

## **Mackenzie Community Report:**

**A media analysis of recent events associated with forest industry mill closures**

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# Community Report: Mackenzie

## Overview

Beginning in the spring of 2007, the heavily forest dependent District of Mackenzie was rocked with a series of mill closures. Indefinite shutdowns and shift curtailments at nearly every forest product manufacturing facility in Mackenzie resulted in the direct loss of over 1300 jobs in the community. These events have presented considerable challenges to Mackenzie's economic sustainability and vitality. Beginning with a brief overview of the community's history, this report utilizes news media reports, census data (2001, 2006 Community Profiles), and other secondary sources to describe the context and timeline of events leading up to and following the mill closures. A selection of quotations from community members, officials, and concerned parties is also presented.

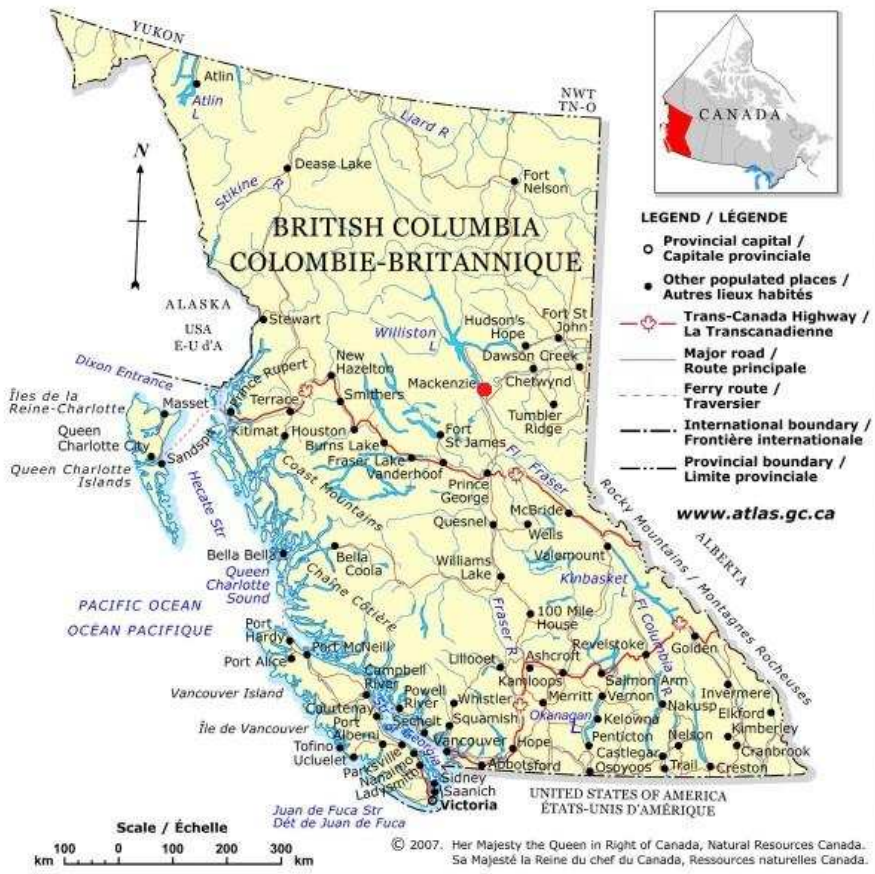


Figure 1 Map of British Columbia. Credit- [www.atlas.gc.ca](http://www.atlas.gc.ca)



Figure 2 Satellite Map of Mackenzie. Credit- Google Maps

### ***Community Description***

The District of Mackenzie is located in the North-Central interior of British Columbia, at the South end of the province’s largest man made reservoir, Williston Lake. A so-called “Instant Town”, the District of Mackenzie was created in order to service the burgeoning forest industry that arose in the area during the construction of the W.A.C. Bennett hydro-electric dam.

Mackenzie’s incorporation as a municipality occurred in 1966, and Alexandra Forest Industries was commissioned to construct the infrastructure required for a townsite: homes, schools, hospitals, sewer, water, etc. When this work was completed in 1975, Mackenzie began to attract young families keen to make a living in the forest industry. Throughout its short history, Mackenzie has been characterized by an almost total dependence on its forest resources, with the vast majority of residents employed either directly in the forest industry, or in supporting industries in the service and supply sectors.

Due to this high level of resource dependence, Mackenzie has been hit extremely hard by the downturn in the forest industry, resulting in high levels of unemployment and severe population decline. Community officials have worked to diversify the economy in order to bring jobs and human capital back to Mackenzie. Some of these efforts have shown some initial success, with the community benefitting from forays into alternative energy generation, mining, and tourism. It remains to be seen whether Mackenzie can survive the current crisis.

## Selected Characteristics

### Population Decline

Population declined significantly in Mackenzie in the ten year period between 1996 and 2006. Between 1996 and 2001, population in Mackenzie declined by 13.2%. Between 2001 and 2006, a further 12.8% decline was reported. This decline occurred during a period of overall population growth in the province, as British Columbia reported population gains of around 5% per census period.

