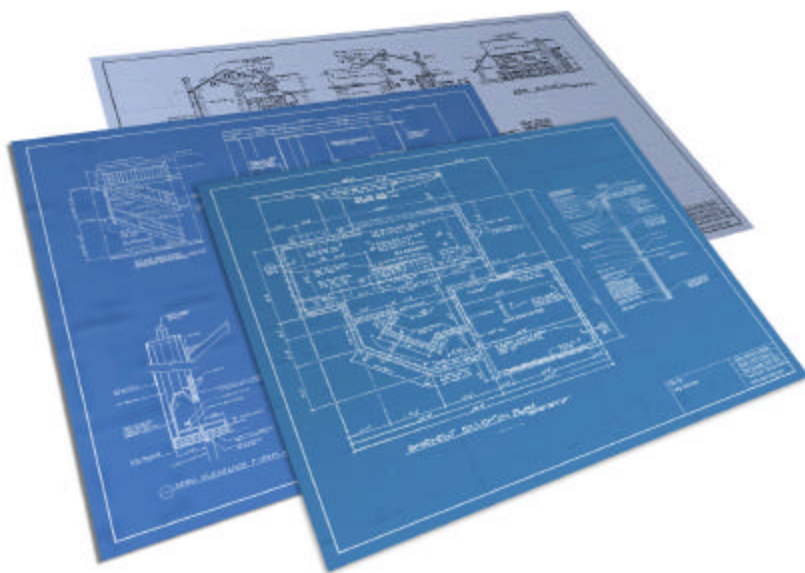


Greater Victoria Enterprise Partnership Society
**Greater Victoria Economic Development
Opportunities Blueprint: Technical Report**
May 2003



Contents

Acknowledgements	1
Background	1
Project Context, Scope and Rationale	1
Why Should We Want Economic Development?	2
Study Deliverables	3
The Blueprint Development Process	3
Situational Analysis	6
Economic Trends Analysis and Implications for the Capital Regional District	6
Global Economic Context	7
National Economic Context	8
Provincial Economic Context	12
Local Economic Context	16
Socio-Economic Profile	16
Sector Profiles	22
Summary of CRD Sector and Trend Links	38
Regional Planning and Governance Context	41
Economic Development SWOT Assessment	44
Summary of the Region's Current Situation	54
Jurisdictional Interdependency Assessment	56
Economic Linkages	56
Labour Force Residence and Place of Work	56
Labour Force by Industry and Place of Residence	57
Desired Future State	60
The Vision and Goals	60
Economic Development Opportunities Assessment	63
Summary of Economic Development Opportunities	63
Evaluation Framework	64
Opportunity Assessment	65
Economic Development Blueprint Implementation Framework	67
Introduction	67
Implementation Framework	68
Strategy 1: Improve Regional Business Climate	70
Strategy 2: Expanded and New Business Opportunities	82

What about Social Issues?	101
Measuring Blueprint Performance	101
What Next?	103

Appendices	107
Appendix A - Bibliography and Information Sources	108
Appendix B - Public Consultation Activities	113
Appendix C - Supporting Tables: Jurisdictional Interdependency Analysis	119
Appendix D - Opportunity Evaluation	123
Appendix E - Blueprint Workshop: Summary of Participant Input	124

Tables:

1	Summary of Global, National and Provincial Economic Data	15
2	Sector Categories	22
3	CRD Agriculture Sector Data	24
4	CRD Building Permit Data	25
5	CRD Manufacturing Businesses by Type	26
6	CRD Industrial Space Inventory	27
7	CRD Retail Shopping Centres	28
8	CRD Residential Real Estate Sales Trends	30
9	CRD Film Activity	34
10	CRD Accommodation Trends	36
11	Cruise Ship Trends	36
12	Sector and Trend Links	38
13	Economic Development Opportunities Evaluation Scoring Guide	65
14	Economic Development Opportunities Rating Summary	66
C-1	Labour Force Residence and Place of Employment	
C-2	Experienced Labour Force by Industry and Place of Residence	
D-1	Summary Evaluation of Economic Development Opportunities	

Figures:

1	Blueprint History and Development Process
2	Percent of CRD Population by Age Group (2001)
3	Percent of CRD Taxfilers by Income Category
4	CMA Employment by Industry - 2001 and 2002
5	Income Dependency by Sector in the CRD
6	Airport Passengers by Year
7	Ferry Traffic by Year – Swartz Bay/Tsawwassen
8	Labour Force by Industry – CRD and Victoria
9	CRD Labour Force Residence and Place of Work
11	Economic Blueprint Vision and Goals
12	Economic Development, Environmental and Social Sustainability Linkages
13	Blueprint Components

Acknowledgements

This project was initiated by the Greater Victoria Enterprise Partnership Society (GVEPS) and was jointly funded by the GVEPS, Western Economic Diversification, the Capital Regional District and Coast Capital Savings Credit Union. The consulting team was guided by a Steering Committee comprised of the following people:

- Linda Lee Brougham, Greater Victoria Chamber of Commerce
- Laurene Clark, Greater Victoria Chamber of Commerce
- Lorne Whyte, Tourism Victoria
- John Briggs, Western Economic Diversification Canada
- Sheila Airey, Westshore Chamber of Commerce
- Bonnie Campbell, Thrifty Foods
- Bill Cooke, VIATeC
- Tracy Corbett, Capital Regional District
- Russ Cowan, Victoria Film Commission
- Mark Hornell, Capital Regional District
- Richard Paquette, Victoria Airport Authority
- Ken Stratford, Greater Victoria Economic Development Commission
- Glenn Terrell, Victoria Real Estate Board
- Tom Walker, Saanich Peninsula Chamber of Commerce

The consulting team would like to thank the numerous individuals and organizations that contributed their knowledge and expertise to this project. A complete list of these organizations is provided in Appendix B. It was clear from the feedback provided during the public consultation process that people are passionate about the future of our community and the local economy. It is hoped that this Blueprint will provide clear directions regarding the steps that should be taken to ensure a future of economic prosperity for the region.

Background

Project Context, Scope and Rationale

Residents of the Capital Regional District (CRD) are privileged to live in one of the world's most visually attractive cities located in a nation consistently rated by the United Nations as one of the best countries in the world. The region has historically enjoyed a relatively high standard of living and a good quality of life. While the area has not been immune to challenges associated with unemployment and underemployment, it has been isolated from the economic volatility faced by some of the province's resource-based communities. The region's stability has largely been due to high levels of public sector employment, a strong tourism sector, a wealthy retirement community, and a continuous inflow of post-secondary students. As a result of this stable economic base, the region has benefited from the provision of a variety of high quality community service, recreational, art and cultural facilities.

However, it is becoming increasingly obvious that the region can not be complacent about the continuing health of the economy nor is it realistic to make assumptions about the ongoing delivery of publicly funded services. In short, both the economy of the province and the CRD are in trouble. British Columbia has become a have-not province – something almost unthinkable only a few years ago. The decline of the resource sector, together with other factors, have left the provincial government short of revenue and heavily burdened with debt. In order to deal with these fiscal challenges, the government is implementing a range of cost-cutting measures that have resulted in ongoing lay-offs of public servants and reductions in funding to a range of community services. These cut-backs, combined with global stresses on the tourism and high tech industries, are lowering regional business and personal income levels and raising concern regarding the future economic sustainability of the region.

In addition to these sector challenges, the segmented nature of the region's local government structure presents challenges to businesses interested in establishing in the region and has historically precluded a coordinated or unified approach to regional and economic development planning. Efforts have been underway over the last few years to develop a *Regional Growth Strategy* for the CRD that lays out how member communities of the Regional District will work together to enhance regional quality of life and social well being (see also the discussion in the section entitled "Planning and Policy Context"). As part of this planning process it became apparent that achieving quality of life and social objectives would be difficult without a healthy, sustainable economy.

Recognition of the need to take steps to address the region's economic challenges led to the establishment of the Greater Victoria Enterprise Partnership Society (GVEPS). As part of their mandate to promote economic development in the region, the Society secured agreement with the CRD and Western Economic Diversification to support the development of a Regional Economic Development Opportunities Blueprint. Subsequently, the GVEPS undertook an RFP process and retained Grant Thornton LLP and Westland Resource Group to prepare a Blueprint that meets the following key objectives:

- Identifies and analyzes the region's strengths, weaknesses, opportunities and threats with respect to economic development;
- Determines key industry and business sectors that present either new or expanded investment potential;
- Outlines a strategy for business retention and expansion; and,
- Makes recommendations regarding ongoing partnership opportunities with other agencies involved in economic and business development activities.

The above process is summarized in Figure 1.

It is intended that the scope of this project will be:

- Strategic or big picture in focus;
- Focused on regional economic opportunities (i.e., it does not address all the economic priorities of all the municipalities);
- Based on a mix of secondary source information and consultation with civic, business, community and agency representatives; and,
- Consistent with the objectives of the Regional Growth Strategy (i.e., a sustainable economy that also supports the achievement of environmental and social sustainability and contributes to the long-term promotion of a satisfying and high quality of life for all residents).

Why Should We Want Economic Development?

There are many compelling reasons for fostering economic development in the region. A structured, thoughtful and focused approach to economic development can play a significant role in helping to:

- Ensure that the community remains vital and innovative and provides meaningful employment for youth and young adults;
- Encourage a skilled, creative and well paid workforce;
- Attract high quality investment to support and grow local industry;

- Increase funding available for community and public services, environmental sustainability, and renewal of aging infrastructure;
- Recognize the contribution made to community activities by locally based entrepreneurs;
- Contribute to the financial ability to achieve social progress targets (e.g., affordable housing, community support services, environmental stewardship initiatives) and to respond to provincial downloading of social service responsibilities; and,
- Reduce reliance on the residential tax base (i.e., a larger commercial/industrial tax base will lessen municipal government dependence on residential property tax revenue).

