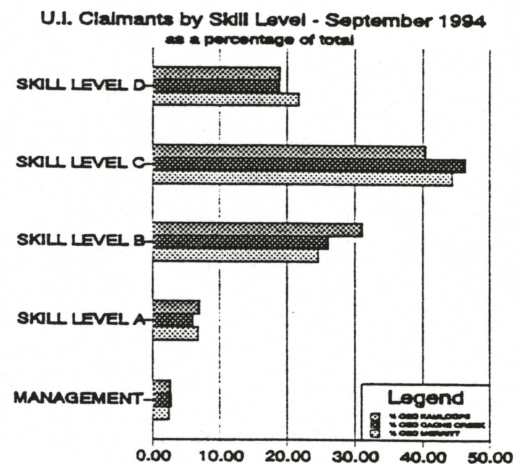
Primary industry took a 2% increase (as a proportion of total claims) in the Cache Creek CEC, and 3% in Kamloops. This sector is the third largest group in both these areas. Kamloops has a much smaller proportion of the claimant group in this sector, in fact, Business, Finance and Administration is almost as large a claimant group.

In both Cache Creek and Merritt areas, the largest groups (1- Trades, Transport & Equipment Operators; 2 - Sales & Service; 3 - Primary Industry) are more equally balanced.

Occupations are also categorized by skill level as follows:

Management requiring management skills
Skill Level "A" university degree preferred
Skill Level "B" college diploma, apprenticeship or supervisory experience preferred
Skill Level "C" grade 12 certificate and up to two years of additional training
Skill Level "D" no special skills or grade 12 education, training is usually on-the-job

The graph indicates the skill level of job ready U.I. claimants in the three area Canada Employment Centres in December 1994.



INDUSTRY HIGHLIGHTS

AGRICULTURE

Chai-Na-Ta Corporation played host to Prime Minister Chretien and Premier Harcourt while they were in Shanghai during the Team Canada trade mission. The occasion was the opening of the company's 2,400 square foot showroom and warehouse facility. The centre will sell North American ginseng root as well as value-added products produced by Chai-Na-Ta Group. A subsidiary of the company, Dalian Pegasus Ginseng Products was granted a permit to operate in China as a pharmaceutical manufacturer. This is the first time that a foreign company has been granted such a licence.

CONSTRUCTION

Building permits with a value of \$29.9 million were issued in Kamloops during the 4th quarter, a 16 percent increase over the same period in 1993. Annual totals were down two percent. Major developments include the Sahali Safeway store (\$4.8 million), and the BC Gas Office building on McGill (\$2.6 million).

In the Thompson Nicola Regional District, the value of 4th quarter permits were down by 1 percent, however the annual value was up 7.8 percent over 1993.

BUILDING PERMITS

	THOMPSON NICOLA REGIONAL DISTRICT				CITY OF KAMLOOPS			
	ISSUED		VALUE 000'S		ISSUED		VALUE \$000'S	
	1993	1994	1993	1994	1993	1994	1993	1994
1ST QUARTER					325	1,052	26,971	32,695
2ND QUARTER					905	1,255	36,393	43,908
3RD QUARTER					771	726	35,715	25,291
OCTOBER	95	85	3,548	4,004	527	245	15,929	20,635
NOVEMBER	73	67	3,458	3,334	399	168	14,928	7,745
DECEMBER	41	24	985	570	240	77	4,792	1,546
YTD TOTAL	1,168	1,086	55,524	59,900	3,232	3,523	134,723	132,091

Note: Discrepancies in totals are due to rounding.

HOUSING STARTS

The Kamloops new construction market posted another strong performance in 1994, according to Canada Mortgage and Housing Corporation (CMHC). Housing starts totalled 1,025 units, closely approaching 1993's record high of 1,069 units. "While buoyant, the Kamloops market has begun to mature over the past few months," noted CMHC Market Analyst Paul Fabri. "Housing starts, especially singles, have fallen back in response to slower population growth," explained Fabri. "The market will settle down to a slower, but healthy pace in 1995," he added.

