

# Sparwood

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BRITISH COLUMBIA

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Building Beyond Tomorrow

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REPRINTED FROM THE MAY 1983 ISSUE OF TRADE AND COMMERCE MAGAZINE



DESPITE the recession, the Sparwood area is still witnessing a number of major construction projects, such as a \$1.6-million central laboratory for B.C. Coal, (top), a new bridge crossing the Elk River on the Sparwood-Elkford road (right) and a \$4-million recreational complex (bottom) slated to open by fall, 1983. Other projects expected to take place in the near future are an airstrip for the community as well as a ski hill.

— Photos by Craig Weir, Kaslo, B.C.



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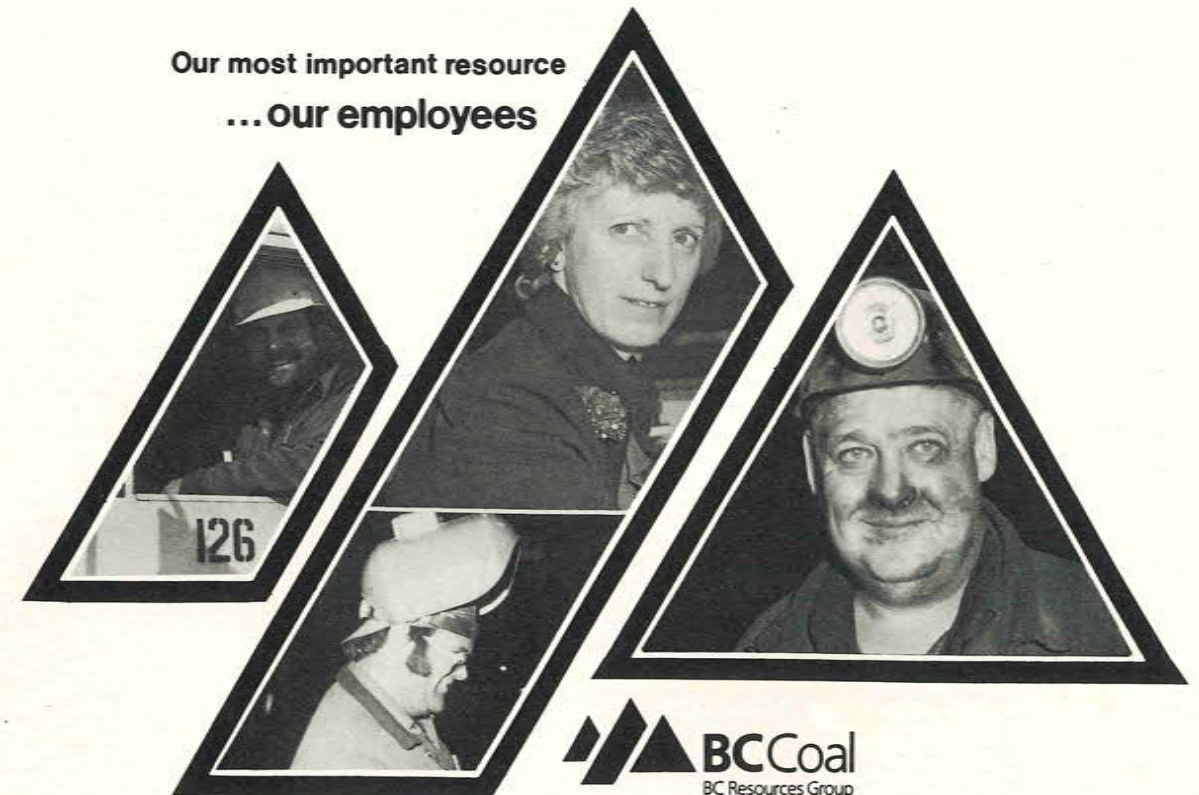
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leaders to keep accurate information on the economy flowing, said, "The company has a responsibility to the community which it has lived up to."