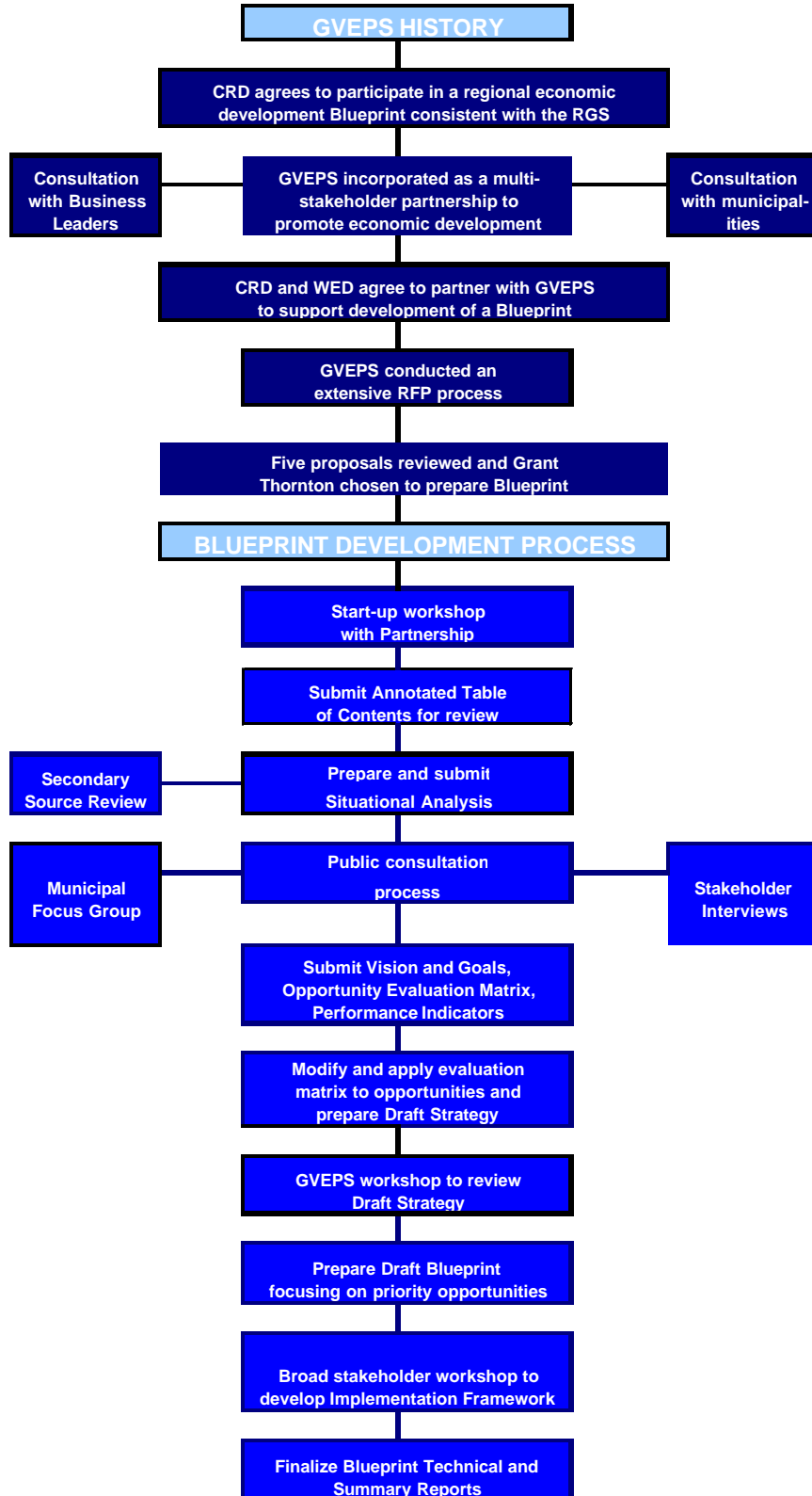
Study Deliverables

This study involved a number of both internal and external deliverables. During the study process the consulting team submitted a number of project components to the GVEPS for review and comment. These internal deliverables included an annotated table of contents for this technical report, the public consultation survey/interview questions, the stakeholder interview list, the bibliography, the opportunity evaluation criteria, the situational analysis, the jurisdictional interdependency assessment, the vision statement and objectives, and the draft Blueprint. The external or public deliverables include this Technical Report (which includes all of the components listed above) as well as a companion summary document entitled *Economic Development Opportunities Blueprint – Summary Report (April 2003)*.

The Blueprint Development Process

An over-riding challenge of this study is to try and ensure that this Blueprint does not suffer the fate of many strategic planning documents and end up wasting both paper and shelf space. There are many examples of planning processes that absorb extensive time and financial resources but produce limited meaningful results and this process is not immune to this possibility. However, both the study approach and the Blueprint structure have been designed to maximize the likelihood that this process will lead to positive, measurable results and provide a meaningful framework for guiding economic development activities in the region. In general, this approach involved ensuring that economic development recommendations accurately reflect existing economic and social strengths, realities and trends, and that clear direction is provided regarding required implementation steps, responsibilities, and performance measures. Ultimately, of course, the success of this Blueprint will rest on the willingness and ability of an agency or person(s) to assume responsibility for championing the recommendations. The following figure summarizes the history of, and steps involved in preparing, the Blueprint.

Figure 1
Blueprint History and Development Process



The public consultation component of this project involved three components including focus groups, one-on-one interviews and a workshop. The intent of the focus groups and interviews was to obtain input regarding economic development objectives, opportunities, constraints and roles. This information was incorporated into a draft Blueprint which was subsequently reviewed at a stakeholder workshop attended by more than 80 business, association, agency and government representatives. Details on those invited and who participated in these consultation activities is provided in Appendix B.

What About All Those Previous Reports?

As part of the background research conducted for this project, approximately 50 reports and documents as well as numerous statistics were reviewed (see Appendix A). Although most of these documents address some aspect of economic development, it appears that there are only two **municipal** economic development strategies currently in place (i.e., *The City of Victoria Economic Development Strategy*; *Sidney Corporate Strategy Community Vision*). While Esquimalt started an economic development strategy process, the results were never ratified and it was shelved.

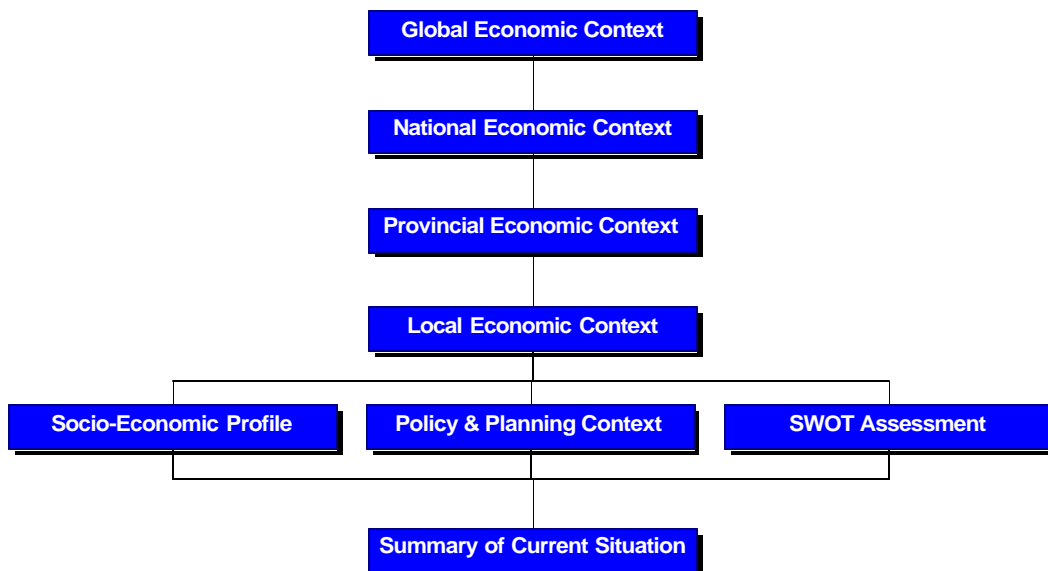
Based on the results of the literature review, this Blueprint represents the CRD's first **regionally** focused economic development strategy. As such, it fills a strategic planning gap within the region. Although the *Regional Growth Strategy* indirectly addresses the economy, economic development is not a primary focus of this strategy. The review of existing reports and documents was conducted with a view to gleaning information on:

- Local government issues
- Sector conditions and trends
- Economic opportunities
- Barriers to economic development
- Key social and environmental considerations
- Performance measures and key indicators
- Questions raised
- Why strategies were unsuccessful

An encouraging finding of the literature review and subsequent public consultation process was that the two active municipal economic development strategies (i.e., Victoria and Sidney) are reportedly succeeding in achieving their stated objectives. In the case of the City of Victoria, the Economic Development Division has produced a document entitled *Economic Development Strategy Update – 2002* that lists the City's accomplishments relative to stated strategy objectives.

Situational Analysis

A situational analysis is a key component of any economic development strategy process. Basically, a situational analysis identifies or describes the current economic situation or environment based on an examination of external and internal factors. The results of the situational analysis help to drive the identification of the economic development vision and objectives for the region and provide a basis for identifying and evaluating key economic opportunities. The situational analysis information in this chapter is structured as follows:



Economic Trends Analysis and Implications for the Capital Regional District¹

A successful economic development strategy is always based on a thorough understanding of the local economy, as well as on an understanding of how this economy relates to the broader

¹ Much of the information in this section was drawn directly from a variety of sources prepared by the Conference Board of Canada, Industry Canada, Canada Department of Finance, Statistics Canada, Human Resources Development Canada, RBC Financial Group, International Monetary Fund, World Bank, BC Ministry of Finance, Bank of Montreal, etc.

economic context of a geographic region or country. Economic systems are very complex and local, national, and global systems have become increasingly interlinked and interdependent. Therefore, the local economy is directly influenced by a wide and complicated range of national and global economic factors and trends.

A trend is defined as a statement relating to the general direction of change, usually gradual and long-term, in the forces shaping the future of an organization, region, nation, or society in general. Trends are often longitudinal in that they have been observed over a period of time. Identifying economic trends is important in the context of developing an economic opportunities blueprint for Greater Victoria because this information provides the context needed to understand and best respond to potential economic challenges and opportunities. In order to provide this context, this section provides high-level information relating to key global, national and provincial economic trends. A table summarizing this information is provided at the end of the section.

Global Economic Context

Globally, there are almost 6.26 billion people living in 239 countries. These countries include a mix of developed, developing and third world economies. Most countries are largely based on free market economy (mixed with some command economy – i.e., communist/socialist - features) although there are some countries that have a largely command or socialist economy (and governing regime). Economic linkages between countries have been increasing significantly resulting in greater “globalization” and growth in the profile and membership of organizations such as the General Agreement on Tariffs and Trade (GATT), North American Free Trade Association (NAFTA) and the World Trade Organization (WTO).

Traditionally the global economy has been closely linked to the U.S. economy with the result that economic problems experienced in the U.S. have negative implications for other countries. However, this balance of power seems to be changing with the U.S. (and Europe) losing some influence to Asian countries. As a result of both increased global linkages generally, and dependence on the U.S. specifically, events such as Sept. 11th have immediate and significant impacts on economic activity around the world.

At present, global economic growth is being impaired by significant uncertainty on several economic and political fronts. In addition to Sept. 11th, the global economy has and will continue to be negatively affected by the technology sector fallout, recent cases of corporate and accounting fraud, credit downgrades, currency collapses, the recession in Japan, fear of war and terrorism, and economic problems in Latin America. Despite a prolonged period of low interest rates, low inflation and the efforts of the world’s central banks, stock market conditions remain poor. In turn, this is negatively affecting investment and associated production and labour force benefits.

Some economists believe that the longer term outlook for the global economy is reasonably positive and there are expectations that improvement will begin in 2003 helped by a recovery in the technology sector and the development of new technological applications and services that will trigger business investment and consumer interest as well as improve productivity. This outlook seems rather optimistic in light of the growing cracks in the global economy and, in general, it is unlike that the economy of the future will be as strong as the economy of the past decade. Overall, however, the International Monetary Fund (IMF) is projecting a global economic growth rate of 3.7% for 2003 (compared to a projection of 2.8% for 2002). The growth rate for developed countries is expected to be slower than that of developing countries (assuming the continuing recovery of the developed countries).

