

**Working Together
to Build Economic Prosperity
for Vancouver Island & Powell River**

Prepared for the VIEDA Committee Executive

by Michael Geoghegan and Bill Vigars
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Introduction

"We established our business here four years ago because it was the most beautiful place in the world, and presented the soundest economic viability in which to invest our future."

Bed and Breakfast
Owner, Ucluelet.

Diversification of Vancouver Island's economy is imperative, and any effort to achieve this will require a unified, aggressive, island wide marketing and communications strategy. The Vancouver Island Economic Developers Association recognised the need to get beneath surface impressions and identify the region's underlying economic strengths and constraints. With this information a strategy could then be developed to begin marketing and promoting Vancouver Island's strengths while also making recommendations on addressing the constraints.

The Vancouver Island Economic Developers Association contracted Barlee, Geoghegan & Associates to develop a detailed communications and economic marketing plan. An integral part of the study was to determine community support for any initiative.

Vancouver Island offers many key advantages. These include modern and improving infrastructure, unparalleled scenery, temperate climates, a highly motivated workforce, a top-notch education system, and a quality of life that is envied around the world.

Our extensive, one on one interviews, with a wide range of community representatives uncovered many exciting developments, untold success stories, and untapped economic development opportunities. Most importantly, we found a broad base of support for any initiative that helps tell our story to the world.

With this encouragement, we have attempted to lay out a communications strategy designed to assist Vancouver Island communities in developing a more diversified and recession resistant local economy. In doing so, we have attempted to remain cognisant of those factors that make Vancouver Island and Powell River coveted places in which to live.

General Findings

"In 1971 the federal government spent \$7 million dollars to provide the infrastructure for the West Coast National Park System. It had an overnight positive effect on the local economy. It laid the foundation for what the area is now. Upgrading our Internet capabilities would have the same effect today."

Hotel Owner Tofino

Vancouver Island is blessed with spectacular scenery, a pleasant climate and amazing recreational opportunities. Our relatively low population base, coupled with our relative affluence, has allowed us to protect significant portions of our Island. All of these factors contribute to the high quality of life that Vancouver Island residents enjoy.

Over the years, a legitimate desire to protect these qualities has fostered a complacent, and in some cases, even a negative attitude towards further economic growth. In this sense the current recession has served as a wake up call to those who have taken the region's continued prosperity for granted. The current downturn has also demonstrated the need for Vancouver Island communities to collectively market and promote the region to an investment world that largely does not even know we exist.

The current economic downturn has had a serious impact on Vancouver Island. Some have blamed the "Asian Economic Flu," others, "provincial government policies," and still others, "necessary structural changes in the forest sector." The fact is that all have played a role in the downturn of our region's economy.

Despite the current downturn, the majority of people we spoke to remain positive about our Island's economic future. Adversity and opportunity often represent two sides of the same coin. In spite of the negative aspects, our current economic adversity gives us an opportunity for review and for planning the future of Vancouver Island's economic development.

Vancouver Island and Powell River residents recognise that the contribution of the forestry sector to the local economy is diminishing and other business must be attracted to replace the economic shortfall. Similarly the decline of the commercial fishing sector and long-standing decline in mining have meant that many communities are now having to move beyond resource extraction as the economic basis for their communities.

Vancouver Islanders generally do not want smokestack industries. However there is keen interest in developing value added processing in the forestry, aquaculture, commercial fishing and agricultural sectors. Powell River and Port Alberni also show very keen interest in seeing the establishment of an aluminum smelter.

Nearly all the people we interviewed were prepared to work together in order to promote our region and support well-planned future development. They recognise that the opportunities available to investors are abundant, and the story our region has to tell is an exciting one.

"We are sitting on top of a gold mine and we are fools if we don't mine the gold."

Mill Manager, Port Alberni

"We're on our own if we want anything done here, but if we work together as a region we might get some where."

Councilor Powell River

Respect is growing for the value of agriculture especially in the Cowichan Region. New crops, value added production and the emergence of agri-tourism (e.g. estate winery tours) is increasing public awareness of the valuable contribution agriculture makes to both our economy and our quality of life. However the costs associated with shipping feed and other agricultural products to and from Vancouver Island mean that in order to succeed the agricultural sector will have to specialise in high-end niche marketing and production.