Kamloops has, once again, outperformed all three Okanagan markets. Both Penticton and Kelowna saw big declines at 38 and 24 percent respectively. The Vernon market held up better, recording only 12 percent fewer starts in 1994.

Nationally, December starts fell to 130,000 units, seasonally adjusted annual rates (SAAR), down 10.5 percent from 145,400 units (SAAR) the previous month. the drop was widespread, more than offsetting small gains in Quebec, Alberta and New Brunswick.

HOUSING STARTS - KAMLOOPS				
	SINGLE		MULTIPLE	
	1993	1994	1993	1994
1ST QUARTER	58	80	61	151
2ND QUARTER	116	207	186	85
3RD QUARTER	141	106	198	174
OCTOBER	28	23	38	16
NOVEMBER	45	19	59	111
DECEMBER	44	12	94	41
YTD TOTAL	431	447	638	578

CONSTRUCTION HIGHLIGHTS

Construction has begun on the 45 unit Monarch Place apartment building at Victoria St and 7th Avenue (\$3 million), as well as the Canadian Legion Manor House 48 unit project at 4th and Battle (\$4.3 million). Development in the downtown core is expected to create the bulk of new condominium starts in the near future.

The Desert Pines development in Westsyde has requested rezoning of 1.2 hectares from general commercial to agricultural which allows golf courses. The project had originally provided for a convention facility which is now considered not feasible.

President of S.R.V. Developments, Klaus Richter, says that the extension of the Columbia Place Mall will commence in the spring of 1995. The extension will

face Notre Dame Drive and will add 100,000 square feet to the mall that now houses Overwaitea and a liquor store. Tenders will be called early in 1995 with a target of a fall opening.

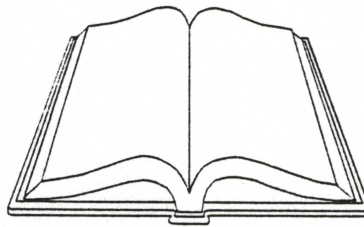
A major project was open to tender in Lillooet. The Ministry of Transportation & Highways will be funding construction of a new roadway in the downtown area, while the village will pay for sidewalks, crosswalks, and some electrical and storm drains. The village will pay \$300,500 of the \$2 million project.

In Bralorne, The Red Owl Pub & Restaurant is under construction. The facility will have pub seating for 65, with another 20 on the patio and 25 in the restaurant.

In Merritt, construction is underway on an addition to the Merritt Motor Inn.

EDUCATION

The University College of the Cariboo has received approval to proceed with a new Applied Industrial Technology centre. The 10,000 square metre facility will create space for up to 1,000 fulltime students in seven new programs. The project is valued at \$21.5 million. The design budget is estimated at \$1.5 million, construction of the facility will cost \$15 million and the balance will be used to refit current technology facilities for other uses.



Construction should start in the fall of 1995 with a completion of fall 1996.

Meanwhile, UCC has already outgrown its new facilities in Merritt. The institution has retained downtown office space because the new location at Voght and Coldwater Ave. is not large enough. The new facility is approximately 6,500 square feet and amalgamates 5 different locations the institution used to have in Merritt. It houses 6 classrooms, a staff facility, and vocational training.

The Nicola Valley Institute of Technology had its provincial funding increased by 50 percent to \$1.4 million and will increase its full time student spaces to 206. The institute currently has 600 full and part time students, 95 percent of them are First Nations People. NVIT is a private post-secondary education centre set up in Merritt in 1983 to help First Nations people attain education and training.

The provincial education ministry has granted \$550,000 to the Kamloops School District. The money will be used for a two year project to improve job training within the district and for better coordination with the University College

of the Cariboo. The funding is part of the Skills Now initiative.

