

SOCIO-ECONOMIC BENEFITS

FACT SHEET



The Northern Gateway Project will provide numerous benefits to the residents of northern BC and Alberta.

Benefits include:

- employment
- skills development
- procurements opportunities
- contributions to the community and province through a secure tax base

With an estimated capital cost of \$5.5 billion, Northern Gateway will create thousands of job opportunities for regional residents throughout the project construction and operations, while providing approximately \$912 million in tax revenues during construction.

Project Employment

- Project construction will create about 62,700 person-years of employment over a three-year construction phase. This includes:
 - 5,537 person-years of employment on actual on-site construction.
 - 17,227 person-years of employment in companies that directly supply goods and services needed for construction.
 - 39,930 person-years of spin-off employment (indirect economic activity).
- During peak construction, between 2,000 and 3,000 workers will be directly employed to construct the pipeline and facilities.
- Regional residents are expected to account for 66% of direct construction employment of which Aboriginal residents, contractors and companies will account for 38%.
- Permanent project operations will directly employ 104 people at various locations throughout Alberta and British Columbia, including 52 workers in Kitimat. Regional residents are expected to be hired for all direct operational jobs.
- Directly and through economic spin-offs, project operations will create 1,146 jobs across Canada.
 - 561 jobs in British Columbia
 - 379 jobs in Alberta
 - 206 jobs in other parts of Canada
- In addition, another 113 people will be employed to support the operation of the Kitimat Terminal, including tug operators, pilots, emergency response staff and various other service providers.
- Direct project employment will provide \$10 million in wages and benefits.

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Project Construction

- Project construction will be spread over 4.5 years and will cost \$5,541 million (2009 \$).
- Peak construction activity will occur in 2015 and 2016.
- The project is expected to operate for 30 years with average annual operating costs of \$192 million.
- Project spending during this period will increase economic activity in Canada (as measured in terms of Gross Domestic Product or GDP) by \$6,275 million. This includes:
 - \$2,998 million resulting from direct project spending.
 - \$3,277 million in economic spin-offs (indirect and induced economic activity).
- Operational spending is estimated to annually generate \$203 million in GDP, including direct effects and economic spin-offs (indirect and induced effects) .
- About 55% of GDP effects will occur in British Columbia, 29% will occur in Alberta and the balance (16%) will occur in other parts of Canada.
- Operations will generate about \$36 million per year in property taxes. Annual tax payments to the federal and provincial governments will total about \$86 million.