Increased public attention is also being given to fin and shellfish aquaculture. Unfortunately not all of this attention has been positive. Although the moratorium on shellfish aquaculture has been lifted, the provincial government has yet to lift the moratorium that prevents any further expansion of salmon farming. The areas along Vancouver Island's coast that are most suited to fish farming are, in many cases, the areas that have been hardest hit by the collapse of the forestry and commercial fishing sectors. Thus there is tremendous desire in these areas to see the provincial government lift its moratorium on aquaculture.

Transportation costs hamper the economic development of Vancouver Island. Yet the idea of a fixed link between Vancouver Island and the Mainland generally elicits a range of objections. Some Powell River community leaders, on the other hand, show a desire to establish a paved toll road between their community and Brackendale. This road would provide Powell River with a land link between their community and the rest of Mainland British Columbia.

Considerable interest exists in promoting tourism and eco-tourism in all Vancouver Island communities. Such businesses add to the quality of life for residents already living in the community, while encouraging more people to live and invest there. The tourism sector provides jobs for many of the community's young adults.

In 1998 tourism contributed \$1 billion to the economy of Greater Victoria. Much needed improvements to the Vancouver Island Highway and the establishment of a new ferry terminal at Duke Point, have also helped central and northern Vancouver Island to get in on the tourism boom. The challenge however is for these communities to make themselves known to the world. Earned media (i.e. media coverage) is the most cost-effective way to do this.

Hi-tech and other knowledge based sectors hold perhaps the greatest promise for the future economic development of Vancouver Island. For a number of years the United Nations has declared Canada the best country in which to live. This being the case, if software programming can be carried out anywhere in the world, why not do it in the most beautiful and temperate part of the country? As long as communities have the necessary communications infrastructure, the Island lifestyle and scenery should prove very conducive to helping companies attract and keep programmers.

“We have to give economic development more of a mandate at both the local and provincial government level, we need to jointly market Vancouver Island”

Manager, Nanaimo

“Change must happen now. It’s time to build something cohesive inclusive and positive for both the people of Vancouver Island and the rest of the Province.”

Conference

Delegate, Vancouver Island Futures Forum.

Unfortunately, perceptions about high marginal income tax rates in Canada and British Columbia work against investment in this area. Many people feel that over-taxation and over-regulation make it difficult for British Columbia based software companies to compete against the higher salaries and lower taxes offered by U.S. based companies. As a result many talented programmers are heading to the United States.

Almost every person interviewed expressed a great deal of criticism of the provincial government’s pro-labour and anti-business biases. Municipally, it was felt that local government is far too bureaucratic and, like the provincial and federal government, is over-taxing and over-regulating business. The banking sector was also criticised for not being supportive enough of the small business sector and not being involved enough in their local communities.

Criticism was also levelled at Vancouver Island residents and what is perceived to be our negativity and NIMBYism (NIMBY = Not In My Back Yard). While this attitude serves to protect the scenic values that are a key element of the high quality of life enjoyed here on Vancouver Island, the down side is that it thwarts the kind of economic development that is necessary if Vancouver Islanders hope to maintain or improve their current standard of living.

In terms of marketing Vancouver Island, the majority of interviewees felt that our target audience should be national and international. They also felt that we should be specific in our economic marketing. Rather than a scatter gun approach we should be targeting specific sectors, specific corporations and even specific individuals. There is some concern however, that without a substantial shift in policy from the current provincial government, any marketing effort will be wasted.

The university and college presidents we spoke to impressed us with their entrepreneurial flair and desire to work with the business community in promoting economic growth, particularly in the hi-tech sector. As we forge ahead into the information age, these administrators recognise that post-secondary institutions are important engines of economic growth.

In talking to others about secondary level education, concern was expressed that the system work more closely with the business community in order to ensure that young people have the skills necessary to compete in today’s economy. Part of the change suggested includes recognising that self-employment and several major career changes during one’s working life have now become common place. It was felt that students and those undergoing retraining should be made aware of the potential for developing their own business and learn to market in today’s global economy.