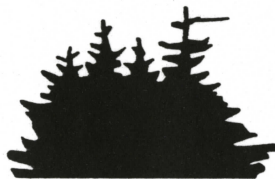
If funding is obtained, Lillooet will be the focus of a research project involving 3 universities and two dozen of their faculty. A university in Bhopal, SFU and UBC and the Shastri Indo-Canadian Institute will be involved. Professors and graduate students plan to study Lillooet and Jhabua, a small town near Bhopal, India, investigating the similarities and differences in how the two communities cope with change. The information gathered in the study will be shared with the Lillooet Economic Development Committee, to aid Lillooet in coping with the future.

FORESTRY

Forest products companies expect generally strong demand and prices in 1995; the second solid year of recovery for this sector after the deep recession of the early 1990s. Vancouver consultant, Charles Widman, forecast in the December issue of the World Wood Review that the North American demand for wood products, while "reasonable," has "probably peaked for this business cycle." Higher interest rates may slow North American economies in 1995. Europe's recovering demand has been "exceptional" and the overall growth in the Japanese economy in 1995 will mean "a continuation of favourable wood product demand." The trend should continue in 1995 but at a slower pace.

(The Financial Post - Dec.31/94)

The Cariboo-Chilcotin land-use plan



was released in October. The plan, which took 2 years to evolve, should resolve conflicts between loggers and conservationists. The plan doubles protected areas. There are four classes of land-use in the plan. An enhanced forestry zone makes up 40 percent of the region. Intensive logging will be allowed in this area to create more jobs. Logging will be restricted in the special resource development zone, which comprises 26 percent of the area. These areas will take into account other values such as tourism. Other zones include an integrated resource management zone (14 percent), mostly in the Chilcotin, and 12 percent for parks.

Forest fires claimed 3,300 hectares in the Kamloops Forest District this year, 10 times the usual amount. It cost the province over \$26 million to fight the 235 fires recorded this season.

GOVERNMENT

Federal

Human Resources Development Canada has approved \$83,000 in funding for 15 projects in Merritt. The projects, under Section 25 of the Unemployment Insurance job creation program, will include construction of a walking trail along the Coldwater River and other community improvements.

Provincial

The B.C. government plans on increasing the minimum wage, eliminating the youth minimum wage and make other changes to laws governing employment standards. The minimum wage will be increased to \$6.50 per hour on March 1, 1995 from the current \$6.00 and to \$7.00 per hour effective November 1, 1995.

Other provisions include:

- Allow employers, in consultation with a majority of workers, to implement flexible work schedules.
- Provide stiff new penalties for employers who repeatedly violate employment standards.
- Require farm contractors (the middle men who provide farmers with workers on a crop-by-crop basis), to be licensed and bonded.
- Extend employment standards to dozens of occupational groups not now protected, including domestics, agricultural workers, newspaper carriers and taxi drivers.

Kamloops

The Kamloops Blazer Hockey team has offered to pay for the construction and installation of 14 semi-private boxes in the city-owned Riverside Coliseum. The boxes, costing \$250,000, will provide seating for 140 people and will in place for the Memorial Cup tournament in May 1995.



A surplus from the 1994 budget will allow the City of Kamloops to proceed with completion of the Overlander Bridge bike path and the leisurization of the Canada Games pool. It had earlier appeared that one of the projects would not proceed as costs for both exceeded the original budgets.

The bike path project (\$1.6 million) required an additional \$500,000 to complete the work without harming fish habitat along the river. Tenders for recreational additions to the pool were \$1.2 million as opposed to a projected cost of \$800,000.