National Economic Context

Much of what happens within the local and provincial economies is dependent on economic activities and policies that occur nationally. As such, this section provides information regarding national economic, population/demographic, Gross Domestic Product (GDP), inflation, and labour market trends and then summarizes the key implications of these trends.

Overview of the Canadian Economy

Canada is currently the 12th largest economy in the world and rates seventh in terms of real per capita income (this is a decline from 2nd and 4th place respectively following World War II). Canada is moving away from an economy that is largely based on natural resources and is moving toward a knowledge-based economy built on innovation and technology². These knowledge-intensive industries are generating advances in the country's ability to produce high-tech machinery and equipment, which, in turn, is encouraging industrial innovation. Overall, advances in technology, increases in the globalization of markets, and the emergence of liberal trading regimes are fundamentally changing the way Canadians conduct their business.

Canada's economic performance over the past few years has been as good as, or better than, that of most other developed countries. Inflation is low, the chronic federal deficit has become a surplus (although some would attribute this situation to high taxes), some sectors of the economy has been growing strongly, the external trade account is in substantial surplus (largely as reflection of the low value of the Canadian dollar), and the unemployment rate is well below the levels experienced in the mid-1990s. Despite this positive situation, the investment community continues to view Canada as a country that presents significant investment risk (due to past poor policy decisions, adverse international developments that threaten access to the U.S. market, and

² According to 2001 Census data, 4.1% of the Labour Force worked in the Agriculture, Forestry, Fishing, Mining and Oil and Gas sectors while 6.5% worked in the Professional, Scientific and Technical Services sector.

internal political uncertainty). This situation is limiting the country's access to valuable investment funds and is reflected in our weak currency.

In addition to these investment challenges, Canada's sense of economic security has changed as a result of Sept. 11 and we have become very aware of how much we depend on the free flow of goods and services across the border. Overall, the health of the Canadian economy is very dependent on continued, assured access to the U.S. market. As such, the future condition of our economy will continue to reflect our trade performance within North America. If North American economic integration (i.e., between Canada, the U.S. and Mexico) continues to increase, the Canadian economy could benefit from increasing trade volumes which would have the impact of creating more jobs and higher incomes. However, the current high protectionist stance of the U.S. is troubling.

Over the past couple of decades, the most significant structural change in Canada's economy has been the rise of the services sector which now employs three out of four Canadians and generates two-thirds of GDP. In terms of performance by industry sector, it is projected that the commercial services; finance, insurance and real estate services; wholesale and retail trade; and, construction sectors will continue to perform well in the short-term, while mining and public services sectors will turn in average performances, and the manufacturing; transportation and warehousing services; and, agriculture, forestry and hunting sectors will reflect slow growth. Consistent with global trends, it is anticipated that Canada's reliance on innovation and employment in knowledge industries will increase.

Population/Demographics

Population trends have implications for the economy as population growth contributes to demand for consumer goods and services and housing and also contributes to the size of the labour force. Canada currently has a population of 31.1 million which represents a 7.4% (1.5%/year) increase relative to 1996 when it was 28.8 million. This total represents 0.5% of the total global population.

Canada's population is expected to reach 33.2 million by 2010 – which reflects an average annual growth rate of just under 1.1%. The dominant source of population growth through to 2010 (68%) will be immigration – this trend will generate increasing challenges associated with integrating newcomers into the workforce. In addition, changing demographics will have a direct effect on the national economy – for example, over the next several years the population will be older, more diverse and more urban. Older people now outnumber youth in Canada and the proportionate difference between older and younger people will continue to grow. The median age of Canada's population reached an all-time high of 37.6 years in 2001, an increase of 2.3 years from 35.3 in 1996. This was the biggest census-to-census increase in median age in a century. An increasingly older population has implications for the health, social service and

education sectors of the economy. In addition, Canada's working-age population is increasingly made up of older people, as workers aged 45 to 64 increased 35.8% between 1991 and 2001.

GDP

The most common way to measure the economy is by GDP which is the total value of everything (goods and services) produced in the economy. Canada's GDP has risen annually for the last decade. Between 1991 and 2001, GDP (at market prices based on \$1997) increased from \$749.5 billion to \$1,024.9 trillion – an average annual increase of 2.7%. However, 2001 recorded the weakest output showing in nine years largely due to a 2.1% decline in the production of goods sector resulting from declining U.S. demand, soft world commodity markets and the effects of Sept. 11th. However, despite these external pressures, the service sector still managed to expand by 2.7%. The overall real GDP growth rate is expected to remain modest in the short-term as growth is projected to increase by 2.7% in 2002 and by 3.5% in 2003. Canada's *per capita* GDP rate will remain poor relative to the U.S. and by 2010 is projected to be \$40,000 US – a gap of \$12,000 US compared to the United States.

Inflation

Inflation is defined as a persistent rise over time in the average price of goods and services – that is, in the "cost of living." Canada's inflation rate as reflected in the Consumer Price Index (CPI) averaged a modest 1.7% annually for the period 1992 to 2001. The Bank of Canada is aiming to keep inflation at the 2% target for the foreseeable future, although the Royal Bank of Canada is projecting inflation rates of 3.2% in 2003. Recent spikes in inflation (largely due to energy prices) have been causing some concern.

Labour Market Outlook

In September 2002, Canada had a labour force of 16.8 million of which 15.5 million were employed. The 1.3 million that were not employed represent an unemployment rate of 7.7%. In addition, September 2002 recorded the ninth straight monthly increase in Canadian labour market numbers with 41,000 new jobs created. Between January and September 2002, a total of 427,000 new jobs were created with the most significant job growth occurring in the transportation and warehousing, health care, social assistance, and professional, scientific and technical services sectors. This is the largest labour force employment gain recorded over a comparable period of time since 1976. It is not expected that this job growth rate will be sustained at such a high level although growth is expected to remain positive. Consistent with population trends, it is projected that within a few years, Canada's net labour force growth will come primarily from immigration.

Despite this growth in the labour force, organizations such as Skills Canada are predicting that Canada faces a potential skills shortage. For example, while 94% of all jobs in Canada require at least a high school diploma, by 2010 it is projected that the share of GDP devoted to education

will have fallen to 5% (from a high of 8.1% in 1970). This declining investment in education will coincide with the beginning of the retirement of the baby boomers resulting in a very tight labour market and a mismatch in the number of unskilled workers and the jobs available for them.

Implications

In general, the above information suggests that Canada's economy has performed relatively well in the recent past. However, factors such as government policy decisions, reliance on the US market, and global political situations beyond Canada's control continue to present challenges. In order to maximize the future economic health of the country, Canada needs to continue focusing on developing a healthy monetary policy and business climate, maintaining trade access, taking pro-active steps to address future labour force shortages, and promoting advances in technology and knowledge-intensive industries. Specific implications of current national economic trends include the following:

- Steady, modest population growth will drive demand for consumer goods and services while the nature of these goods and services will be affected by the requirements of an aging population.
- Inflation rates have been and will continue to remain fairly stable for the short to medium term. This should contribute to a stable price environment and demand for goods and services. In turn, this is expected to contribute to stable production and employment. However, inflationary pressures are expected to increase over the next two to three years and associated impacts on consumer demand are hard to predict.
- In order to address pending labour shortages steps will likely need to be taken to improve cross-border recognition of certifications and qualifications, to increase the number of students moving into skilled trades programs, and to improve the flexibility of working conditions to keep older people contributing at least part-time to the workforce.
- The number and percentage of jobs created by the service sector will continue to increase.
- If Canada is unable to improve its investment climate and productivity, the dollar will fall and economic potential will be negatively affected.
- Continued major technological developments especially in the fields of information and communications (e.g., Internet) will affect how we do business and deliver services. Opportunities will exist for businesses that can harness these opportunities.
- Overall, the Canadian economy will continue to decline relative to the overall global economy which, in turn, will contribute to reduced influence on the world stage.

Provincial Economic Context

In addition to the implications of national economic trends, much of what happens within the local economy is dependent on economic activities and policies that occur provincially. As such, this section provides information regarding provincial economic, population/demographic, GDP, inflation, and labour market trends and then provides a summary of the key implications of these trends.

Economic Overview

British Columbia has a relatively small open economy and trades in competitive world markets. The provincial economy is currently one of the weakest in Canada due to continued poor economic conditions in Japan (a key export market), U.S. duties on softwood lumber, and a poor fiscal position. Exports account for almost 25% (\$30.7 billion in 2001) of British Columbia's GDP. The province's trading pattern with foreign countries has been shifting dramatically and, contrary to the global situation, reflects increased dependence on the U.S. For example, between 1997 and 2001, the value of goods shipped from British Columbia to the U.S. increased from \$14.8 billion per year to almost \$22 billion per year (57%) while shipments to all other countries combined fell from \$11.8 billion to \$9.2 billion – with the most significant decline occurring in trade with Japan. Almost one-half (47%) of all British Columbia exports go to Washington and California. Despite ongoing concerns regarding the impact of U.S. tariffs on the province's wood products, almost half the value of total exports (47.2%) is attributable to solid wood and pulp and paper products. The value of the province's oil and gas sector has risen significantly over the past decade with the sales value of crude oil, natural gas and other oil and gas increasing from \$858 million in 1991 to \$5.9 billion in 2001 (almost 600%). However, the energy sector can be very volatile and between January and May 2002, the value of energy exports dropped by more than half relative to the same time the previous year.

Historically, British Columbia's economy was very dependent on the resource sector. However, primary goods production is continuing to give way to value-added manufacturing and services. This trend is reflected in the fact that three out of four jobs in British Columbia are in the service sector while one out of four jobs is in the goods producing sector. However, there are close links between many goods and services jobs - some of which would not exist without the other.

The current government has indicated that it is working to create a cost-competitive business climate and has instituted a number of steps (e.g., tax cuts and credits, deregulation, forest policy reforms, resolving land claim issues) in an effort to improve the economy of the province and bring more certainty to land use planning processes. Nevertheless, it is anticipated that the British Columbia economy will continue to be challenged and will continue to under-perform relative to the national average. Although a stronger global business environment in 2003 is expected to encourage modest provincial economic growth, the debt burden will continue to limit both the province's economic performance and its ability to support services and programs.

Despite all the cost-cutting and business promotion efforts of the government, the July 2002 provincial debt load was \$36.4 billion (\$6,682 per capita). By 2005, the debt load is projected to increase to \$43.9 billion (\$8,142 per capita).

Population/Demographics

British Columbia had a 2001 Census population of 4.1 million which represented a 5.2% growth rate relative to 1996 when it had a population of 3.89 million. As of July 2002, the province's population was estimated at 4.13 million. This represented 13% of Canada's total population and makes British Columbia the country's third largest province. By 2010, British Columbia's population is expected to reach 4.58 million – which reflects an average annual growth rate of just under 1.2%. International migration was responsible for approximately two-thirds of net population growth in 2001 and this trend is expected to continue. In addition, British Columbia's population is aging – in 1996, 12.7% of the population was over 65. By 2001, this percentage had increased to 13.2% and by 2010 it is projected that seniors will represent 14.6% of the population.