“Great ideas are rarely the product of a single individual working alone.

They emerge from a fermenting pot of theories, experiences and perspectives of many people.”

Bill Vigars

“Vancouver Island attracts exceptional people because it is an exceptional place to live and do business.”

Mike Geoghegan

One emerging sector that would benefit immensely from this unified approach is the film industry. There is currently in place a Vancouver Island Film Association. A stable funding base provided by regular annual contributions from all levels of government on Vancouver Island would go a long way to ensuring the expansion of Vancouver Island's film industry and the high-paying jobs that go along with it.

Throughout our interviews we found solid support for a unified approach to marketing Vancouver Island to potential investors. A key way to make this happen is for all communities on Vancouver Island and in the Powell River region to pool their limited resources in order to make funds available for a marketing campaign that promotes economic growth and investment throughout the area. The federal and provincial governments could also provide matching funds. Wherever possible joint marketing campaigns should also be pursued in conjunction with Vancouver Island and Powell River based organisations and businesses. While each individual community should continue their own aggressive efforts at attracting investment, a cohesive and unified marketing campaign can get the attention of national and international media and investors.

Respectfully submitted,

Michael Geoghegan
Senior Associate, BGA

Bill Vigars
Associate, BGA

Economic Strengths

As a precursor to developing a marketing strategy, we asked interviewees to identify Vancouver Island's key economic strengths:

Vancouver Island's Strengths:

Quality of Life

- A wide range of year round recreational and cultural opportunities,
- Excellent and diverse community amenities and services,
- Pristine beauty, temperate climate, clean air and spectacular scenery,
- A relaxed environment.

Infrastructure

- Billion dollar upgrade of the Vancouver Island Highway,
- A growing network of community colleges and two universities,
- Steadily expanding and improving fiber optic and telecommunications networks,
- Excellent connections to Internet,
- Rail cargo and passenger service,
- Numerous deep sea ports,
- Three major airport facilities and numerous smaller community airports
- Substantial utility capacity,
- Excellent public health care and education systems.

Natural resources

- Tremendous natural resources in the form of wood, coal and minerals,
- Superb tourism and film location opportunities,
- Excellent foreshore areas for aquaculture production.
- Unique species of fish and shellfish.

Labour Market

- A well educated, skilled and motivated workforce,
- Large base of working aged residents.

Economic Constraints

We were also asked to identify Vancouver Island's key economic constraints. Interviewees had the following perceptions:

Vancouver Island's Economic Constraints:

Infrastructure:

- Lack of a land link to mainland results in increased transportation costs and inefficiencies in the movement of goods on and off Vancouver Island,
- In some areas, further improvements are required to the communications and power network,
- In some of the smaller resource based communities there is a shortage of good quality hotel accommodation,
- Inadequate health care infrastructure relative to the Lower Mainland
- Further improvements required to region's road infrastructure particularly in the Port Alberni and North Vancouver Island area,
- E&N Railway does not operate north of Comox Valley,
- In some communities a lack of adequate airport facilities,
- A labour force smaller than that in the Lower Mainland,
- Cultural offerings relatively scarce in smaller island communities.

Government:

- High taxes, increasing government fees and license costs, over-regulation, (especially at the provincial and local government level),
- A shortage of industrially zoned land,
- Disjointed economic planning, marketing and promotion of Vancouver Island,
- Parochial municipal boundaries, especially in the Greater Victoria area,
- Inadequate expenditure on economic marketing and development.

Attitudes:

- NIMBYism anti-growth and development attitudes,
- Complacency and resistance to change,
- Lack of financing available to small business, or locally developed new technology,
- Inaccurate perception of Vancouver Island as a quaint little, backward island.

General Conclusions

There were five industry sectors identified by interviewees as the economic focus for the future of Vancouver Island and Powell River:

high tech

- chip manufacturing
- software development
- hardware development

knowledge based

- call centres
- tele-commuting
- education
- communications

tourism

- cultural and historic tourism
- eco-tourism
- agri-tourism

film production

- television
- movies
- commercials

value-added processing and manufacturing

- forestry and value added manufacturing
- agriculture and food processing
- aquaculture and food processing
- waste product recycling

Although primary resource industries are likely to further decline in relative importance, our economy will continue to diversify. Most communities can expect to generate economic growth by attracting a large number of small industries rather than one large smelter or manufacturing facility.

