

# BUSINESS WALK REPORT

## KITIMAT 2023

**KITIMAT**  
**CHAMBER**  

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**OF COMMERCE**



## **Background**

The Business Walk is an information gathering campaign organized by the District of Kitimat's Economic Development Department and conducted in the fall each year. It is an opportunity for District staff and Council, Kitimat Chamber of Commerce staff and directors, and other community stakeholders to meet business owners/operators in-person to get a feel for the commercial sector in Kitimat. As many businesses as possible are visited in one day to complete the short survey. Businesses that are missed had the opportunity to fill out the paper survey and return to the Economic Development office or complete the survey online at [www.kitimat.ca](http://www.kitimat.ca) until November 3, 2023. Survey results are compiled into this report which is forwarded to Council and made available online and at the District office in the new year.

## **2023 Business Walk**

In 2023, the annual Kitimat Business Walk was conducted on Monday, October 16. Thirteen volunteers canvassed local businesses to collect information about Kitimat's economic climate. Participants were from:

- Kitimat Chamber of Commerce
- District of Kitimat
- Ministry of Jobs Economic Development and Innovation

Businesses were asked:

- Is your business growing, steady or shrinking?
- What do you like most about doing business in the area?
- What is the greatest challenge your business faces today?
- What can be done to help your business thrive?
- What resources would help you with your business?

To include as many businesses as possible in the survey, businesses were also given the opportunity to submit their forms at a later date and provide input on the questions online. The online survey was made available on the District of Kitimat website for three weeks.

A total of 46 surveys were collected, in person and online, by November 3, 2023.