GDP

British Columbia's real GDP (at market prices based on \$1997) increased from \$96.2 billion in 1991 to \$125.5 billion in 2001 which reflects an average annual increase of 2.3% and represents 12.2% of total Canadian GDP. However, GDP rose by only 1.9% during 2002 according to the Ministry of Finance which is much less than the national average. The Ministry of Finance is projecting stronger growth for the 2003 to 2006 period with the percentage increases in GDP ranging from 2.7% to 3.1% annually. GDP *per capita* (based on \$1997) increased from \$28,521 to \$30,648 over this same period which represents an average annual growth rate of 0.7%.

The most significant industry contributors to GDP in 2000 were Other Services (30%)³, Finance, Insurance and Real Estate (22.8%), and Wholesale and Retail Trade (10.6%). By comparison, the forestry sector contributed 3.5%, Mining and Oil/Gas Extraction 3.0% and Fishing, Hunting and Trapping 0.2%. Comparable percentages for 1991 respectively were 28%, 21.4%, 9.8%, 3.8%, 2.6% and 0.4%. With the exception of the mining sector, these percentages reflect increased dependence on the service sector and decreased dependence on the goods producing sectors – a trend that is consistent with the country as a whole.

³ Other Services include education services; health and welfare services; information, culture and recreation; business services; accommodation and food services; and miscellaneous services.

Inflation

British Columbia's inflation rate as reflected in the CPI averaged a modest 1.7% annually for the period 1992 to 2001 – comparable to the rate for the country as a whole. Inflation is expected to average 2.1% in 2002 and 2.0% in 2003.

Labour Market Outlook

In 2001, British Columbia had a labour force of 2.1 million – an increase of 2.5% over 1998 (0.8%/year). Unemployment in 2001 averaged 7.7%. This rate is projected to increase to 8.7% in 2003 and then to fall somewhat to 8.3% in 2004. Between 1991 and 2001, the total number of people employed in British Columbia increased from 1.57 million to 1.94 million (19% or 1.9% per year on average). However, since the provincial economy has slowed down, there has been a shift in the percentage of people working full-time (decreasing) and the percentage working part-time (increasing).

The increased dependence of British Columbia's economy on the service sector relative to the goods producing sector is also reflected in labour trend data which shows that in 1991, 24% of the labour force was employed in goods producing industries while 76% were employed in service industries. By comparison, these percentages were 20.2% and 79.8% respectively for the province as a whole in 2001.

Overall, British Columbia has a skilled and knowledgeable workforce. In 2001, 51.1% of the labour force had a university degree, post-secondary certificate or diploma, up from 39.1% in 1991. Nevertheless, many of the resource industry workers that are losing their jobs due to the decline of the forestry sector lack the skills to move into service industry jobs. The trend towards an aging population is also reflected in labour force figures which show that while over half of the province's workforce is between the ages of 25 and 44, the share of 45 to 64 year olds has increased since 1991.

Implications

In general, the above information suggests that British Columbia's economy has been performing poorly in the recent past relative to the rest of the country. In order to maximize the future economic health of the province, British Columbia needs to continue focusing on developing a healthy business climate, working with the Federal Government to maintain North American trade access, taking steps to address the skills requirements of unemployed forest (and other resource sector) workers, and promoting advances in technology and knowledge-intensive industries. Specific implications include the following:

- The British Columbia economy is expected to remain relatively weak in the short to mid-term and attracting investment will continue to be a challenge.

- An increasing provincial government debt burden will further limit the government funding available for services and programs.
- Increased protectionism on the part of the U.S. could have direct, negative implications for British Columbia's export sectors.
- Steady, modest population growth will drive demand for consumer goods and services while the nature of these goods and services will be affected by the requirements of an aging population.
- The economy will need to respond to the demands/requirements of an aging and increasingly multi-cultural society.
- Employment in the service sectors will continue to grow relative to the goods producing sectors and finding meaningful, alternate employment opportunities for goods producing workers will remain a concern.
- The province will continue to have higher than national average unemployment rates for the short- to mid-term.
- Consumer spending will likely be affected by continued economic uncertainty, public and forestry sector lay-offs, and poor market performance.

Table 1
Summary of Global, National and Provincial Economic Data

Indicator	Global	National	Provincial
Population (2002)	6.29 billion	31.1 million (0.5% of global total)	4.13 million (13.3% of national total)
Population growth	--	1.5%/year	1.04%/year
GDP (2001)	--	\$1,024.9 billion (2.7% increase/year)	\$125.5 billion (2.3% increase/year)
Projected 2003 economic growth rate	3.7%	3.5%	2.7%
Projected 2003 inflation	--	3.2%	2.0%
Unemployment rate	--	7.7% (Sept. 02)	7.7% (2001 Average)
Key economic issues	<ul style="list-style-type: none"> • Increased globalization • Decline in US influence • Increase in Asian influence • Sept 11th terrorism event • Technology sector fallout • Credit downgrades • Corporate/accounting fraud • Poor stock market conditions 	<ul style="list-style-type: none"> • World's 12th largest economy • Low inflation • Reduced debt • Relatively low unemployment • Viewed as investment risk • Sept. 11th terrorism event • Dependence on US markets • Potential skills shortages • Increased dependence on service 	<ul style="list-style-type: none"> • Low inflation • Dependence on US markets • Increased dependence on service sector • Weakness of resource sectors • Skilled work force • Weak but improving business climate • Difficulty attracting investment

Indicator	Global	National	Provincial
	<ul style="list-style-type: none"> • Low inflation • Reasonably positive long term outlook 	<ul style="list-style-type: none"> • Aging population 	<ul style="list-style-type: none"> • Economic improvement expected in 2003 • Aging population • Dependence on immigration for population growth

Local Economic Context

The previous section summarizes key trends and features associated with the global, national and provincial economies in order to provide a big picture context for this Economic Blueprint. However, as noted earlier, a viable economic development strategy must also be based on an understanding of the local economy. As such, this section summarizes a range of critical information regarding the local economy focusing on:

- Socio-Economic Profile
- Planning and Policy Context
- Strengths, Weaknesses, Opportunities, Threats (SWOT) Assessment

Socio-Economic Profile

This section presents a brief summary of existing socio-economic conditions in the CRD relative to population, demographics, income profile, employment profile, and economic structure⁴ and outlines the potential economic development implications of these conditions.

Population

The CRD had a Census population of 325,754 in 2001 which represented an increase of 2.4% (0.5%/year) relative to the 1996 Census. This population represents 8.3% of British Columbia's population and 1.0% of Canada's population. Of this population, 93.3% live in an incorporated community (e.g., municipality), 5.3% live in an unincorporated area, and 1.4% live on a reserve. According to population projections prepared by BC Stats, the number of people in the CRD is expected to increase to 367,307 (11.3% or 41,553 more people) by 2010 and to 400,195 (18.6% or 74,441 more people) by 2020⁵. The 2002 population estimate prepared by the CRD suggests

⁴ While economic development strategies often contain extensive information and statistics on these topics, a review of secondary and electronic information sources indicates that these topics have already been covered extensively. In light of this, the most pertinent information has been summarized in this section, while those interested in more details can reference the web-sites of BC Stats, Statistics Canada, Human Resources Development Canada, the Capital Regional District, the Economic Development Commission, etc.

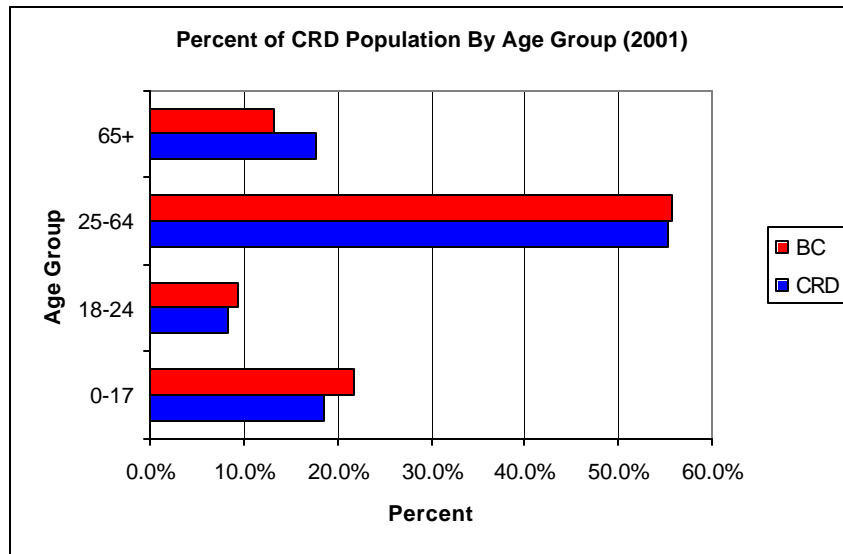
⁵ BC Stats. *P.E.O.P.L.E. Projection Run 27*. August 2002.

that the population currently stands at about 347,095. Overall, these figures indicate that in less than 20 years, the region will need to house and employ almost one-quarter more people than it currently does.

Demographics

Residents of the CRD are older and better educated relative to provincial averages. As of 2001, 18.6% of the population was 17 years of age or younger, while 8.4% were between the ages of 18 and 24, 55.3% were between the ages of 25 and 64, and 17.8% were over 65. The comparable percentages for the province as a whole were 21.7%, 9.4%, 55.7% and 13.2% as illustrated in the following figure⁶.

Figure 2



Over the next decade, the population of the CRD is expected to continue to get older and by 2011, it is projected that the number of residents that are aged 17 or less will decline to 16.3% while the number of people over aged 65 will increased to 18.4%⁷. Should these projections pan out, this means that by 2010, the CRD will have almost 7,600 more residents over the age of 65 while the number of residents that are younger than 17 will actually drop by almost 2,600. This trend has notable implications for the economy – especially in terms of demand for elementary and high school educational services (which will decline) and senior’s health and housing services (which will increase). However, it also needs to be noted that the state of the economy can help drive the demographic profile of residents. For example, an economy that offers a variety of high tech and

⁶ BC Stats. *Dependency Rates in BC 2001*.

⁷ BC Stats. *Dependency Rates in BC 2011*.

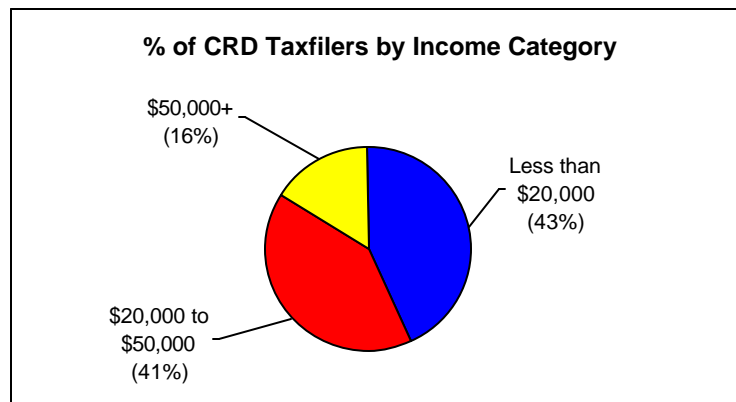
manufacturing employment opportunities will attract a younger labour force that, in turn, will affect population demographics.