HEALTH/SOCIAL SERVICES

The provincial government announced a number of funding projects for the Thompson health unit, as part of the Health Ministry's new "Closer to Home" program. The Thompson health unit includes Kamloops, Merritt, Lytton, Cache Creek, Ashcroft, Lillooet, Chase, Logan Lake, Clearwater and Barriere. Funding of \$512,360 will be spent on the following initiatives:

- *Home Intravenous Therapy Service* - \$123,241, Kamloops
- *Quick Response Discharge Planning Coordinator* - \$104,383, Ashcroft
- *Adult Day care Program* - \$13,901, Lillooet
- *community Home care Nursing Program* \$30,546, Lillooet
- *Community Physiotherapist* - \$37,389, Merritt
- *Mental Health Worker* - \$91,000, Chase
- *Eating Disorder Program* - \$111,900, Kamloops

Royal Inland Hospital is running a deficit of \$528,559 at the end of 1994. A higher number of patients requiring extra staff, has increased costs. The hospital saved \$225,00 in August by curtailing use of the operating rooms. A similar reduction occurred over the Christmas season. A pain clinic will be postponed to next year as will about \$40,000 in renovations. In addition the hospital closed 10 beds, bringing the total number of beds down to 290.

Kamloops is one of 4 interior cities bidding for an 85 bed psychiatric facility, with an annual payroll of \$14 million. The facility would be for long-term care patients. The project site should be chosen by early 1996, with construction tenders going out in 1998 and building completed between 1999 and 2001. Also bidding for the facility are Vernon, Kelowna and Penticton.



The hospital board has approved the establishment of a child and adolescent in-patient psychiatric unit. The cost of the unit would be \$435,000 in start-up costs and \$875,055 for operating expenses. Establishment of the unit is dependant on funding from the provincial Health Ministry.

A \$282,000 grant from BC21 will pay for new portable classrooms to house after-school childcare programs at South Sahali and Beattie elementary schools. Each facility, which will be run by the Boys and Girls Club of Kamloops, will provide after school care for 20 children

The Kamloops Family Justice Centre opened in November at 444 St. Paul St., Kamloops. It is staffed by six family court counsellors. Three additional centres have been established in Merritt, Burnaby and Kitimat. The centre offers family mediation and conciliation services, short term counselling to help make decisions about separation and divorce, and assistance with custody, access or maintenance orders.

MANUFACTURING

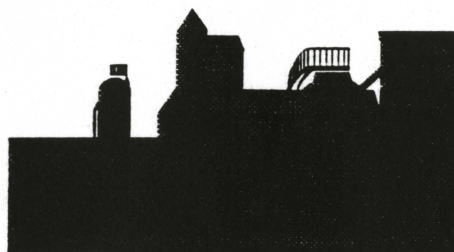
Unique Tire Recycling will expand its terra mats production facility on the south shore of the Thompson River, across from the Lafarge plant. The facility, planned for the former Spun Cast site, will use a new closed loop technology to burn rubber. It will process 2,400 tires in 24 hours. The end products are oil, carbon black and a small amount of steel belt. The City of Kamloops approved a two year temporary permit for the facility. Until the operation is running and further tests are conducted, the company will not be granted a permanent permit. The Ministry of Environment has assured the city that the system will not admit pollutants into the environment. Up to 15 new jobs will be created by the plant.

Pyrotech Asphalt Equipment Manufacturing Company, founded and operated by Kamloops resident Al Rorison, will be moving into its new Kamloops plant at 681 Athabasca in January 1995. The plant will manufacture on-the-road recycling machines. The plant will manufacture 4 machines annually. They sell for about \$2.4 million each. The machine is used to heat, remove and re-pave streets or highways more quickly and economically than other systems. The company could employ up to 40 workers.

A cottage brewing company, "Bear Brewing Co." hopes to be in production by January. Partners David Beardsell and Chris Elliot and Brian Keast are proceeding to obtain required licences and

plan to produce up to 24,000 kegs annually at their Notre Dame Drive plant.

Pollard Banknote Note will hire up to 30 new employees due to 2 new contracts. The company will produce tickets for a TV lottery bingo game in the Czech Republic and instant lottery tickets for the New York State Lottery. The jobs which will be created over the next few months, will likely be full time, permanent, but will depend on the demand for the product.