Continued commitment to excellence in training and educational facilities will provide the workforce to help attract knowledge based and value-added industries to Vancouver Island. Improved transportation links will also help smaller communities on Vancouver Island to diversify their economic base. Amongst more isolated communities, it will allow for the more efficient use of existing health and educational facilities by area residents.

Appendix:

Summary of Community Reports

Based on community interviews arranged by VIEDA and conducted by:

Michael Geoghegan and Bill Vigars

September through to December 1998

Vancouver Island & Powell River



Campbell River:

The natural beauty, quality of life, low land costs, eco-tourist adventure opportunities, sport fishing, and a potential booming aquaculture industry all bode well for the future of the area's economy. Campbell River's community-owned Cable Network has helped create a community where virtually every household is connected to the Internet, one of the few communities in North America to be in that enviable position.

Campbell River is a community that has been seriously affected by the downturn of the major resource industries. This unfortunate situation is compounded with a drop in tourist traffic due to confusion concerning allowable catch limits in the sport fishing industry. Without painting too bleak a picture there was, "a mood of desperation in the town" as expressed by one of the interviewees. Households that had previously enjoyed two incomes are now down to one, and in some cases that income is part time, and the employment prospects for the future are questionable.

Even before the current downturn, Campbell River was beginning to make the transition towards a less resource dependent economic base. However 70 per cent of Campbell River's population still relies directly, or indirectly, on the forest and mining sector. Despite a series of layoffs, interviewees were confident that Campbell River would be a stronger community when the economic cycle recovers. As one interviewee noted, this is really the first time that this city has been faced with this situation and it is forcing the community to look at its other non-resource based assets.

Support for the existing efforts of the Campbell River Economic Development Commission should be solidified and supported by the local municipal council. The experience and background of the individuals involved in the Campbell River commission is impressive and will make a positive contribution to the future of the area.

The successful efforts of the Campbell River Community to have the Vancouver Island Highway four laned to their community is of significant benefit to both the short and long term economic prospects of the area. It also points to what the community can achieve when they work together.

Similarly, the recent announcement of a \$220 million power co-generation plant to be constructed in the area will not only bring additional construction jobs, but twenty new permanent positions. It will also assist in improving Vancouver Island's power supply.

Summary of Interviewee Recommendations:

- Provide greater support for economic development commission,
- **Recognise successes that have been achieved by working together as a community.**

Comox Valley:

The Comox Valley is blessed with some of the most spectacular scenery on Vancouver Island. The recreational opportunities and associated quality of life it provides to its residents and visitors are among the best Vancouver Island – and the world – has to offer.

However, the Comox Valley needs to significantly increase its profile in order to attract outside investment. In addition to its many recreational opportunities (Mount Washington and Crown Isle Golf Resort are two notable examples) the area boasts two airports including the Comox Airforce Base which has the second largest airstrip in British Columbia. The development of this airstrip into a major air cargo port would be of significant economic benefit to the Comox Valley, and virtually all of Vancouver Island.

A co-ordinated and consistent official community plan needs to be completed and implemented within the Comox Valley to reflect and support the needs of this community. For example there is currently very little in the way of industrially zoned land located in Courtenay or Comox.

The realignment of the Vancouver Island Highway will likely prove to be of significant economic benefit to Cumberland, particularly with regards to growth in its tourism and retail sectors. Similarly, without a co-ordinated economic development and marketing plan, Courtenay and Comox will likely suffer some degree of short-term loss in its retail sector due to improvements to the Vancouver Island Highway. These road improvements will likely result in increased retail competition from the larger centres of Nanaimo and Campbell River.

By increasing its profile, and having a co-ordinated regional economic development and marketing plan, it is likely that the Comox Valley will be able to attract the eco-friendly jobs it will require in order to maintain and improve its current standard of living. In addition to tourism, the film industry, and knowledge-based business will likely both be significant growth areas in the Comox Valley area's economy.