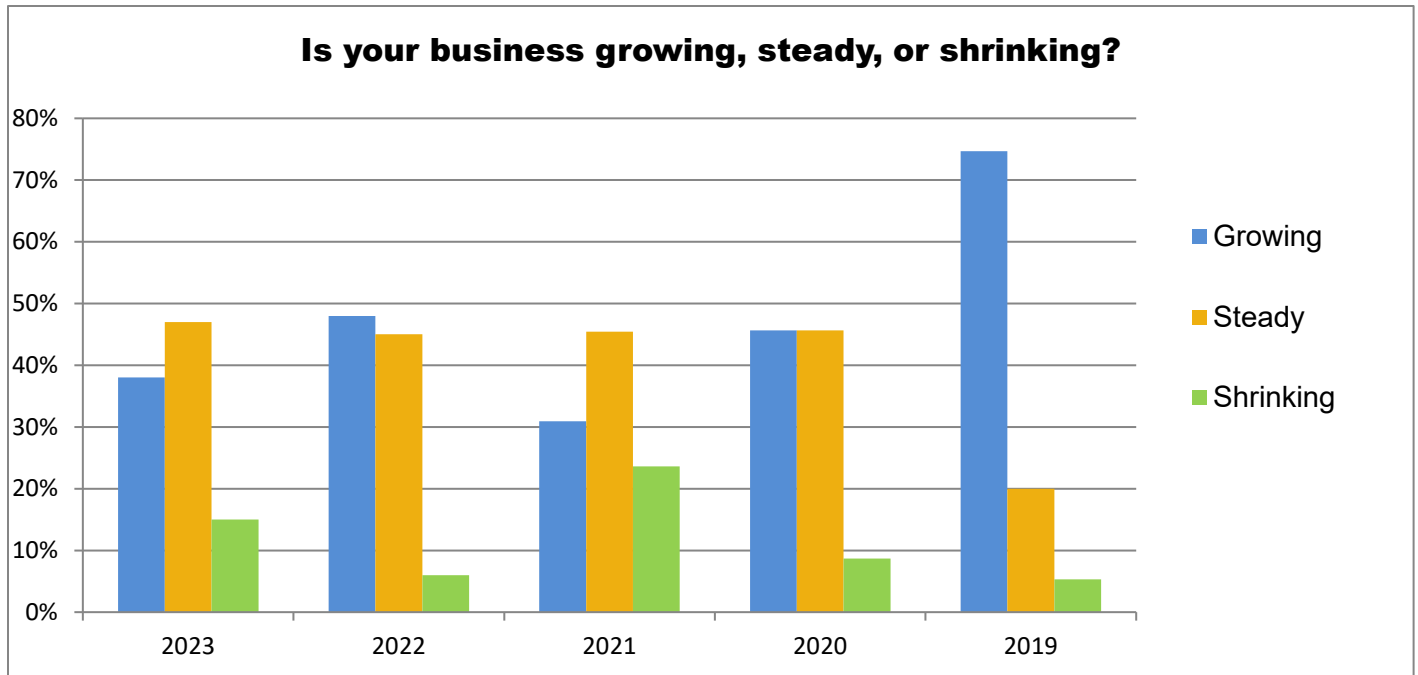
## **Methodology**

Volunteers worked in pairs to collect responses from businesses located in City Centre, Mountainview Square, Nechako Centre, Service Centre and a few businesses outside of these areas.

The event was advertised in advance on the District of Kitimat website through a press release and event page, social media, the District newsletter and through the Kitimat Chamber of Commerce E-Blast. The press release was run by the local newspaper increasing the reach for businesses.

## SURVEY RESULTS

### Question 1: Is your business growing, steady, or shrinking?



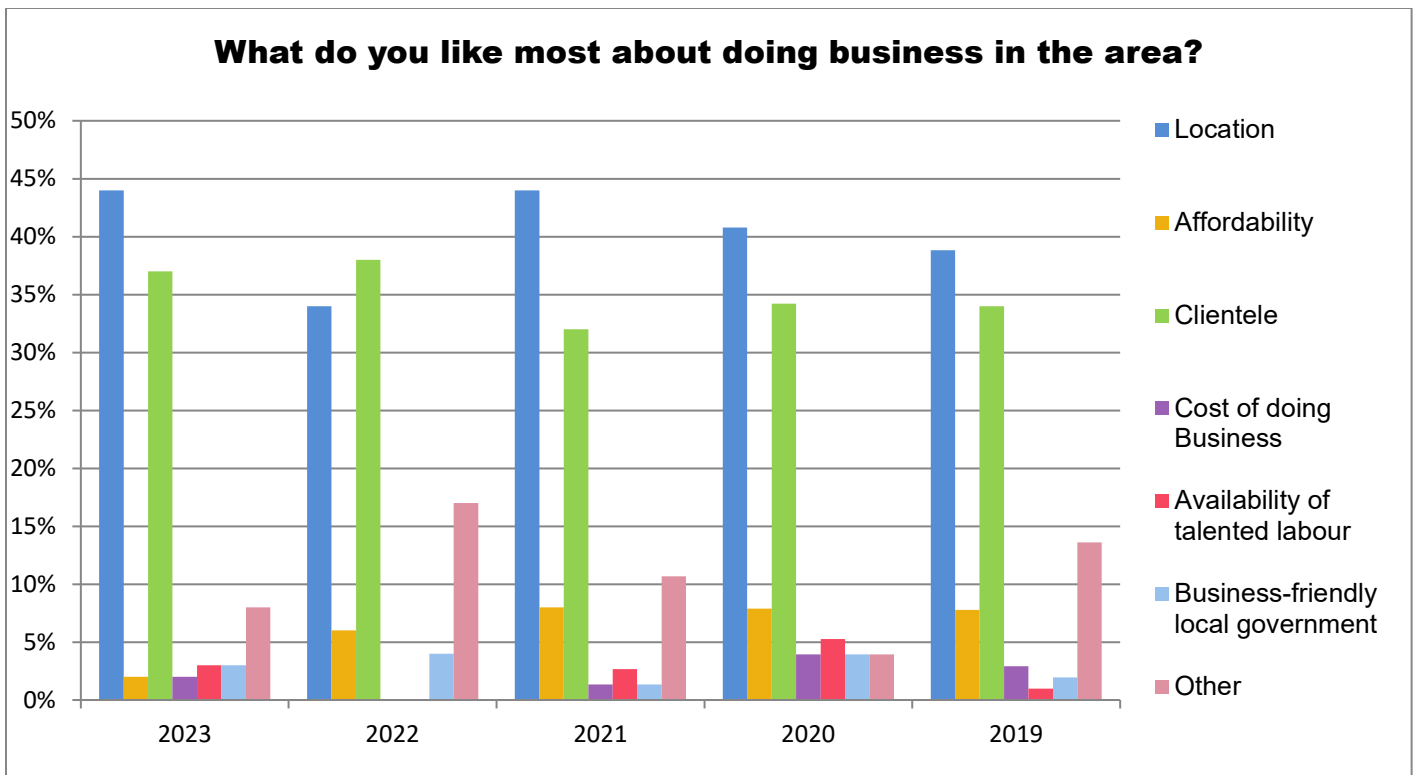
Most businesses (47%) reported that they are experiencing steady operations this year. This is only a slight increase from the businesses in steady operations last year (45%). However, compared to 2022 there has been a significant shift in the proportion of businesses that are growing and shrinking. There are more businesses shrinking in 2023 (15%) than in 2022 (6%) and less businesses growing (38%) than in 2022 (48%). Some comments made by the businesses that are shrinking allude this to changes within industry locally, changes in the local demographic and aging business ownership. As the LNG Canada project moves from construction into start-up it will be important to work with businesses to ensure they can adapt to the impact of this shift in the local economy.