MINING

Exploratory drilling by Kamloops-based Getchell Resources at their Rainbow property south of Kamloops were "sub-economic in grade". A quality ore would have been suitable for mining at Teck-owned Afton Mine. Getchell also owns the rights to the Galaxy deposit, 3 kilometres from Afton's haul road. This property has a proven but small copper deposit. Getchell and Teck have been negotiating a deal for Teck to mine the deposit. Afton is currently working on a 15 month plan to extract copper from its Ajax pit. The falling dollar has now allowed Afton to mine its stage-one pit at Ajax thus extending Afton's life to mid 1997. When the mine reopened in September 1994, the company had only confirmed operations until the end of 1995. The company plans on hiring an additional 30 people over the next few months, bringing the workforce to over 160.

REAL ESTATE

Real estate residential sales in the fourth quarter were lower than last year, and annual totals are down from 1993. Higher interest rates have slowed the market, discouraging renters away from home ownership. Although total sales are down, Kamloops house prices were among the fastest growing in the province. Price of a typical 3 bedroom home increased by 12.5 percent. Figures compiled by Century 21 Real Estate

indicate that B.C. communities with high rates of in-migration led the country in real estate value increase. Kamloops and Trail were next to Burnaby in percent increases.

As a result of the drop in home purchases, the availability of rental accommodation is also lower. CMHC indicate that Kamloops had a vacancy rate of 1.3 percent in October, down from 2.6 percent in April.

HOUSING SALES				
	UNITS		VALUE \$ MILLIONS	
	1993	1994	1993	1994
1ST QUARTER	521	614	54.7	75.06
2ND QUARTER	720	637	82.1	81.71
3RD QUARTER	585	455	67.7	56.09
OCTOBER	157	161	19.4	19.90
NOVEMBER	169	140	19.7	18.77
DECEMBER	146	93	17.3	12.11
YTD TOTAL	2,298	2,100	261.4	263.67

Cadillac Fairview Inc. has filed for a form of bankruptcy protection. Under Cadillac's reorganization plan, the company has until January 31 to come up with a plan to restructure \$7 billion in debt. Cadillac has 70 properties in North America including Aberdeen Mall in Kamloops.

A & A Foods has missed a third payment on the Tranquille property. The

company now owes \$550,000 in missed payments. B.C Lands has initiated legal action, however court action may take years to resolve.

The sale of the Six Mile Ranch property to Pagebrook Inc. is finalized. The company reached an agreement with ALM Vacations on 2 Dec. to buy the property as of 5 Jan. 95. The company's original proposal to develop the Six Mile

Ranch property had not been approved. The company proposed building a 900 unit housing development and requested that 139 hectares of land be removed from the agricultural land reserve. ALM Vacations Ltd. put the property up for sale after it was unable to obtain funding for its \$106 million resort proposal. ALM had permission to build up to 300 single family homes, along with 2 golf courses, a marina, equestrian centre and a hotel. Pagebrook has indicated that it will seek zoning changes to allow multi-family housing. Pagebrook wants to see the project treated like other resorts such as Sun Peaks or Whistler, both of which have multi-family housing. A 60-40 split would make the project more economical. The company expects to start meeting with local and provincial politicians early in the spring to start the approval process. Approvals granted to ALM expired when they failed to complete the 2 golf courses by July of 1994.

Genera Investments of West Vancouver has received the power to sell the South Thompson Guest Ranch. The power of sale was previously held by Terracon Construction of Richmond. Sale of the ranch will allow Genera to recover money owed to it and other creditors including Terracon, by the owner John Macpherson. Macpherson retains operational control pending the sale. The listing price is \$3.5 million, reduced from \$5.35 million. Macaulay Nicolls Maitland are the listing realtor.

RETAIL

The past few months have seen major changes in the retail market for Kamloops. In early November, Wal-Mart held its official opening after 5 months of renovations. The store now includes a McDonald's restaurant. The previous Woolco location continued to operate during the renovations. The company's objective is to provide friendly customer service, quality merchandise and good prices.