Summary of Interviewee Recommendations:

- Complete and implement a co-ordinated official community plan,
- Significantly increase the profile of the Comox Valley,
- Develop Comox Airforce Base into a major international air cargo/passenger facility,
- Encourage growth in the hi-tech and film industry sectors.

Cowichan Region:

For generations forestry has dominated the economy of the Cowichan Region. Forestry will remain an important component of the region's economy, but not the dominant one. That position is likely to be taken by tourism.

Tourism supports a tremendous number of small business owners and retailers and encourages communities to expand their cultural infrastructure and other amenities.

With its mild climate, gorgeous scenery and historic buildings, the Cowichan Region is well poised to make gains in both tourism and value-added manufacturing. The Malahat remains a significant bottleneck in the flow of goods, services and tourists between Victoria and the Cowichan Region. The development of a less treacherous four-lane link between the region and Greater Victoria would be of economic benefit to both areas.

Because of the ambience of the area, and greater availability of land, the Cowichan Region could easily become a magnet for knowledge-based businesses and industries. Improved transportation and communication infrastructure and an expansion of post-secondary facilities in the area would greatly assist this happening.

Although some areas of the valley have suffered more than others, the Cowichan Region as a whole is weathering the current downturn relatively well. In large part this can be attributed to the fact that the Cowichan Region already enjoys a fairly diversified economy. Although forestry and fishing are presently in decline, tourism is on the rise. Value-added agriculture, such as the development of estate wineries, are not only helping to boost tourism but are lending a new found awareness and respect for the importance agriculture plays in the valley's economy.

Given its resources, climate and strategic location between Nanaimo and Victoria, the Cowichan Region has an extremely bright future ahead of it as its local economy continues to diversify.

Summary of Interviewee Recommendations:

- Remove Malahat bottleneck on the Island Highway,
- Encourage knowledge based industries,
- Encourage value-added agriculture,
- Promote historic buildings,
- Waste Processing

Nanaimo/Parksville:

The Nanaimo area has an extremely bright economic future. Although more work remains to be done, the local municipal government has already taken steps to lessen the local tax burden on business and to create a more investment friendly business climate.

In terms of its economic diversity, Nanaimo is second only to Victoria on Vancouver Island. Nanaimo has grown to the point where it is now challenging Victoria as the gateway to Vancouver Island. Its central location and proximity to Vancouver has resulted in Nanaimo emerging as the retail, service and transportation hub of Vancouver Island north of the Malahat.

Malaspina University College and the Mid-Island Science, Technology and Innovation Council are playing a key role in attracting software and other knowledge-based industries to the Nanaimo/Parksville area.

One still untapped treasure is Nanaimo's beautiful and historic downtown buildings and streets. A new 800 seat performing arts theatre is expanding the diversity of activities offered downtown. Nanaimo's downtown will continue to gentrify over the coming years. Brighter street lighting would help speed this process by improving the safety and security of evening shoppers.

The redevelopment of Nanaimo's harbour area has been extremely successful in providing a tourism friendly face to the city. The success of this development, coupled with the eventual re-establishment of a reliable passenger ferry service to downtown Vancouver could very well lead to downtown Nanaimo becoming a boutique store and restaurant location catering to tourists and commuters alike.

Although the interviewees from Parksville occasionally expressed concern about being overshadowed by Nanaimo, the fact is that continued growth in Nanaimo will spill over into Parksville. Parksville's economic and community focus is geared towards tourism and retirement. The natural beauty and relaxed ambience of the area will likely attract those seeking a more tranquil environment within easy commuting distance from Nanaimo.

Although a majority of Nanaimo residents are aged 24 to 44 the median age is expected to slowly climb in the coming years. As Nanaimo and Parksville's population grows and ages, increasing pressure will be placed on the area's already overburdened health care system.

To the extent that the current downturn has slowed growth in the area, it provides an opportunity for Nanaimo to collectively catch its breath and begin making improvements to the area's health, power, communications and transportation.