In terms of education levels, residents of Victoria are somewhat more educated relative to the province as a whole. Out of the total 1996 population⁸ aged 15 years and older, 20.8% of CRD residents have not finished high school while 32% have some university training and 17.9% have a bachelor's degree or higher. By comparison, the provincial percentages for these three categories are 23.7%, 25.5% and 13.6% respectively.

*Income Profile*⁹

In 1999 (most recent data available), residents of the CRD generated a total income of \$7.64 billion. This reflects an average per capita income of \$30,995¹⁰ which is somewhat higher than the provincial average of \$29,295. Incomes are the highest on the Saanich Peninsula, followed by the Western Communities, the downtown region (Victoria, Oak Bay, Saanich), and then the unincorporated areas. While the *average* income for the region is healthy, the following figure illustrates that the *actual* income of many people falls far beneath this average as more than four out of ten people have an income of less than \$20,000 annually (these people include students and seniors).

Figure 3



Given the age breakdown of CRD residents, its not surprising that income source data indicates a lower dependency on employment income and a higher level of dependency on pension income

⁸ 2001 Census education data will not be available until 2003.

⁹ Canada Customs and Revenue Agency – Prepared by BC Stats. *All Individual Returns by Income Group – 1999.*

¹⁰ Note that this average income reflects the income of all residents who filed an income tax form. If the average income is calculated based only on those forms that report taxable income, then the average income increases to \$39,319.

than is the case for the province as a whole. In 1999, 64.3% of total CRD income was derived from employment or self-employment while 17.7% was derived from pensions. The comparable percentages for the province are 71.1% and 11.9% respectively. Other income sources, which reflect fairly similar distributions in both the CRD and the province include Investment income, other income and tax-exempt income.

Employment Profile

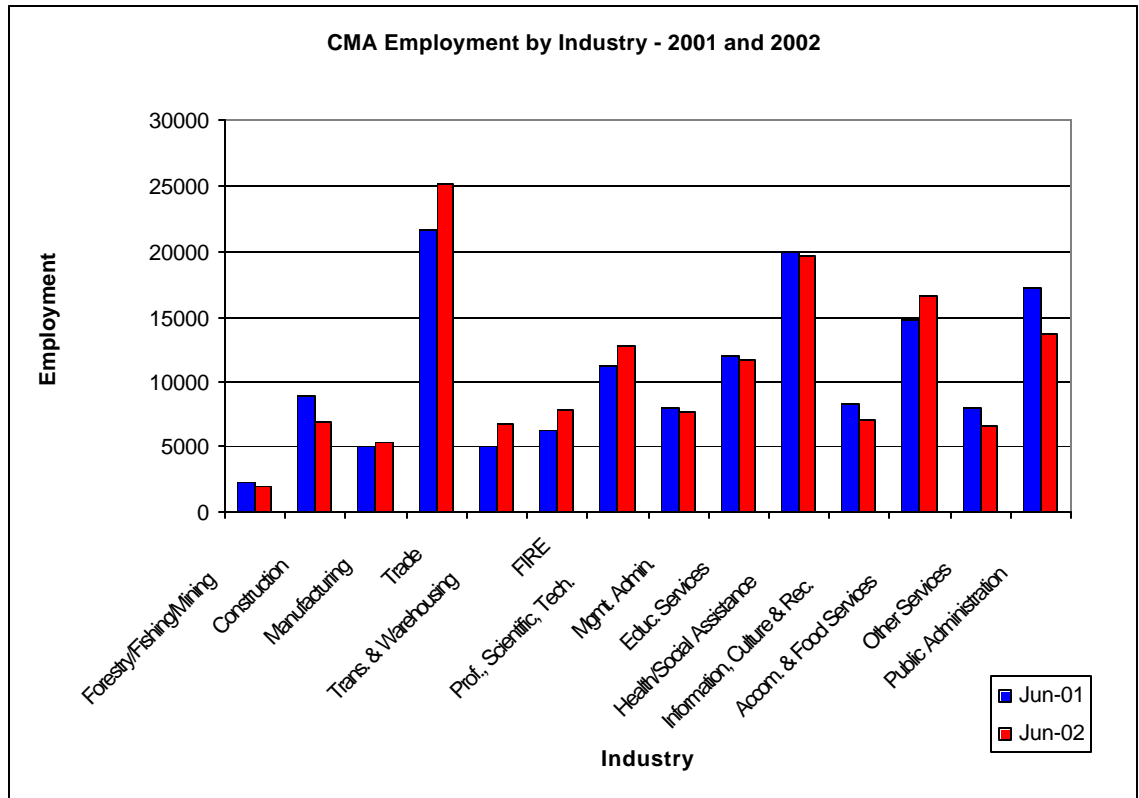
As of the second quarter of 2002, the CMA¹¹ had a total labour force of 162,000 of whom 11,200 (6.9%) were unemployed, up from 9,500 (6.0%) in the second quarter of 2001. Of the total employed labour force, 108,700 (67%) were employed full-time and the remaining 42,100 (33%) were employed part-time. Of the 11,200 people that were unemployed in June 2002, just over 4,600 were collecting employment insurance. Among this group, 63% were men and 37% were women. According to Human Resources Development Canada (HRDC), the largest claim groups by occupation are typically for Retail Sales, Construction Trades and Carpenters, and Cooks. A recent jump in the number of claims by people from clerical occupations (13% of total claims in June 2002) is attributed to recent provincial government lay-offs¹².

HRDC data on employment by industry indicates that the CMA has a reasonably diversified economy albeit with a heavy dependence on service industries. For example, of the 150,100 CMA residents that were employed in June 2002, 15,100 (8%) were employed in goods producing industries (e.g., forestry, construction, manufacturing) while 135,700 (92%) were employed in service producing industries (e.g., trade, educational services, accommodation). This compares to 20.2% and 79.8% respectively for the province as a whole. While year-to-year employment statistics always fluctuate, Figure 4, which compares the number of people employed by industry in the CMA in June 2001 and June 2002 reflects some significant changes. For example, while the numbers of people employed in trade, transportation and warehousing, FIRE, professional/scientific/technical, and accommodation/ food services sectors all increased between 2001 and 2002, the number of people employed in the other industries all declined with the most significant drops occurring in public administration (down 3,500) and construction (down 2,000).

¹¹ Victoria Census Metropolitan Area (CMA) includes most of the CRD except for the Gulf Islands.

¹² The information in this paragraph was drawn from: Human Resources Development Canada. *HRCC Greater Victoria Labour Market Review*. 2nd Quarter 2002. P. 5.

Figure 4



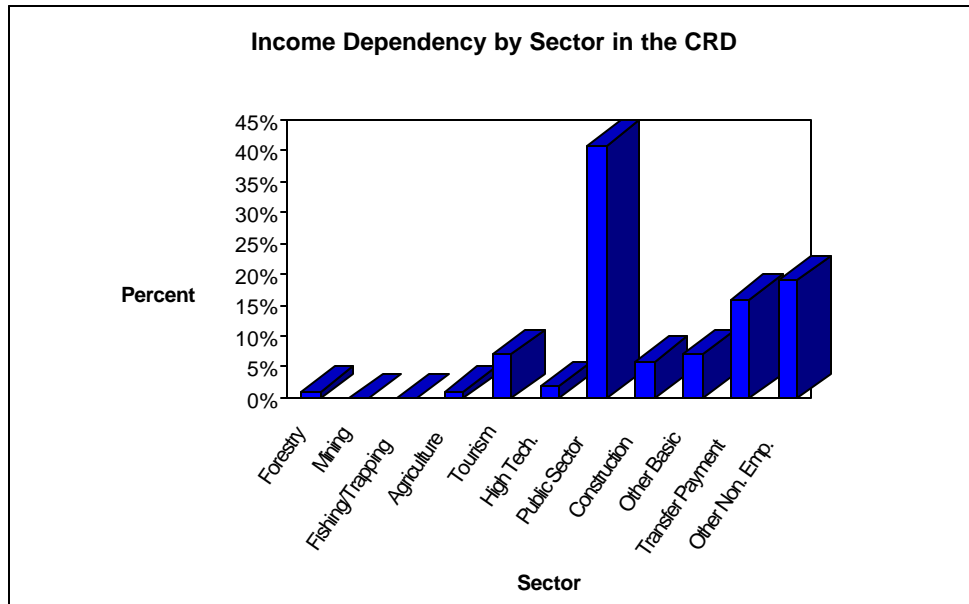
Economic Structure

The labour force information that is summarized above identifies the number of people employed in each major industry group in the CRD. Although Gross Domestic Product (GDP) data is not available at the local level (meaning the total value of goods and services by industry sector is not known), economic dependency data indicates that while the trade sector provides the most employment, it is the public sector that generates the greatest income dependency¹³. As shown in the following figure, 41% of total basic income in the CRD in 1996 (most recent data available) was derived from the public sector while other non-employment income (e.g., investment and corporate pension plans) and transfer payments (e.g., EI, SA, CPP, etc.) account for 19% and 16% of total basic income respectively. The remaining 24% of basic income comes from industry sectors (and many industries generate some or much of their business from serving

¹³ The income dependency information in this paragraph was drawn from a document prepared by the Ministry of Finance and Corporate Relations entitled *British Columbia Local Area Economic Dependencies and Impact Ratios – 1996*. May 1999. In this document, income dependencies are calculated by estimating the local after-tax income derived from 11 independent basic sectors. Income dependence is defined as the percent of total basic income which is derived from each of these basic sectors.

16% of total basic income respectively. The remaining 24% of basic income comes from industry sectors (and many industries generate some or much of their business from serving government). These figures indicate that private sector income in the CRD is only marginally higher than transfer payment income.

Figure 5



Although more recent income dependency data are not available, it is believed that if it were, it would show some decline in the public sector percentage due to recent provincial government down sizing. However, even assuming a decline of several percentage points, the CRD remains heavily dependent on the public sector as a source of employment income.

Despite the significant economic role of the public sector, the vast majority of business establishments in the CRD are small businesses. For example, according to Statistics Canada, there were a total of 22,038 business establishments in the CRD in 2000. Of these, 10,025 (45.5%) had no employees (e.g., owner operators), 10,491 (47.6%) had between 1 and 19 employees, 944 (4.3%) had between 20 and 49 employees, and 578 (2.5%) had more than 50 employees. This means that more than 93% of business establishments in the CRD are classified as small businesses. Not surprisingly, the biggest employers are largely public sector agencies (provincial, municipal, federal) which account for 12 of the top 20 employers (this increases to 15 of the top employers if Crown Corporations are included) and approximately 45,000 employees (48,000 with Crown Corporation staff). What these figures indicate is that while large employers account for only 2.5% of business establishments, they provide employment for about 30% of the labour force.