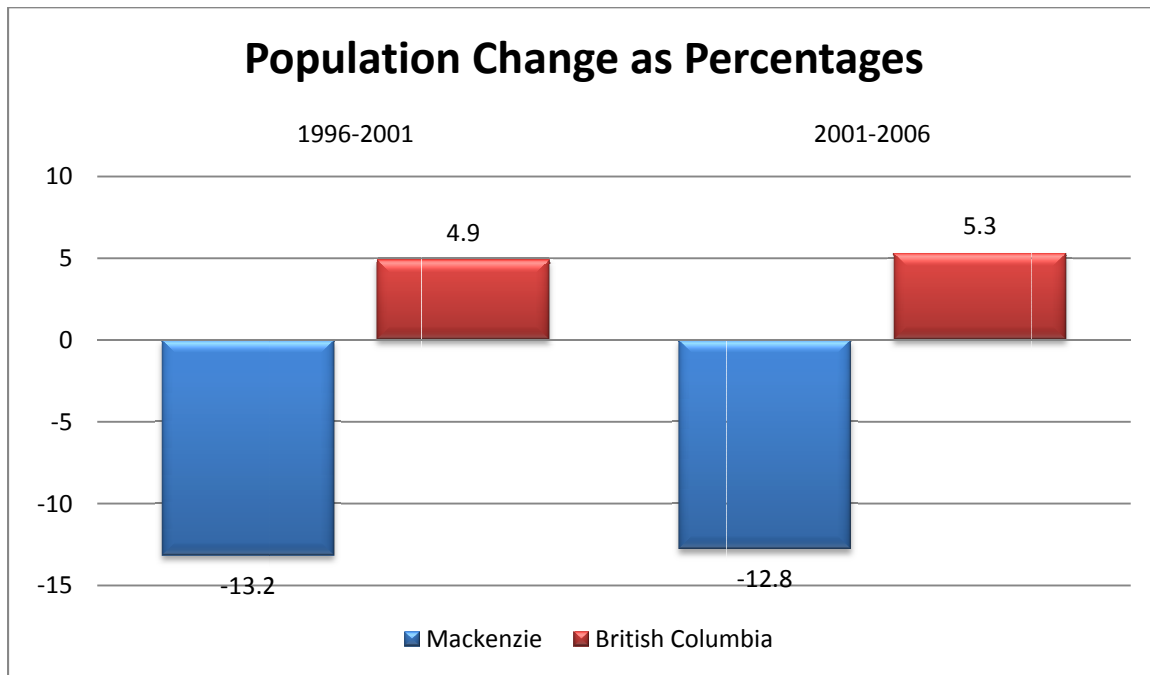


Figure 3 Population Change in Mackenzie and British Columbia as Percentages

### Unemployment

At the 2001 census, Mackenzie enjoyed a lower overall unemployment rate than British Columbia as a whole, suggesting that Mackenzie’s economy was doing relatively well. However, at the 2006 census, the unemployment rate had, in fact, risen in Mackenzie while the overall unemployment rate in British Columbia had declined, suggesting that Mackenzie had begun to experience economic troubles as early as 2006.

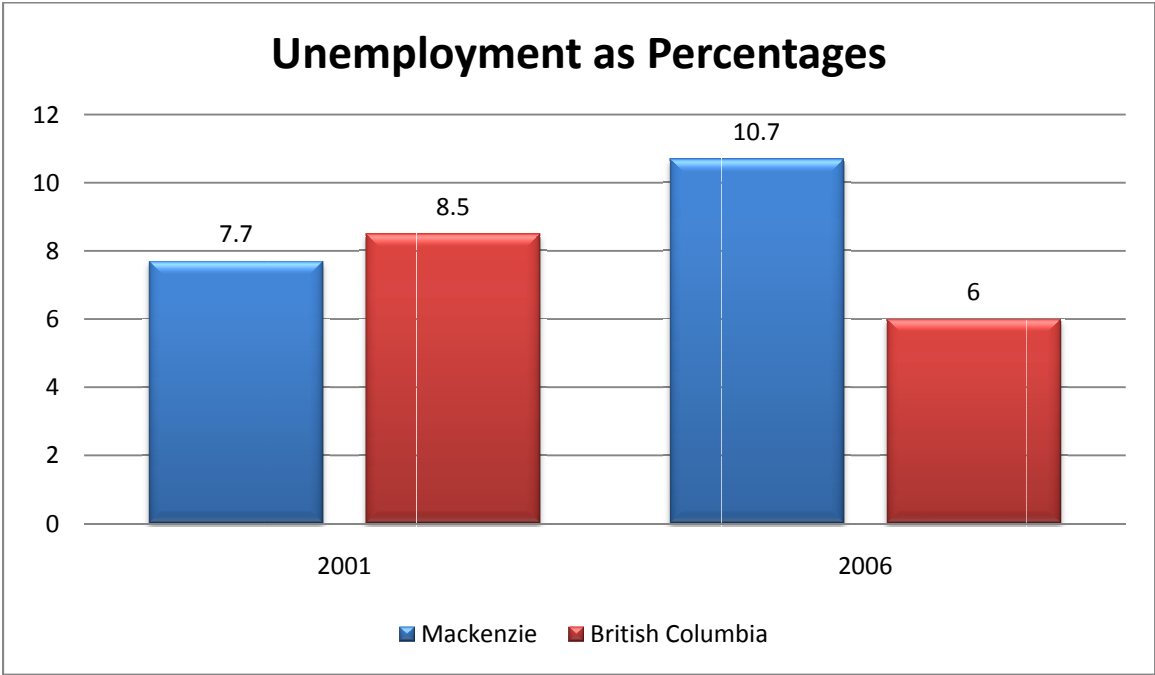


Figure 4 Unemployment Rates in Mackenzie and British Columbia as Percentages

### Employment by Industry

Employment in Mackenzie is heavily concentrated in forest products manufacturing and related industries, representing more than a 50% share of the labour force. Much of the retail and wholesale trade, business, and other services sectors, as supporting industries, are also heavily dependent on the forest industry in Mackenzie.