With an improved infrastructure, integrated community planning and a more pro-business community attitude the Nanaimo and Parksville area can expect a very bright economic future. Given its central location on Vancouver Island, proximity to downtown Vancouver and abundant supply of available land, it is not inconceivable that the Nanaimo/Parksville area could one day challenge the communities of Greater Victoria in terms of their relative importance to Vancouver Island.

Summary of Interviewee Recommendations:

- Continue to reduce local business taxes,
- Promote historic downtown Nanaimo and improve street lighting,
- Re-establish passenger ferry link to downtown Vancouver,
- Improve local health care infrastructure.

North Island:

The pulp mill closure in Gold River, the shutting down of forestry operations by Western Forest Products and the temporary closure of the pulp mill in Port Alice have all had a devastating effect on the economy on the northern half of Vancouver Island. It is recognised that economic diversification is the North Island's key to survival and prosperity.

The forestry sector will remain an important component of the region's economy. But coupled with this must be more value-added processing. An end to the provincial government's moratorium on aquaculture expansion would bring immediate benefit to the area. New seafood processing and packing facilities and the resulting jobs would be a welcome addition to the area's economy.

The area's pristine waters, history and spectacular scenery are all major assets in terms of developing a thriving tourism sector. With improved quality of hotel accommodation in the Port Hardy and Port McNeill areas new tourism opportunities would be available. The Vancouver Island Highway project, and the recently announced plans to construct a four-lane highway to Campbell River, will assist with the flow of goods and services throughout the region. It will also help attract tourists northward which will lead to an increase in the range of retail and cultural amenities available to area residents.

As the terminus of the Vancouver Island Highway and with a ferry link to Prince Rupert, Port Hardy is strategically situated to be the gateway to British Columbia's northern coast and southern Alaska. However, the North end of Vancouver Island does have a number of areas where improvements to the road system are needed. There are many north/south valley configurations and old logging road networks that could be utilised in improving the areas road network. The upgrading and paving of these roads would significantly assist the economic development and commerce of northern Vancouver Island. Among some specific suggestions made were:

- Upgrading of the road to Tahsis,
- Construction of a road linking Tahsis, Zeballos and Woss,
- Upgrading the road link between the Island Highway and Zeballos.

These road improvements would result in the creation of a circle route that would also assist in drawing tourist traffic into the area.

By working together both regionally and on a Vancouver Island wide basis, the communities of northern Vancouver Island can combine their limited resources to help market the region's almost limitless economic development potential. By taking serious steps to diversify their economy now, northern Vancouver Island can emerge from the current recession with a far stronger and resilient economy.

There was a recognised need to diversify the North Island's economy. The most promising areas of future economic growth were suggested to be:

- expansion of the aquaculture industry,
- value-added forestry and seafood processing,
- tourism, especially eco-tourism.

Summary of Interviewee Recommendations:

- Immediate end to moratorium on fin aquaculture (salmon farming),
- Joint regional economic marketing and promotion,
- Pursuit of economic diversification via increased wood processing, seafood processing and eco-tourism,
- Improve road infrastructure,
- Improve hotel accommodation,
- Through advertising promote greater use of the "inside passage" Port Hardy to Prince Rupert ferry run.

Port Alberni, Ucluelet and Tofino:

The opportunities available to the creative businessperson are almost limitless in the Alberni Clayoquot Region. Over a million tourists visit the region each year. In the next few weeks the Clayoquot/Tofino/Ucluelet area will be declared a United Nations biosphere which will boost an already thriving tourism sector. This designation, coupled with the \$60 million Coast Hotel and Roots Canada development in Ucluelet should increase the profile of this region both nationally and internationally.

The Port Alberni, Ucluelet and Tofino region has the infrastructure to succeed in promoting and attracting new businesses and investments. A new electric co-generation plant to be built in the region will soon be announced. Port Alberni boasts a protected harbour and shipping facilities. A \$46 million dollar investment in a new hospital provides residents with a modern health facility. Nearby Mount Arrowsmith is the second largest ski area on the Island and has great potential to rival Mount Washington as the number one ski destination on the Island.

