

### **3.9 Manufacturing**

The diversity of the Central Okanagan economy is reflected in the wide range of manufacturing that takes place here. From cottage industry food producers making preserves and condiments from local fruit and vegetables, to value-added wood producers, steel fabricators, and a growing cluster of aviation firms, manufacturing provides employment for the third largest number of people in the region. Long-term, well-paying jobs are generally associated with this sector.

Traditional manufacturing such as forestry and agriculture continue to play a major role in the Central Okanagan economy. Lumber companies Tolko Industries and Gorman Bros. and fruit juice producer Sun-Rype Products are among the area's major employers. The sector is also well represented by producers of wine, boats, communications equipment and modular homes. Secondary manufacturers include value-added wood processing, window and door manufacturers, kitchen cabinet and furniture manufacturing, prefabricated homes, fiberglass products and many others.

Kelowna Flightcraft, with 575 employees at its Kelowna facility, is a one-stop shop servicing the aviation industry world-wide. A number of smaller firms such as SkyTrac Systems, Alpine Aerotech and Northern Air Support add to the growing hub of companies in this emerging sector.

One of the challenges facing this sector is the lack of skilled workers including ticketed trades people. Manufacturers of all sizes in the valley are recognizing the need to compete with other communities for qualified workers by providing attractive wages and retention programs. The large number of micro-sized businesses (20 employees and under) often provide an excellent training opportunity as well the ability to build a career with a business as it grows. Affordable housing for young, single workers is also being addressed by improvements to regional infrastructure and many businesses are helping new recruits find housing as part of their company incentive program. The Okanagan's attractive lifestyle and climate continue to be a major attraction for workers moving to the area.

For some manufacturers doing business with the United States, profitability has been challenged by the rising dollar. Those that have remained proactive by diversifying their client base and investing in new technology and machinery have continued to grow and thrive.

Table 3.19 Manufacturing Industries by Regional District, Principal Statistics, 2003

|  | Total Activity      |                 |                           |                          |                          |                            |
|--|---------------------|-----------------|---------------------------|--------------------------|--------------------------|----------------------------|
|  | Establishment Count | Total Employees |                           | Total Activity           |                          |                            |
|  |                     | Number          | Salaries & Wages (\$000s) | Total Materials (\$000s) | Total Shipments (\$000s) | Total Value Added (\$000s) |
| 321 Wood Product Mfg.                            | 29                  | 1,205           | 53,056                    | 143,208                  | 246,026                  | 95,370                     |
| 3211 Sawmills & Wood Preservation                | 8                   | 514             | 25,898                    | 76,105                   | 127,034                  | 45,486                     |
| 336 Transportation Equipment Mfg.                | 13                  | 698             | 22,858                    | 50,295                   | 96,494                   | 44,545                     |
| 332 Fabricated Metal Product Mfg.                | 34                  | 525             | 18,924                    | 29,523                   | 63,593                   | 33,586                     |
| 334 Computer & Electronic Product Mfg.           | 10                  | 254             | 11,567                    | 12,348                   | 38,532                   | 26,930                     |
| 327 Non-Metallic Mineral Product Mfg.            | 14                  | 201             | 8,281                     | 18,701                   | 39,647                   | 19,984                     |
| 32199 All Other Wood Product Mfg.                | 7                   | 326             | 9,540                     | 18,699                   | 36,758                   | 17,765                     |
| 3323 Architectural & Structural Metals           | 13                  | 227             | 8,000                     | 16,545                   | 31,852                   | 15,340                     |
| 32732 Ready-Mix Concrete Mfg.                    | 6                   | 107             | 4,667                     | 12,837                   | 24,368                   | 10,663                     |
| 33231 Plate Work/Fabrication Structural Products | 7                   | 135             | 5,225                     | 9,113                    | 19,124                   | 9,965                      |
| 326 Plastics & Rubber Products Mfg.              | 9                   | 86              | 3,324                     | 5,767                    | 12,311                   | 6,545                      |
| 3372 Office Furniture (incl. Fixtures)           | 5                   | 116             | 4,024                     | 5,848                    | 12,473                   | 6,539                      |
| 3344 Semiconductor/Electronic Component          | 4                   | 62              | 2,753                     | 2,562                    | 8,242                    | 5,649                      |
| 33232 Ornamental/Architectural Metal Prod        | 6                   | 92              | 2,775                     | 7,432                    | 12,728                   | 5,375                      |
| 323 Printing/Related Support Activities          | 15                  | 100             | 3,308                     | 3,509                    | 8,804                    | 5,198                      |
| 3327 Machine Shops/Turned Prod./Related          | 11                  | 89              | 3,343                     | 3,223                    | 8,255                    | 4,927                      |
| 32619 Other Plastic Product Mfg.                 | 6                   | 52              | 2,107                     | 3,200                    | 8,077                    | 4,680                      |
| 3328 Coating/Engrav/Heat Treating Activ.         | 4                   | 73              | 2,659                     | 2,308                    | 6,832                    | 4,296                      |
| 323119 Other Printing                            | 9                   | 67              | 2,278                     | 2,407                    | 6,233                    | 3,767                      |
| 3118 Bakeries & Tortilla Mfg.                    | 8                   | 54              | 1,223                     | 1,876                    | 4,218                    | 2,237                      |
| 321911 Wood Window & Door Mfg.                   | 4                   | 22              | 664                       | 5,234                    | 6,995                    | 1,774                      |
| 31212 Breweries                                  | 3                   | 14              | 410                       | 413                      | 1,444                    | 983                        |
| 335 Electric Equip./Appliance/Component          | 4                   | 12              | 508                       | 802                      | 1,382                    | 555                        |
| 3334 Ventilation/Heating/AC/Refrig.Equip         | 3                   | 7               | 154                       | 308                      | 551                      | 199                        |

Source: BC STATS, Manufacturing Principal Statistics. Statistics Canada, Survey of Manufactures, BC STATS, November 2005. Based on the 1997 North American Industry Classification System (NAICS).

Please note the BC Manufacturers' Directory is compiled from the results of a self-administered, voluntary survey of manufacturers in British Columbia. Therefore no claims are made regarding the completeness of the coverage - results are indicative only of types and level of manufacturing activity throughout the province.