### Question 2: What do you like most about doing business in the area?

The top two reasons identified by business for doing business in Kitimat have been “Location” and “Clientele” over the last 5 years. Business indicate a "strong sense of place" in 2023 choosing “Location” as a most liked reason for doing business in Kitimat. Although the “Cost of Doing Business” and “Availability of talented labor” were chosen by 3% and 2% of surveyed business, this is an improvement from 2022. The negative trend in affordability indicates there is more work to be done to make investing in Kitimat less expensive for business owners.

Some responses under the “Other” category include:

- Support from the local government.
- Employees are willing and open to work and learn.
- Local owners/mangers that love the area.



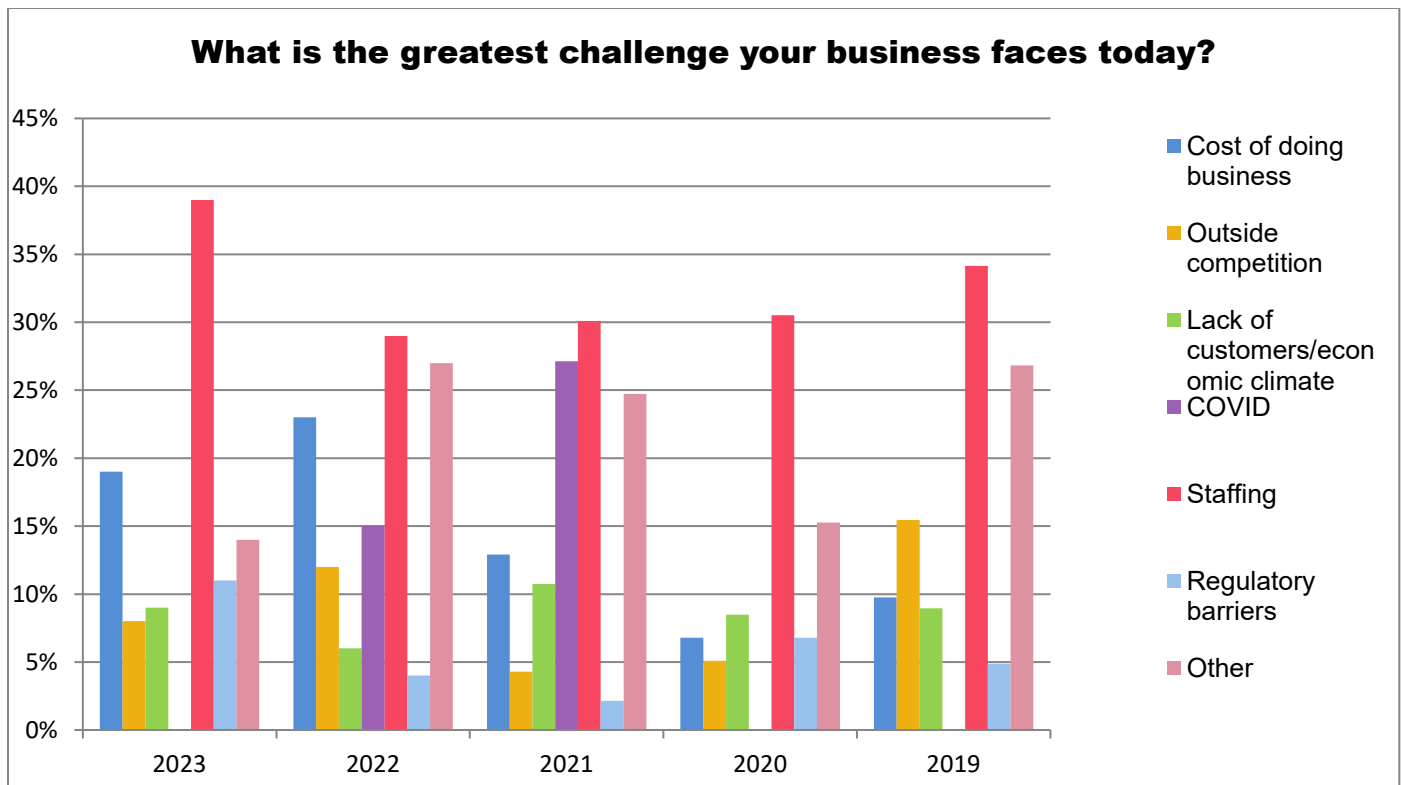
### Question 3: What is the greatest challenge your business faces today?