The Alberni-Clayoquot region needs to work together in order to secure government and private sector support for improved highway access. Until Highway 4 is upgraded it will continue to affect the transportation of tourists and supplies to the coast. Also, a paved road link between the Cowichan, Alberni and Comox Valleys would serve to open up the south-west region of the island and would improve access to the Comox Airport. The Alberni-Clayoquot region's own airport facilities also need to be improved and Internet access and fiber optic lines should also be made a priority for the area's development.

Port Alberni, Ucluelet and Tofino all share a profound sense of community. There is general agreement that there is strength in numbers and that a unified approach to marketing Vancouver Island would be well received. As one senior executive put it, **"We are all in this together, as British Columbians, and as Canadians. We can, and have accomplished anything we have set our minds to."**

Summary of Interviewee Recommendations:

- Work together as a region,
- Upgrade Highway Four,
- Pave road link to the Cowichan and Comox Valleys,
- Improve local airport,
- Improve fiber optic lines.

Powell River:

Powell River's isolation has been a source of security to some residents and a source of frustration to others. In the past ten years there has been a growing awareness that steps need to be taken to improve the transportation infrastructure. An extension to the community's airport runway is planned. Although it currently takes two ferries and a lengthy drive to get to Vancouver, by air, Vancouver is only twenty-five minutes away.

A long-term solution to Powell River's isolation would be a paved access road linking Powell River to Brackendale. Given the terrain a road link would be quite expensive, however the community would likely be more amenable than most to a toll being placed on the access road in order to defray the cost.

The majority of people interviewed say manufacturing will continue to play a significant role in Powell River. The community hopes an aluminum smelter will be located there. Powell River residents also appear confident that the pulp and paper mill will survive and that value-added and light manufacturing related to the forest sector will emerge in their community.

Powell River has a multi-ethnic workforce and it enjoys a good relationship with neighbouring First Nations. It has also been very accommodating to those with special needs. Wheelchair accessible recreational trails have been developed. Powell River's waterfront is still undeveloped and thus remains an untapped source of economic development. With improved transportation links and a bit of marketing, the Powell River area has an extremely bright future.

Summary of Interviewee Recommendations:

- Extend local runway,
- Develop waterfront,
- Look seriously at the feasibility of a toll road link,
- Market community more aggressively,
- Encourage development of an aluminium smelter,
- Encourage development of value added and light manufacturing.

Victoria:

Greater Victoria's economy is one of the largest and most diversified regions on Vancouver Island. In 1998, for the first time ever, tourism added \$1 billion to the region's economy. Although the hi-tech sector has not yet reached "critical mass" it is growing and with the right pre-conditions, could soon emerge as the dominant economic wealth generator in the area. Attributes which contribute to this include: a temperate climate, available land, a well educated labour force, a superb quality of life, as well as two universities and a college.

At the local level, a reduction in bureaucracy could best be achieved through some form of amalgamation. Recently Saanich has put forward the idea of one business license for the four "core" municipalities. However even this first tentative step seems to have gone nowhere. If some form of amalgamation is ever to occur it will likely have to be driven by the provincial government. The most popular suggestion made to date appears to be one that would see the current 12 to 14 municipal authorities amalgamated into three. One would govern the "core" municipalities, one the Saanich Peninsula and the third the Western Communities. An amalgamation would reduce the paper work and fee burden for local businesses, it would also allow for effective regional planning and economic development

Although still in its infancy, the film industry is emerging as a growing economic driver. The lack of a local studio has hampered the expansion of television series and film production on Vancouver Island. But there are signs that this may change. The film industry contributed over \$630 million dollars to British Columbia's economy in 1998. Given that Vancouver is at capacity and suffering from location burn out, with the right infrastructure (a film studio, designation of Vancouver Island as a film local by unions, and improved flight connections to California), and aggressive marketing, the film industry could soon be a significant contributor to the region's economy.

One other area where Greater Victoria would benefit from more integrated decision-making is the establishment of a harbour commission. Several of the individuals interviewed expressed concern that Victoria was losing its working harbour. For most of its history, the economic heart of the region was centred on Victoria's Inner Harbour and today it still provides a vital transportation link for both ferries and floatplanes serving downtown Victoria.