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But bad times are often a far cry from bust times. For instance, building permit values for the District of Sparwood stood at \$6,357,400 in 1982. That looks terrible compared with the \$20,025,542 figure for 1981. In 1980, however, building permit values were only \$3,961,750 — which make the 1982 performance look, if not great then easier to live with.

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 ... our employees



# Coal mine modernization reinforces long-term prospects

by  
**CRAIG WEIR**  
Regional Editor

TO a large extent, B.C. Coal is Sparwood. So, when the company's Balmer Operations at Sparwood close down as they have done several times in the past year, one would expect the municipality to close down too.

"That didn't happen," says Alderman Toto Miller. "I think the people here decided that Sparwood means more to them than just another bunk-

house; it's home, and home life goes on in good times and bad."

Miller, a school teacher, also observed that, despite the long layoffs (six weeks starting September 18, 1982, and six weeks starting February 5, 1983), the number of students he teaches diminished hardly at all. "Families remained in Sparwood. A generation is growing up here. The future looks great!"

This production curtailment was timed during prime vacation time to avoid significant hardships or dislocation to employees.

Unfortunately, not enough coal was shipped from the port during the three weeks to make a significant reduction of the total inventory. In fact, the company was advised towards the end of the vacation shutdown that its major customers would substantially reduce their coal deliveries for the balance of 1982 which would result in even larger inventories than anticipated.

Walter Riva, chairman and chief executive officer of B.C. Coal, immediately cautioned employees that additional steps would be required to reduce coal inventories over the balance of 1982 and that the company was studying methods of doing so with the least impact on all employees.

The cutbacks for 1982 from the Japanese steel mills would total more than one million tonnes. Combined with reduced deliveries to some other customers, and anticipated spot sales that did not materialize, it meant that total sales for the year would be around 5.4 million tonnes compared with projected 1982 sales and budgeted production of 7.1 million tonnes.

Actually, Balmer Operations at Sparwood shut down for a total of ten weeks in 1982, and the workforce was significantly reduced. During the year, 546 unit trains left Balmer for the west coast coal port, down from 751 the year before.

The B.C. Coal closures were forced by cutbacks from major customers. Reduced shipments resulted in an intolerable inventory of more than one million tonnes of unsold coal.

As early as May of 1982, B.C. Coal President Gary Livingstone cautioned employees that the world was getting an oversupply of coal and that competition on the international market was getting severe.

Livingstone said increased cost efficiencies to hold down unit costs would be required for B.C. Coal to remain competitive in the world coal market. There was no indication then of probable cutbacks from the Japanese steel mills or other customers.

In the following month, however, some expected coal movements from Westshore Terminals at Vancouver did not materialize and the company was unable to meet its planned volume of train shipments to the port from the stockpile at the Elkview (Sparwood) plant which had been accumulating since the previous winter.

On June 7, Livingstone announced that all coal production would cease for three weeks, from July 26 to August 15, during which the company would concentrate on moving coal to the port from the plant.

## RECESSION'S PINCH

## MODERNIZATION PROGRAM

In 1982, B.C. Coal continued to build for the future by preparing to take advantage of opportunities in the marketplace when global economic recovery takes place. A major modernization



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program at Balmer, coupled with expansion of Westshore Terminals, and completion of most of the construction at Greenhills (Elkford) progressed on schedule during the year.

When its customers informed B.C. Coal of their intention to purchase significantly lower volumes of coal in 1982 and 1983, the company planned and implemented appropriate measures to bring costs into line with the reduced market demand. While every attempt was made to reduce the impact on employees, the workforce at Balmer was simply too large for the new production levels required, and further reductions were made in the Balmer workforce which stood at 1,914 at the end of 1982. All staff salaries were frozen.

In early 1983 the company announced an additional shutdown at Balmer, the February 5 affair, with a further four-week closure planned for the summer.

The coal industry traditionally lags behind other industrial sectors in both economic downturns and recoveries, so little improvement is forecast for B.C. Coal's markets until 1984. However, when economic conditions do turn around, B.C. Coal should be in a position to take advantage quickly of developing market opportunities.