Staffing is identified as a greater challenge this year than in previous years. It is significantly higher (39%) than last year (29%) and remains the biggest need for businesses. The “Cost of doing business” is ranked as the second greatest challenge for businesses. It is a slight decline from 23% of respondents in 2022 to 19% of respondents this year. However, the proportion of businesses that have this as a challenge is significant and reiterates the responses from the second question in the survey.

Although the third highest challenge identified by businesses is in the “Other” category, there is a notable increase of businesses that have indicated “Regulatory Hurdles” as a challenge (11%) than in previous years (2-7%). Comments made by businesses on this were mostly indicative of provincial and federal legislative barriers that made doing business difficult.

Some responses under the “Other” category include:

- Inflation, cost of living and the need for more services.
- Housing and big industry taking local talent.
- Engineering challenges including changing costs depending on the supply chain.



#### Question 4: What can be done to help your business thrive?

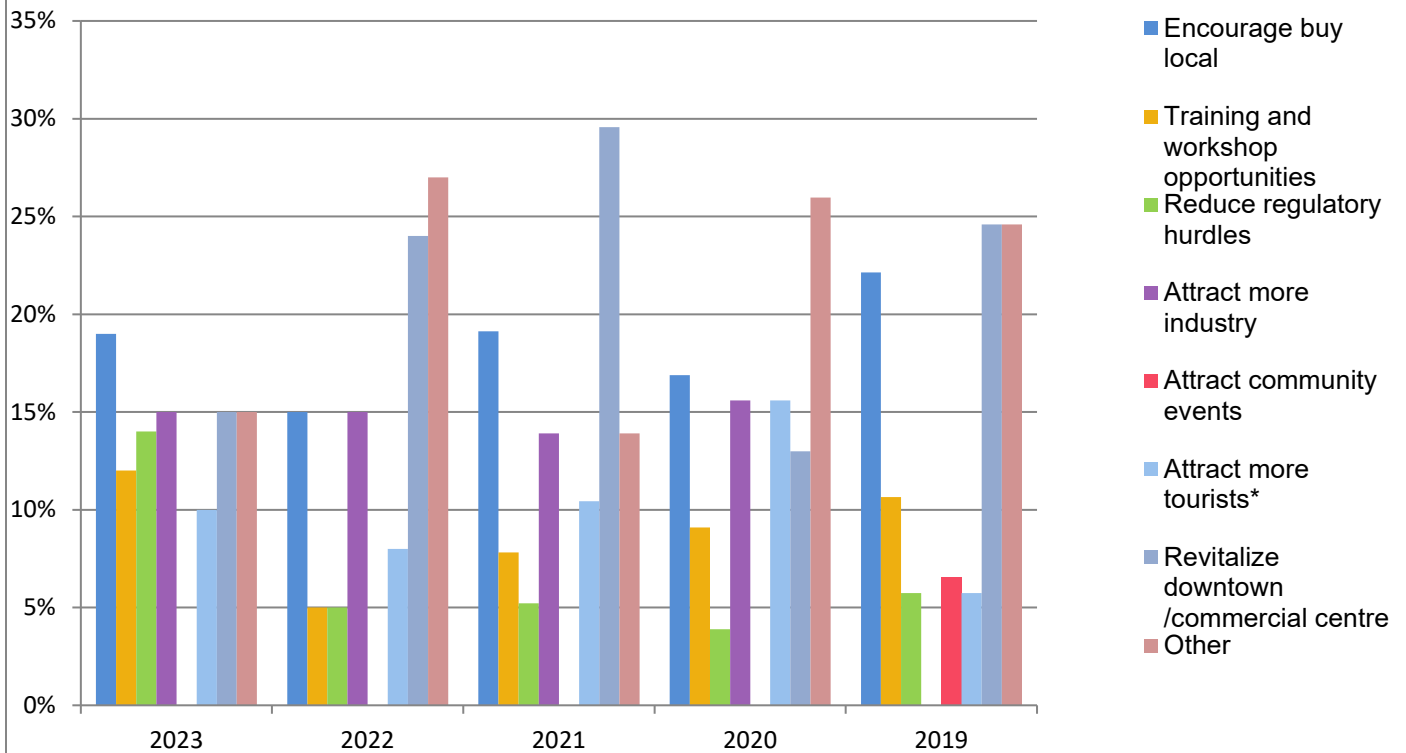
There was a higher percentage of businesses that indicated “Encourage Buy Local” (19%) than in 2022 (15%). This was also the highest need businesses indicated closely followed by “Attract More Industry”, “Revitalise Downtown/Commercial Centre” and “Other” at 15% each. More businesses indicated “Reduce Regulatory Hurdles” (14%) and “Training and Workshop Opportunities” (12%) than in previous years.