As the provincial capital and the home to Canada's Pacific fleet, the Greater Victoria area receives a tremendous economic benefit in the net inflow of provincial and federal tax dollars. It has also resulted in the development of a highly educated and trained workforce. Although Victoria will continue to be the provincial capital, future government down-sizing and decentralisation means that it will not be able to count on the same level of public spending in future years.

The Greater Victoria region has an extremely bright future ahead of it. In the past twenty years the area has grown significantly less dependent on the resource sector, in the next twenty years it will likely grow significantly less dependent on the public sector for its economic well-being.

Summary of Interviewee Recommendations:

- Amalgamate into three municipalities,
- Encourage film industry,
- Assist in funding the Victoria Film Commissioner's position,
- Establish a Harbour Commission,
- Encourage growth of hi-tech industry.

Participants

Interviewee Profile:

Although the names of those interviewed have not been provided in order to protect their privacy, the following is a profile of the 109 individuals we interviewed.

Comox Valley: (12)

- City Councillor
- City Engineer
- Credit Union Official
- Former Mayor
- Resort owner
- Local Chamber of Commerce official
- Auto dealer
- Municipal planner
- Former Cabinet Minister
- Local logging company owner
- Local business person looking to establish a local manufacturing facility
- Economic development staff person.

Nanaimo/Parksville: (14)

- two Mayors
- a restaurant owner
- a marketing and retail consultant
- three city administrators
- a port manager
- an executive member of community futures
- a chamber of commerce official
- a homemaker
- a college President.

Ucluelet: (4)

- a restaurateur,
- an upscale B&B operator who is also the President of the Chamber of Commerce,
- President of the Ucluelet Joint Action Committee,
- Regional District Director (and a long time area resident);

Tofino: (3)

- a former mayor and President of the Tofino Business Association,
- the president of a local aquaculture operation (the areas largest employer),
- the president of a major resort property;

Port Alberni: (5)

- the general manager of a major hotel,
- a successful home decor retailer,
- the manager of a major grocery store,
- an operator of a major marine tourist business,
- a senior management member at the paper mill, (the community's largest employer).

Powell River: (10)

- a restaurant owner
- a community futures manager
- a real estate agent
- two district employees
- a construction company owner
- a hardware store owner
- a newspaper publisher
- a hotel manager
- a town councillor.
- All of these people live in the Powell River area. There were six men and four women interviewed.

Campbell River: (14)

- three restaurateurs, (one who was leading the Film Development Commission)
- a local councillor and member of the Economic Development Commission,
- a sign company owner,
- a computer systems provider,
- two senior executives of a local major aquaculture company.
- a real-estate developer and President of the Campbell River Chamber of Commerce,
- a long time resident and real-estate salesperson
- a security company owner,
- a credit union manager
- a recycling company executive,
- a heavy trucking franchise owner.

Port McNeill / Englewood / Telegraph Cove / Tahsis: (7)

- two Mayors,
- a resource centre co-ordinator,
- a whale watching operator,
- a manager of a packing plant,
- a development Coordinabr,
- a councillor.

Port Hardy: (5)

- a mall manager,
- a seafood products manager,
- the general manager of a log and timber sales company,
- owner of a major retail outlet,
- a hotel owner.

Cowichan Region: (16)

- an agrologist,
- a small business training consultant,
- a member of the Cowichan Valley Fishers Co-op,
- a clothing retailer,
- a college administrator
- three members of Community Futures,
- a newspaper editor,
- a Deputy Mayor,
- a bank manager,
- a member of the Cowichan Tourism Association,
- a construction manager
- a farmer and member of the Cowichan Valley Agricultural Society
- a town manager
- a Chamber of Commerce manager

Greater Victoria: (15)

- two Mayors,
- two officials with the Greater Victoria Chamber of Commerce,
- a credit union official,
- three college and university Presidents,
- a VIATEC official,
- an official with the Better Business Bureau,
- a manager of the Downtown Victoria Business Association,
- a policy analyst with the Sierra Club,
- a manager with BCTel,
- a director with Centra Gas,
- an official with Tourism Victoria.

Banking: (4)

- a senior official with the Royal Bank,
- a senior official with the TD Bank Financial Group,
- a senior official with the Bank of Montreal,
- a senior management consultant and chartered financial analyst.