Also in November, The Future Shop opened in Aberdeen Mall. Employing 25 people, the store sells home electronics, videos and CD's. They promise customer refunds if lower prices are found with other retailers.

On November 22, Price Costco opened its 240th warehouse in Kamloops. The store employs 140 workers, most of whom were hired from the Kamloops area. The store is not open to the general public. Memberships are available to businesses and qualified groups. Ed Maron, executive director, said the company had 8,000 card-carrying members before it opened. Most shopped at the Kelowna outlet or in the Lower Mainland.

The post Christmas business closure announcements began early in the New Year. "Toys and Wheels" went into bankruptcy, with 78 stores closing across Canada. The local outlet in Aberdeen Mall, with 12 employees, closed early in January. "Woodwyn Stores" has also filed for bankruptcy and plans to close its 9

stores, located in B.C and Alberta, by the end of January. The chain has a store in North Hills Mall - Kamloops, with 11 employees.

Dylex Ltd. of Toronto has gained court protection and plans to close 200 stores nationwide. Closures will affect stores such as Fairweather, BiWay, Thrify's and Tip Top Tailor. It is not known whether the local Thrifty's in Aberdeen Mall will be affected. Pennington's was pushed into bankruptcy by its creditors in December. The local outlet of this chain closed several months ago. Reitmans (Canada) Ltd. has bought the 30 of the 33 Pennington's Wearhouse

stores for \$1.5 million and plans to use them as a platform to expand into large-size women's clothing.

In Merritt, developer Grant Gaucher presented a conceptual drawing and plan of his shopping mall proposal for the former rail yards. He is presently negotiating with a grocery store company who would occupy a 30,000 square foot supermarket. The mall would have a heritage theme. As there were no objections from the public, city council was able to take the two bylaws that affect this development to third reading.

SERVICE/TOURISM

Nancy Greene Raine has been hired as the ski director at Sun Peak's at Tod Mountain and husband Al Raine has taken on the duties of Executive Director of the Sun Peaks Resort Association. The Raines were instrumental in helping develop Whistler into a world class resort. During the past four years the Raines have been working to develop a ski project - Cayoosh Resort at Melvin Creek, south of Lillooet. They still intend to pursue this project but in the next few years they will focus on the development of Sun Peaks. Nippon Cable, owners of the ski resort, have announced that a 40 room European -style hotel will be constructed this summer.



The Kamloops Wildlife Park has begun fund raising for a new conservation centre. The 616.5 square metre building will contain expanded washrooms, an administration area, a volunteer area, storage, an enlarged concession stand, a gift shop, bigger classroom space and a display area.

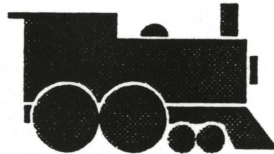
Cost of the building is expected to be \$600,000. The park must raise \$400,000 locally, before being eligible for BC21 fund grants.

The Kamloops Indian Band voted against building a casino on reserve lands. The original count of ballots was in favour by one vote, however a recount reversed the decision.

Kamloops will be home to the province's first regional multi-sport centre. The province has promised \$275,000 a year toward a program that will see Kamloops as the base for a regional sports centre that will bring together local volunteers, athletes and coaches. Nine sports will receive funding for 8 coaches and a coordinator. There will eventually be 9 centres in the province. The City of Kamloops will also contribute \$20,000 a year to the centre. The High Country Multi-Sport Network Centre will serve an area that stretches from Ashcroft to Salmon Arm and Merritt to Williams Lake.