One of the major purchases at the Balmer mine in 1982 was twelve 154-tonne coal and rock haulers. The surface mine at Harmer Ridge is being extended southward, and the new trucks will allow operations to cope with the anticipated increase in rock removal and haul distances.

The Balmer North underground operation is implementing an expansion plan at a cost of some \$2.9 million. New equipment purchased for the mine and scheduled for delivery in 1983 include a

high capacity continuous miner, new shuttle cars and new electrical equipment.

During 1982, Balmer North production averaged more than 3,150 tonnes a week for a total of 132,000 tonnes over the 12-month period.

Both the underground and surface operations broke a number of production records in 1982, including the most tonnes of coal produced in a single day, in a single month and in a quarter. In February, underground production averaged 1,967 tonnes per shift, more than 200 tonnes above average. At the Harmer surface mine, drill crews set two all-time performance records in March, a daily drilling average of 7,947 feet, almost 2,000 feet above target, and a monthly grand total of 246,350 feet.

Efficiency of the company's quality control department is expected to increase significantly with the completion of the new \$1.6 million central laboratory at Sparwood.

## COMMUNITY GROWTH

During 1982 the company was involved in a number of important community projects. Assistance is being given in the construction of a recreational centre in Sparwood. B.C. Coal pledged \$3 million to the project in March of last year. The company's scholarship program for employees' children was streamlined to better reflect the company's wish to reward scholastic achievement. The company also assisted the community in non-monetary ways through the involve-

ment of its employees in service groups and as advisors to various organizations.

Toto Miller, Sparwood council's media relations official, says that the recreational centre now under construction recently received \$500,000 in federal money towards its completion. Official opening of the \$4 million facility is scheduled for August this year.

Plans for a much expanded shopping centre at Sparwood have been clipped somewhat by the recession. However, Miller says, everything is "go" for the addition of a number of new small stores and the expansion of an Overwaitea supermarket.

Federal funding of \$500,000 has been approved for an airstrip to serve the Sparwood area. An airline operating short takeoff and landing Dash-7s has expressed interest in establishing scheduled service to the upper Elk Valley.

An acute shortage of land suitable for housing has been eliminated with the development of Sparwood Heights. While no construction has taken place, Miller regards the subdivision as "money in the bank against the day when people start building homes again."

The Sparwood Kinsmen Club ski hill is close to becoming a reality. MLA Terry Segarty has approved an application by the club to the B.C. Lottery Fund for \$110,000 grant to tackle the project at Sparwood Heights. An application to the provincial NEED program for \$30,000 to hire a project manager and workers was made in March. The District of Sparwood has allocated \$100,000 in the 1983 budget for the project.

The ski slope is to be at least 500 feet

STATISTICS	
Population 1983	4,660
Population 1973	3,500
Income 1982	\$62,910,000
Income 1972	\$14,700,000
Trading Area Population 1983	65,000
Trading Area Population 1973	43,000
Trading Area Income 1982	\$865,800,000
Trading Area Income 1972	\$172,390,000
Construction 1982	\$6,357,400
Construction 1972	\$1,457,920
Assessment 1983	\$128,122,766
Assessment 1973	\$18,893,600
Retail Trade 1982	\$12,725,000
Retail Trade 1972	\$3,750,000
Industrial Plants 1983	15
Industrial Plants 1973	3
Manufacturing Value 1982	\$15,397,000
Manufacturing Value 1972	Not Given
Manufacturing Payroll 1982	\$3,210,000
Manufacturing Payroll 1972	Not Given
INDUSTRIAL SITES	
(a) Total Acreage	11,740
(b) Unoccupied Acreage	9,000
(c) Unoccupied Serviced Acreage	1,000
TRANSPORTATION FACILITIES	
Railways	C.P.R.
Highways	No. 3
Truck Service	6 lines
UTILITY SERVICES	
Electricity	B.C. Hydro & Power Authority
Gas	Columbia Natural Gas Ltd.
RAW MATERIALS	
Coal, timber, aggregates	
COMMUNICATIONS	
Weekly Newspapers	The Crowsnest Clarion The Elk Valley Miner, Free Press
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