Sector Profiles

This section supplements the foregoing economic profile information by summarizing key trend and situational information for selected local industry sectors. The value of the sector profile information is that it provides an understanding of the current “health” and associated growth or decline of each sector. Both profile and trend information show, for example, that while the public sector is currently the largest employer in the CRD, this sector is in decline, while the high tech sector, which has historically been a smaller employer, is growing.

The Terms of Reference for this Blueprint request that specific sectors or sub-sectors of the economy be examined. In order to keep the structure of this assessment consistent with that of the socio-economic profile, the same industry categories are used (e.g., Agriculture, Construction, Manufacturing). The following table illustrates how these categories link with the sectors or sub-sectors of specific interest to the GVEPS.

Table 2
Sector Categories

All Industry Sectors	Sectors of Interest to the GVEPS
Forestry, Fishing, Mining	N/A
Agriculture	Food and Agriculture
Construction	Development
Manufacturing	Manufacturing
Trade	Retail
Transportation and Warehousing	Transportation
Finance, Insurance, Real Estate	Financial Services, Real Estate
Professional, Scientific, Technical	Advanced Technology
Management, Administration	N/A
Educational Services	Education
Health Care and Social Assistance	Health Care
Information, Culture, Recreation	Film, Sports, Arts & Culture (includes Not-for-Profit)
Accommodation and Food Services	Tourism
Other Services	N/A
Public Administration	Government

Agriculture

The Agriculture sector includes businesses involved in crop production, animal production, mixed farming, and support activities for agriculture. The following table provides a summary of selected agricultural statistics from the Census of Agriculture for the CRD for the years 1991, 1996, and 2001.

The table indicates that in 2001, there were 2,810 farms in the CRD managing 15,500 ha of farmland (average 5.5 ha). Over the past ten years, the amount of land used to grow fruits and vegetables has increased while the number of cattle, sheep, and poultry being raised has decreased. Total farm income has shown an overall increase over ten years but a decrease over five years. The average farm income in 2001 was on \$17,900¹⁴. While 2001 wage data is not available, the 1996 wages paid resulted in an average agriculture wage of about \$7,300 (\$13.2 million in total wages/1,815 labour force = \$7,300 average wage).

In general, agriculture is a relatively small employer in the province as a whole (employing 2% of the labour force) and the CRD (employing approximately 1% of the labour force). On a province-wide level, the total number of farms is decreasing (down 7% between 1996 and 2001) and larger commercial farms are replacing small family farms. Provincially, there were increases in farms producing beef, poultry, eggs, and field crops other than grain and oilseed, and decreases in farms producing specialty crops and livestock. However, there has been significant growth in the area planted in forage seed, ginseng, berries, grapes, greenhouse products and nursery products but an overall drop in hay, grain, and oilseeds.

Province-wide employment growth in the agricultural industry is expected to be slower than the all-industry average through to the year 2008. There are many factors responsible for this, including global competition, trade agreements, a limited land base available for new agriculture, new technology, and concerns about the environment. However, economic opportunities in the nursery and greenhouse sector are expected to increase. Fewer trade barriers and reduced global production costs are affecting the profitability of British Columbia farms and, as a result, farm employment.

The CRD has seen an increase in farm capitalization and a shift in farm products. The resurgence of a local wine industry is an exciting recent development. (British Columbia's wine industry started in Saanich, where berry wines were produced in the 1920s, then declined after 1970.) The growth of viticulture, organic production of vegetables and fruits, and continued health of the local mixed vegetable farming characterizes the region. An Agriculture Canada research station supports agriculture here. Lamb from the Gulf Islands is widely known, and U-pick berries on the Saanich Peninsula generate substantial direct sales farm income. Equestrian operations and

¹⁴ Average income may provide an unrealistically low estimate of farm earnings, as it includes those who sell a few eggs or flowers as well as large dairy, forage, mixed vegetable, and specialty crop producers.

associated forage production occur throughout the region. Bed and breakfasts are increasingly used to supplement income on farms in the capital region. The proximity of most farm areas to urban locations also provides opportunities for farm families to earn income from off-farm jobs as well as from farming.

Table 3
CRD Agriculture Sector Data

Indicator	1991	1996	2001	% Change 1991 to 2001
Number of farms			2,810	
Total area of farms (acres)	34,718	37,210	38,322	+9.4%
Area of tree fruits (acres)	312	453	634	+103.2%
Area of vegetables (acres)	558	713	878	+36.4%
Number of cattle	5,169	5,071	4,751	-8.8%
Number of sheep	9,493	8,860	9,247	-2.7
Number of poultry	665,179	704,485	638,523	-4.2
Total farm capital	\$422,155,860	\$678,606,694	\$643,869,960	+34.4%
Total wages paid	\$7,866,312	\$13,196,358	N/A	N/A
Total farm income	\$37,632,909	\$53,347,432	\$50,317,248	25.2%

*Construction (Development)*¹⁵

It is challenging to identify trends in the construction sector, which encompasses both prime contracting and trade contracting, because of the cyclical nature of this industry. In addition to seasonal variations, economic activity in this sector is tied to the overall health of the economy, capital spending patterns by government, interest rates, material costs, and housing demand, etc. Population growth and an aging population also affect residential construction activity. Seniors staying longer in their homes and young people forming their own households are part of the changing demographics that affect construction activity. In addition, lifestyle changes are affecting both the quantity and mix of housing that buyers can afford or want.

According to the HRDC 2nd Quarter 2002 labour force survey¹⁶, there were approximately 7,000 people employed in the construction sector in the second quarter of 2002 which is down from 9,000 in the second quarter of 2001. As noted earlier in this section, the population of the CRD is projected to grow by more than 41,000 over the next eight years. Assuming an average

¹⁵ Some of the information in this paragraph was drawn from HRDC Work Futures information.

¹⁶ Note that the HRDC labour force survey measures labour force activity differently than the Census. In addition, it covers the CMA regional only (i.e., CRD less the Gulf Islands).

household size of 2.5 people suggests that an additional 16,600 housing units will be needed over this time period. While capital spending by various levels of government is expected to decline, other major building projects are possible in the CRD over the next few years.

The following summary of building permit activity as a reflection of construction activity trends shows that building permit values fluctuate from year to year and show no real trend in terms of growth or decline. However, these values increased significantly over the last two years with 2002 recording the highest values for the six years shown. The reason for the 2001 to 2002 increase in values is almost entirely attributable to residential permits which increased in value by almost \$96 million.

Table 4
CRD Building Permit Data (for the CMA)

Year	Total Value of Building Permits in the CMA (\$000)	Percent Change
1997	\$287,683	--
1998	\$279,886	-2.8%
1999	\$411,515	+32%
2000	\$290,945	-41.4%
2001	\$359,391	+19%
2002	\$450,700	+25.4%

Province-wide, the construction industry is expected to grow at a rate of 1.6% per year to 2008, which is the same rate as the provincial average for all industries. However, productivity gains resulting from the use of new materials, processes and technologies are reducing the need for tradespeople. As a result, increasing construction activity may not create as many jobs as in previous years. Conversely, because the construction industry employs such a large number of workers, there is expected to be a significant number of openings in the long-term, especially to replace an aging workforce.

Manufacturing

The manufacturing sector in the CRD is diverse and encompasses businesses involved in the production of goods that range from food products to software (see also the discussion regarding Advanced Technology). Although no complete inventory of local manufacturing business exists, the *2002 British Columbia Manufacturers' Directory*¹⁷ includes listings for 358 manufacturing

¹⁷ For the purposes of the Directory, "manufacturing" is defined as production generally destined for the wholesale market, or for interplant transfer, rather than for direct sale to final consumers (from Directory web-site). Note that participation in the Directory is voluntary so this is not a complete list of all

firms in the CRD. Of these firms, 70% have less than 14 employees, 26% have between 15 and 99 employees, 9% have between 100 and 199 employees and 1% has between 200 and 499 employees. In order to be considered a manufacturer, a business must fall into one of 20 sectors under the North American Industry Classification System (NAICS). Almost half (49% or 175) of these firms export the products they produce. The following table indicates the number and percent of manufacturing businesses that belong to each of these classifications. Note that the total number of businesses adds up to more than 358 because some businesses manufacture more than one type of product.

Table 5
CRD Manufacturing Businesses by Type (Voluntary Survey Results)

Classification	#	%	Classification	#	%
Advanced Tech/Electronics	36	7	Minerals	11	2
Apparel	10	2	Misc. Products	27	5
Artisan	34	6	Nursery Trades/Floriculture	6	1
Chemicals	11	2	Packaging	6	1
Communications	42	8	Personal/Household Goods	104	19
Environmental	6	1	Plastics	11	2
Fisheries Products	14	3	Software	18	3
Food and Beverage	28	5	Sporting Goods	13	2
Machinery/Steel Fabrication	62	12	Transportation Equipment & Products	23	4
Marine Equipment	29	5	Wood & Building Products	47	9

In 1996, the CRD manufacturing sector had an experienced (not necessarily employed) labour force of 7,965 which represents 5% of the region's total labour force. According to the HRCDC Labour Force Survey, there were 5,400 people employed in the manufacturing sector in the CMA in the second quarter of 2002 which is an increase of 400 over the same period in 2001. Of the many sub-sectors within the construction industry, one of the fastest growing fields is computer engineering (see also the High Tech review). Having a mix of manufacturing firms is a healthy situation for the CRD as declines in one sector can be balanced by growth in other sectors. However, remaining competitive in a knowledge based global economy will require aggressive and ongoing commitment to technological innovation.

manufacturing companies in the CRD nor should the percentage distribution be viewed as indicative of the region as a whole.

Also of relevance to the manufacturing (and high tech) sector is the available of suitable industrial space. The following table provides a summary of available industrial space in 2001 and 2002. According to Colliers International, the Greater Victoria industrial markets experienced another sharp decrease in the vacancy rate from 4.3% in 2001 to 3.13% in 2002 as a result of steady demand from industrial users. The 2002 vacancy rate is also substantially lower than the six-year average of 4.9%¹⁸.

Table 6
CRD Industrial Space Inventory

Region	Total Square Feet	Vacancy 2001	Vacancy 2002
Sidney/North Saanich	661,628	4.9%	3.39%
Central Saanich	1,353,124	2.7%	3.19%
Saanich	1,552,771	2.2%	2.69%
City of Victoria	2,555,311	4.7%	3.31%
Esquimalt	672,652	4.9%	3.23%
Western Communities	380,620	6.7%	2.96%
TOTAL	7,176,106	4.3%	3.13%

Trade

The retail/wholesale trade sector is the largest employer in the CRD and has provided between 16% and 17% of total jobs in the region over the last several years. The retail trade industry includes all establishments that sell goods (such as gasoline, groceries, clothes, construction supplies) for use by consumers while the wholesale trade industry supplies these goods to retailers. While this sector encompasses a range of jobs such as store clerks, distributors, buyers, home demonstrators, sales clerks are by far the most common.