The high percentage of businesses that have indicated encouraging buy local will be helpful can be due to a few factors. One of such is the close of the Love Kitimat program to transition into a new shop local program- Keep it Local Kitimat. Another reason for a high need to encourage buy local as indicated in some comments is the gap in understanding what “shop local” means for the regular consumer and the impact it has within a community.

Some suggestions under the “Other” category include:

- Attracting more residents.
- Need for housing and shelters.
- Supply chain.
- Marketing.

## What can be done to help your business thrive?



### \*Note:

In 2016, “Attract additional industry” was offered as a possible response. It has since been removed as a response option because it was by far the most common response.

In 2019, “Revitalize downtown/commercial centre” was offered as a possible response.

In 2020, “Attract more community events” was removed and “Attract more industry” was offered as a possible response.

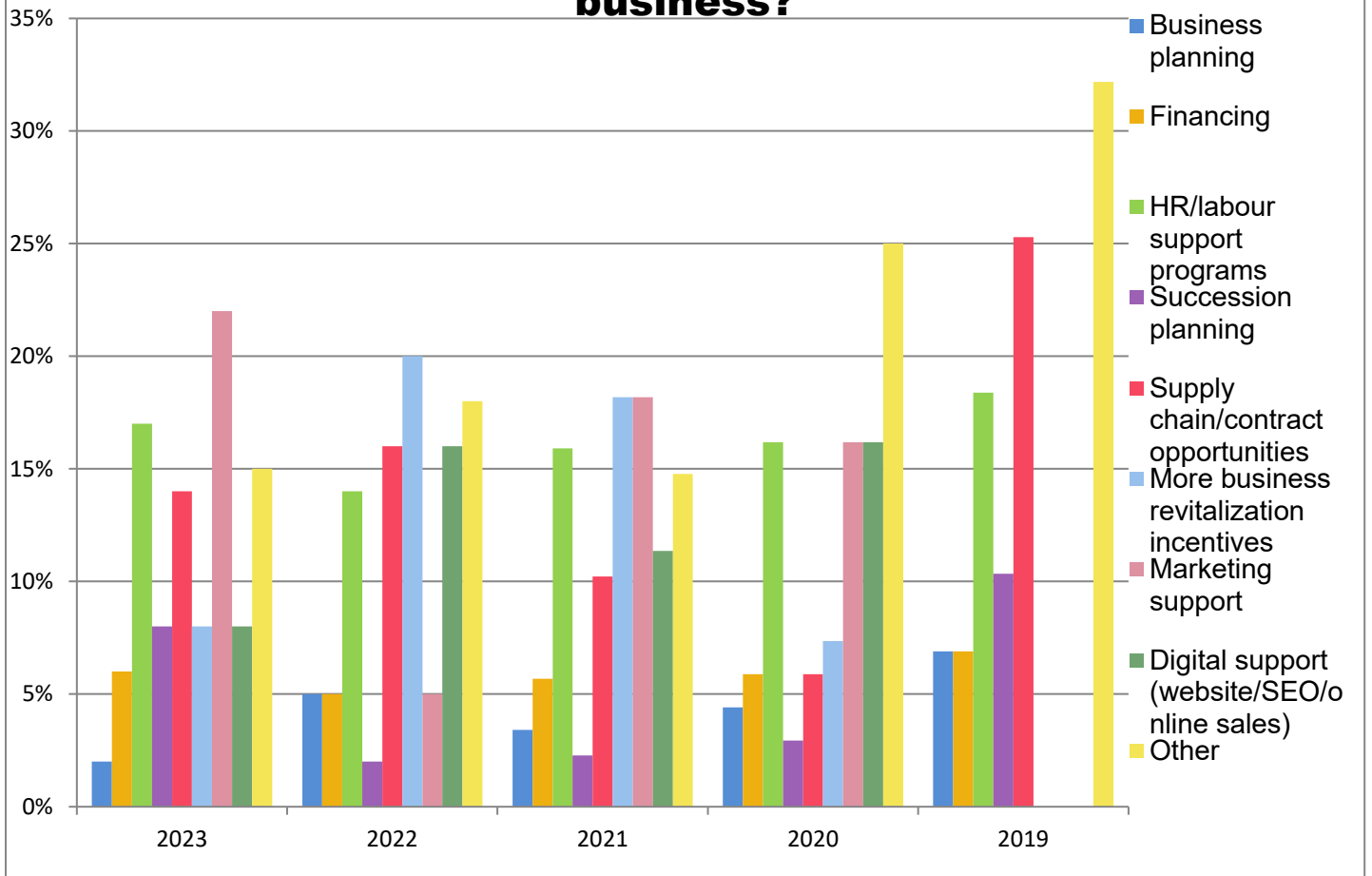
## Question 5: What resources would help you with your business?