TRANSPORTATION/UTILITIES

In October, Laidlaw Transportation was awarded a five year contract to provide city bus service, after submitting the lowest bid. The company had also been low bidder in the original tendering process last year. Those bids were set aside after the union representing the workers lobbied against Laidlaw. The company had indicated it would cut wages, benefits and jobs to meet its bid price. The union succeeded in having B.C. Transit set new terms protecting workers' seniority and benefits in the bidding process. Following council's decision to award the contract to Laidlaw, the unionized employees of FarWest Coach Inc. agreed to give up more than \$150,00 in wages and benefits to help their employer keep the contract. FarWest has held the contract for eleven years. Prior to B.C. Transit approving the new contract, Laidlaw withdrew its bid stating that it did not feel that it had the



support of the community or the transit employees. The council has now negotiated a five year contract with FarWest Coach. The agreement reflects a 1.6 percent overall decrease in expenditures from 1994 levels.

CN Railways will close the control centre at Kamloops Junction in 1996. Rail control, crew management and operations control will be centralized in Edmonton. The railway is utilizing the newest technology to run operations efficiently. The 32 staff affected will have the option of relocation, early retirement or bumping rights.

BC Rail will not resume seven day a week service between North Vancouver and Prince George. In the past, during peak tourism season (June to September) BC Rail ran a daily passenger service and then changed to a three times weekly service from Lillooet to Prince George during the slower season. Daily service is maintained between Lillooet and North Vancouver. During the summer months daily passenger service will run between Squamish and Kelly Lake to accommodate tour groups, but daily service to Prince George will not resume.

BC Hydro announced an organizational review in November. The company will reduce the total number of employees, but has not announced a specific number of cuts. Most cuts will probably happen in the Lower Mainland where many of upper management jobs are located.

BC Hydro will seek proposals for as much as 300 megawatts of electricity from the private sector. The power is required to meet the significant growth demand by consumers and is to be available by October 1, 1998. The proposal call may enable Weyerhaeuser to proceed with its plans to build a co-generation power plant at the Kamloops pulp mill. If Hydro approval is received, the \$90 million project must still be approved by the Ministry of Energy, Mines and Petroleum Resources. The plan would add a third turbo generator at the mill. It would be fuelled by waste wood from local and area sawmills. The plant would provide the electricity needed to operate the local mill and provide 53 megawatts of power to BC Hydro.

LABOUR RELATIONS

Kamloops area members of the IWA settled their contract in early October. The new agreement provides wage increases of eight percent over three years and a signing bonus. The settlement was followed by agreements with independent mills - Tolko, Federated Co-op in Salmon Arm, and Evans Forest Products in Malakwa.

The Kamloops Bay workers remain on strike. The BC Labour Relations Board ruled late in November that Northern Cartage was an ally of The Bay in the strike-lockout of Bay workers in Kamloops. The ruling stated that for a two week period, members of the United Steelworkers of America would be entitled to picket the trucking firm's depot located at the Bay's distribution centre in Vancouver. The time frame represents the period the LRB determined Northern

Cartage acted as an Bay ally. The Bay appealed the decision and the LRB ruled in the company's favour. At issue in the dispute are seniority rights for workers, including layoff protection based on seniority, a suitability clause the company wants included, sexual harassment language and wages. Brian Foley, associate chair of the B.C. Labour Relations Board's mediation branch contacted both parties and arranged for a meeting on January 11. Mr. Foley said that no further talks are scheduled as both parties are "entrenched in their positions and we didn't see any resolution in any of the issues".

Three Fletcher Challenge B.C. pulp mills went on strike on 23 December. The company was picked as the target company by the 2 unions - Pulp, Paper and Woodworkers of Canada and the Communication, Energy and Paperworkers Union of Canada. The unions planned on negotiating wages and pensions with Fletcher Challenge. They hope that any agreement will become an industry wide standard. The unions chose Fletcher Challenge, as the company has mills both at the coast and the interior and both unions are represented. In the meantime local issues will be negotiated at a mill by mill level.

Contract talks between the City of Kamloops and its 400 unionized workers, members of the Canadian Union of Public Employees, began on 4 November 1994. The current three year agreement expired at the end of December.