Province-wide, employment for the trade sector is projected to grow at an annual rate of 1.5%, which is about as fast as the average for all occupations. Most new job openings are expected to result from sector growth, while the remainder are expected to result from the replacement of retired workers. Additional openings will become available due to worker turnover, as wages are often low and positions are sometimes seasonal. However, employment in this sector is closely linked to employment growth in the economy as a whole because it is largely the availability of household income that drives retail sales. The health of the retail sector is also linked to the health of the tourism sector which generates a fairly high portion of retail sales in the downtown area.

¹⁸ The information in this paragraph and in the following table were drawn from Colliers International. *Market Report Victoria – Annual Industrial Report*. Summer 2002.

The following table provides an overview of retail space trends between 1997 and 2002 for the CRD. The figures indicate that both the number of centers and the associated available retail space increased by 8% over the five-year period 1997 to 2002. This growth rate is three times greater than that of the population which grew by only 2.4% between 1996 and 2001.

Table 7
CRD Retail Shopping Centres

Indicator	1997	2002	% Change
Number of Centres in the CRD	69	75	8%
Total Gross Leasable Area (ft ²)	4,479,691	4,874,991	8.1%
Vacancy Rate	3.2%	3.5%	0.3%

In 2002, retail sales in the CMA were estimated at \$3.14 billion or \$9,500 per capita¹⁹. Assuming per capita spending remains constant, retail sales are projected to reach \$3.54 billion (+ \$400 million from current spending) by 2010 based on the population projections for the region. In general, however, the above shopping centre statistics suggest that the best wholesale/retail opportunities are likely associated with strengthening existing businesses rather than adding to an already well-saturated market.

Transportation and Warehousing

The transportation and warehousing sector includes businesses involved in the supply of air, rail, water, truck, transit and ground passenger, sightseeing transportation, pipeline transportation, the postal service, couriers and messengers, and warehousing and storage. Although not directly comparable numbers, the 1996 Census indicated that this sector had an experienced labour force of 5,370 (3% of the total CRD labour force) while the 2002 HRDC labour force survey indicated that there were 6,800 people employed in this industry in the CMA in the second quarter of 2002 (the latter figure represents an increase of 1,800 relative to the same period in 2001 and suggests that the sector currently employs 4.5% of the local labour force).

For the purposes of this Blueprint, the transportation component of this sector is of primary interest. Key providers of transportation employment include the airport, the various ferry services, the floatplane/Helijet services, and trucking companies. The health and/or future growth of these sectors is dependent on a variety of factors including transportation policy, fuel costs, tourism demand, and manufacturing activities (i.e., a high proportion of manufactured goods are delivered to market by truck). The airport and ferry services are particularly dependent on tourism activity and the data summarized in the following two figures indicates that airport traffic

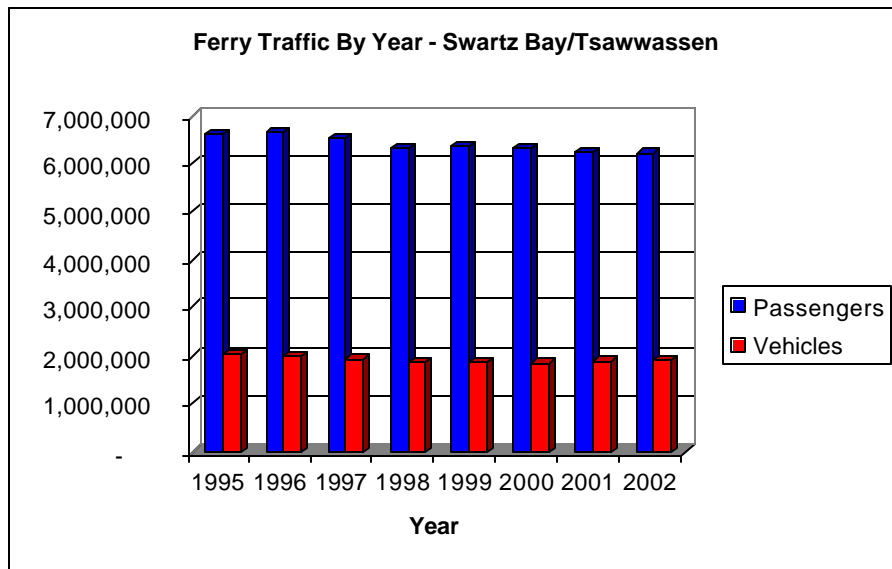
¹⁹ Financial Post. *Canadian Demographics* 2002. P. 639.

grew rapidly for a few years before declining somewhat while ferry traffic has experienced a general decline over the last few years.

Figure 6



Figure 7



Finance, Insurance and Real Estate (FIRE)

This sector includes monetary authorities (banks and credit unions), securities firms, insurance carriers, real estate agents and rental and leasing services. The key areas of interest relative to this Blueprint are the Real Estate and Finance sub-sectors. Overall CRD employment in the FIRE

sector appears to be declining. This sector had an experienced CRD labour force of 8,135 according to the 1996 Census. Although not directly comparable to the Census data, the 2002 HRDC Labour Force Survey indicates that there were 7,900 people employed in this sector in the second quarter of 2002 – a roughly comparable number to the 1996 Census when the geographic differences of the CRD and CMA are taken into account.

The health of the real estate sector is directly dependent on real estate sales activity. As shown in the following table, sales activity was very strong in 2001 and 2002 following several years of up and down sales. In general, continued growth of the region's population will be the key driver behind future residential sales activity that, in turn, will be dependent on the overall health of the economy, the availability of jobs to keep or draw people to the region, and interest rates.

Table 8
CRD Residential Real Estate Sales Trends

Year	Total Units Sold	Value of Sales	Percent Change
1997	3,639	\$905.8 million	--
1998	3,145	\$773.7 million	-17.1%
1999	3,288	\$821.8 million	+5.9%
2000	3,220	\$809.5 million	-1.5%
2001	4,096	\$1,061 million	+23.7%
2002	4,430	\$1,241 million	+17.0%

The financial services sector includes banks, credit unions, insurers, security firms and mutual fund companies. Although local statistics on this sector are limited, the Financial Consumer Agency of Canada indicates this sector directly employs about half a million people Canada-wide. The sale of financial services represents about 5% of Canada's GDP and includes \$50 billion in exports. Worldwide, Canada's financial services rank fifth in terms of competitiveness. The performance of Canada's banks (13 domestic, 34 foreign subsidiaries and 11 foreign branches) has been very strong recently with recent net income increases being attributed to wealth management (one of the fastest growing segments of the financial industry), retail banking and investment banking activity.

Overall, banks account for 70% of the total domestic assets of financial institutions in the country. By comparison, credit unions account for 10% of these assets. Canada-wide the number of credit unions has declined (through mergers, etc) from 2,700 in 1991 to 1,772 in 2001. While interest income continues to be the key source of income for credit unions, it is anticipated that they will become more involved in the sale of other services such as mutual funds and insurance.

The mutual fund sector was the fastest growing segment of the financial service sector during the 1990s. Between December 1991 and December 2001 the value of the assets managed by this sector increased by 1700%. There are about 80 fund management companies in the country employing 90,000 people. Recently, this industry has been challenged by declines in fund values and future opportunities will depend on the relative health of the market. Securities firms have operated on a fairly stable basis over the last few years after increasing by 26% between 1993 and 1997. By comparison, the number of life and health insurance agencies dropped from 168 in 1990 to 117 in 2001 due to consolidation and the industry presently employs about 110,000. Like banks and credit unions, retirement products such as annuities, RRSPs and registered retirement income funds represent one of the fastest-growing areas of the life and health insurance business.

While the above discussion relates to national level trends in the financial services sector, it is anticipated that key trends and opportunities within the financial sector of the CRD also relate to the cross-selling of products and services (especially retirement products and mutual funds) by the various local firms.

Professional, Scientific, Technical (Advanced Technology)

Although this sector includes a range of sub-sectors such as legal services, accounting, architectural design, etc., for the purposes of this Blueprint the focus is on the Advanced or High Tech sub-sector. According to BC Stats²⁰, this sector includes a number of industries that produce goods or services with a significant high tech component. These industries are involved in activities that range from the manufacture of batteries to work that is done in medical and research laboratories. They can include goods producing industries (e.g., aircraft parts, computer parts) and service industries (e.g., computer services, engineering services). In addition, many sectors (e.g., agriculture, service industries) are incorporating high tech elements as part of running their business.

Despite recent challenges within the high tech industry generally, it is one of the fastest growing sectors in both the province as a whole, as well as in the CRD. Province-wide, the number of high tech businesses increased by 33.5% (6.7%/year) between 1995 and 2001, while associated employment, salaries/wages and shipments increased by 35.6% (7.1%/year), 44.2% (8.8%/year) and 29.8% (6%/year) respectively²¹. As a result of this growth, the high tech sector contributed 3.9% to provincial GDP in 2000 (up from 1.7% in 1984). Of the 61,000 people employed in this sector in British Columbia in 2000, one-third (20,910) worked in the computer services industry while just under one-quarter (23.5%) worked in high tech manufacturing.

²⁰ BC Stats. *Business Indicators – British Columbia's High Tech Sector*. September 2001.

²¹ Note that these figures and percentages represent five-year averages. However, actual year-over-year growth rates for 1999 to 2000 were much higher (e.g., 16.2% growth in employment and 18.7% growth in wages).

Within the CRD, a report prepared by VIATeC²² indicates that in July 2000, there were between 725 and 750 high tech firms in the region. According to a January 2003 article, the number of firms now exceeds 800. These firms had a total workforce of approximately 15,000 FTEs in 2000 (median company size of 7.5 employees) and currently contribute about \$1 billion annually to the regional economy.

The growth and relative strength of the high tech sector in the CRD is believed to be linked to the presence of three post secondary institutions, five federal R&D agencies and other factors such as access to a skilled workforce, etc²³. While the high tech sector is still regrouping following recent global stresses, the long-term outlook is positive. It is anticipated that the role of the university in the high tech sector will continue to expand due to the recent (Dec. 02) provision of \$31 million in funding provided by the province to UVic for engineering and high-tech education. Furthermore, the high tech industry generally will benefit from the establishment of the British Columbia Discovery Fund by the Discovery Capital Corp. which is a venture capital corporation. The fund will use revenue raised through a three-year tax credit allocation (estimated at \$10 million annually) to make venture capital investments in a variety of provincial technology companies. Activity at UVic will include the construction of a 30,000 square foot facility that will be used to promote small companies that develop out of the university's programs.

Educational Services

The Educational Services sector includes both public and private sector agencies involved in the provision of primary, secondary, post-secondary, university, other schooling and educational support services. According to the HRDC labour force survey, there were approximately 11,700 people in the CMA employed in this sector in the second quarter of 2002 – a decline of about 400 over the same period in 2001. Because the primary and secondary educational sector is largely funded by government it has been directly affected by recent government retrenching and budget cuts (especially primary and secondary schools)²⁴. These financial pressures are expected to continue, thus limiting the expansion or growth potential of primary and secondary educational service opportunities for the foreseeable future. Furthermore, as indicated in the earlier discussion on demographics, the number of CRD residents under the age of 17 is actually expected to decline over the next decade which, in turn, will lessen the demand for primary and secondary school services.