The highest resource requested by businesses is for “Marketing Support” (22%). This is a greater need than in previous years and is closely followed by the need for “HR/Labour Supports” (17%), “Other” (15%) and “Supply Chain/Contract Opportunities” (14%). The decline in “More Business Revitalization Incentives” may be a good indicator that more businesses are now aware of the incentives available through the District of Kitimat and Chamber of Commerce.

Some responses under the “Other” category include:

- Other events in town.
- Finding another location.
- Spotlight on local businesses.
- Government housing.

## What resources would help you with your business?



**\*Note:**

In 2020, “More business revitalization incentives”, “Marketing support”, and “Digital support (website/SEO/online sales)” were offered as possible responses.

### General Overview

Businesses interviewed this year had a total of 445 employees. This is an increase of over 150 employees from the 33 businesses surveyed last year. Most employees from the survey this year were full time employees (69%). 28% of the employees were part-time with the remaining 3% being temporary workers.

Following the Business Walk last year, the Chamber of Commerce and District of Kitimat partnered to host business programs including the Kitimat Business Bootcamp, Kitimat Business Builders Competition and Entrepalooza 2023. Through these programs, we were able to engage over 30 businesses and address areas of need noted in the 2022 Kitimat Annual Business Walk. Sponsorship for these programs were provided by Rio Tinto, LNG Canada and the Northern Sentinel.

### What’s Next?

The District of Kitimat will continue to work with local, regional and provincial partners on programs to

strengthen and diversify the local economy. This will involve supporting commercial activity of businesses and industry.

The District of Kitimat and the Kitimat Chamber of Commerce will:

- Work with local businesses to assist with recruitment efforts through the Kitimat Bound project and other programs.
- Launch a new shop local program- Keep it Local Kitimat. The goal of this 5-year program is to build community understanding of the impact local shopping has. The program will also help market local business to a wider audience using the BC Buy Local platform and other social media channels.
- Work collaboratively with local business and industry to maximize economic benefits of hosting the Minerals North Conference in 2024.
- Continue to build awareness of existing programs and events.
- Help businesses prepare for the coming transitions with the LNG Canada project by research and sharing data to curb speculation.
- Work on the factors that contribute to the high cost of doing business to address them with programming and policy.
- Collaborate on downtown revitalization initiatives (including public art and signage) and the improvement of commercial spaces within Kitimat.
- Continue to support businesses through business retention and expansion initiatives such as the Kitimat Business Bootcamp, Kitimat Business Builders Competition and Entrepalooza.





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