²² Vancouver Island Advanced Technology Centre. *CREATE Initiate: Final Report*. Feb. 15, 2001.

²³ City of Victoria Research and Statistics. *Business Profile Section*. Undated web-site information.

²⁴ Note that while the total Ministry of Education budget is projected to increase from \$4.84 billion in 2001/02 to \$4.86 billion in 2002/03, 2003/04 and 2004/05, this is due to increased spending on debt service and amortization and independent schools. Funding for public schools, K12 education services and management services will be reduced over this same period. Source: *Ministry of Education Service Plan, 2002/2003 – 2004/2005*. Feb. 2002.

While post-secondary educational institutions are also affected by financial pressures, the outlook for such institutions appears promising. In addition to rising enrolments, there are a number of high profile industry-educational partnerships that are adding to the profile of the various institutions and are generating new grant and funding sources. Furthermore, demand for post-secondary programs that run on a cost-recovery basis (e.g., continuing education) is increasing. Overall it is anticipated that the importance of post-secondary institutions in the region relative to the economy will continue to increase and there will be more and more opportunities for creative partnerships between these institutions and other sectors of the economy.

In terms of existing impacts, figures released by UVic suggest that the university generates more than \$299 million in annual economic activity and supports more than 10,000 local jobs. The contribution of Camosun College also appears significant as it contributes \$145 million annually to the local economy while the annual economic contribution of Royal Roads University is estimated at \$77 million²⁵.

Health Care and Social Assistance

This sector includes both public and private sector agencies or businesses that provide ambulatory health care, hospital, nursing and residential care and social assistance facilities and services. From an employment perspective this is the second most significant sector in the CRD after wholesale/retail trade, employing approximately 13% of the labour force or around 20,000 people. The most significant of these sub-sectors from the perspective of this Blueprint is health care services. The health care sector faces a serious conundrum in that pressures to decrease costs are coinciding with increases in both the demand for and in the cost of treatments. Given the significant policy, structural and other changes currently affecting this sector, its future is anything but clear. What we do know is that the number of people requiring health care services is going to increase (largely due to the aging of the population). How this increasing demand is going to be met when the government is trying to hold the line on health care spending is not known. It does, however, suggest that opportunities will likely exist for continued privatization of some of these services and/or for finding alternative financing sources.

Information, Culture, Recreation

While this sector includes a variety of industries ranging from publishing to heritage institutions, the sub-sectors profiled here are film, sports, and arts and culture. Total employment in this sector (not just the latter three sub-sectors) was estimated at 7,100 for the CMA in the second quarter of 2002. This represents a decline of 18% over the same period in 2001. Although it is not known what caused such a significant drop, it is likely a mix of factors such as reductions in

²⁵ Note that these figures are quoted directly from UVic and Camosun College information sources and have not been confirmed by the study team.

public funding for sport and cultural activities and declining public sector employment resulting in a loss of disposable income to spend on discretionary activities and purchases.

The region's film industry is becoming increasingly well established and is being coordinated by the Victoria Film Commission which was set up in 1996 to market and promote Victoria and Vancouver Island to the global film industry. The following table summarizes the commercial filming activity that has occurred in the region over the past six years based on information from the Victoria Film Commission web-site.

Table 9
CRD Film Activity

Type of Film	1997	1998	1999	2000	2001	2002
Feature Films	2	4	10	3	5	6
Short Films	0	8	0	0	0	0
Documentaries	8	13	2	4	3	6
TV Movies/Pilots/Specials	1	7	0	0	3	9
Animation	0	3	0	0	0	
Commercials/Stills	5	8	2	11	4	4
TOTAL	16	43	14	18	15	25

This film activity has led to the establishment of several production companies and has provided contract opportunities for a range of industry suppliers, contractors and actors. This sector will continue to benefit from the cost-competitiveness of the Canadian dollar and the tax incentives offered by the provincial government.

Organized sporting activities include both amateur and professional sports. There are many amateur sports leagues in the region most of which are financed through fees, fund raising and grants. Professional sports teams include farm and league teams where players receive a salary and which are financed by ticket and merchandise sales and other resources of team owners. Historically, the CRD has not been home to that many professional sports teams. However, the potential exists for both a professional (farm) hockey team and a professional baseball team to establish here. Should this occur, a range of spin-off economic impacts will occur as a result of servicing and supporting these teams. A significant component of the local sports sector is the Pacific Sport Group which was established as a legacy of the Commonwealth Games and has contributed to the enhanced profile of the region as a sporting event destination.

The art and culture sector includes the performing arts (theatre, symphony) and museum, heritage and galleries. The art and culture sector (with the exception of some galleries) is heavily dependent on public funding in order to operate and many components of this sector operate on a

not-for-profit basis. As a result, the health and employment potential of this sector is very dependent on the overall health of the economy (i.e., high levels of employment increase the disposable household income available for spending on, for example, the purchase of art, while governments with healthy tax revenues are more likely to provide grants to museums, etc.).

While the sport and cultural sector is typically not self-supporting, healthy sport and cultural sectors is a sign of a healthy economy and play a significant role in local quality of life and in attracting and retaining skilled workers in other sectors.

Accommodation and Food Services (Tourism)

The Accommodation and Food Services sector includes commercial accommodation facilities, food services (i.e., restaurants) and drinking places. When catering to visitors such businesses are considered components of the “tourism” industry while when catering to residents they are considered components of the “hospitality” industry. While accommodation and food services are not the only businesses to benefit from tourism, approximately half of visitor spending goes to the purchase of these services. According to the HRDC labour force survey, approximately 16,600 people (11% of the labour force) in the CMA were employed in this sector in the second quarter of 2002 – an increase of 1,900 from the same period the previous year.

Despite the global tourism decline following September 11, 2001, the CRD’s tourism industry has continued to perform quite well and Tourism Victoria estimates that 2002 revenues will exceed \$1 billion having experienced modest growth over 2001. The following tables summarize performance information for accommodation facilities and cruise ship visits and reflect mixed trends. Relevant transportation data (e.g., airport and ferry passenger counts) are provided in the earlier transportation sector. As shown in the accommodation table, the number of accommodation properties and rooms increased annually for four years before dropping somewhat in 2001 (due largely to the redevelopment of some properties for long-term rentals). With the exception of 2000, room revenue has been increasing annually (largely due to increased room rates) while overall occupancy and the associated number of room nights has declined for the last three years.

Table 10
CRD Accommodation Trends²⁶

Year	# of Properties	% Change	# of Rooms	% Change	Revenue (millions)	% Change	Occupancy	Est. Room Nights Sold ²⁷
1997	176	--	8147	--	\$124.8	--	68%	2.02 mil.
1998	180	+2.2%	8431	+3.4%	\$138.3	+9.8%	70%	2.15 mil.
1999	193	+6.7%	8766	+3.8%	\$150.9	+8.3%	69%	2.21 mil.
2000	213	+9.4%	9212	+4.8%	\$150.8	-0.06%	65%	2.19 mil.
2001	209	-1.9%	9019	-2.1%	\$156.2	+3.5%	64%	2.11 mil.

As shown in the following table, cruise ship activity in Victoria, especially over the last few years has been very positive with the total number of passengers increasing by more than 200% and the number of passengers and crew increasing by more than 300% between 1990 and 2001. Current projections for 2003 and 2004 indicate that growth in cruise ship activity is expected to continue. Currently, there are two cruise ship berths at Ogden Point with a third berth planned for construction in 2003. This new berth will provide new facilities to meet modern security and customs requirements and will provide passengers with easy access to the region's tourist attractions.

Table 11
Cruise Ship Trends²⁸

Year	# Ship Visits	% Change	# Passengers	# Crew	Total Pass/Crew	% Change	Average Per Visit
1990	38	--	25,165	11,324	36,488	--	960
1991	43	12%	33,207	14,943	48,150	24%	1,120
1992	31	-39%	26,840	12,078	38,918	-24%	1,255
1993	28	-11%	21,404	9,632	31,036	-25%	1,108
1994	52	46%	38,127	17,157	55,284	44%	1,063
1995	53	2%	38,392	17,276	55,668	1%	1,050
1996	47	-13%	33,143	14,914	48,057	-16%	1,022
1997	41	-15%	35,393	15,927	51,320	6%	1,252
1998	26	-58%	23,774	10,698	34,472	-49%	1,326

²⁶ Data on the number of properties and rooms and revenue was drawn from the BC Stats *Room Revenue Report* while occupancy data was drawn from the Grant Thornton LLP *Tourism Monitor*.

²⁷ These figures are estimates reflecting the following formula: Total Rooms x Occupancy Rate x 365 days.

²⁸ The data in this table were provided by Gerry Lutz of Westcan Terminals Ltd.

Year	# Ship Visits	% Change	# Passengers	# Crew	Total Pass/Crew	% Change	Average Per Visit
1999	34	24%	39,198	17,639	56,837	39%	1,672
2000	45	24%	53,276	23,974	77,250	26%	1,717
2001	77	42%	118,145	53,165	171,310	55%	2,225
2002	110	30%	160,902	72,406	233,308	27%	2,121
2003 Est.	125	18%	201,200	90,540	291,740	20%	2,177

Accurate data for the region's restaurant sector is not readily available although it is estimated that there are currently more than 615 restaurants in the region. Compared to other sectors, the restaurant sector sees a significant amount of change each year due to turnover, new business establishment and business closures. The restaurant sector tends to be a challenging, labour intensive industry with modest profit margins and high bankruptcy rates (e.g., foodservice bankruptcies accounted for 12% of all Canadian commercial business failures in 2001). Because of the amount of money spent by tourists on restaurant meals, the overall health of the region's tourism industry is closely linked to the health of certain components of the region's restaurant sector.

In general, the tourism sector has been considered a significant component of the local economy. The region's positive reputation as a safe, clean, green destination gives it compelling market appeal among today's safety-focused travel markets. Furthermore, recent positive coverage of the region in high profile travel publications such as Conde Nast is expected to generate additional market awareness. However, household travel decisions are also closely linked to both available disposable income and geopolitical considerations. This means that the future stability and/or growth of the region's tourism sector is contingent on the overall health of the economy as well as on a stable North American and global political environment.

Public Administration

The Public Administration sector incorporates agencies involved in the delivery of federal (including defense), provincial, regional district and municipal government services. Components of the educational, health and social services sectors are also partly or largely publicly funded but these sectors are addressed separately above. As a result of recent (mostly provincial) cost-cutting and staff reductions, regional employment in this sector has dropped considerably in recent years. According to the HRDC labour force survey, there were 13,700 people employed in this sector in the second quarter of 2002 – a drop of 3,500 (20%) over the same period in 2001. By all accounts, the region can expect to experience additional provincial government staff reductions over the next couple of years. In general, this sector is not considered a “growth industry” and, in addition to employment impacts, continued pressure to address deficit/debt issues and deal with revenue short-falls is expected to affect the funding

available for other public services such as education, art and culture initiatives, and other not-for-profit organizations.

Summary of CRD Sector and Trend Links

The following provides a summary of the positive and negatives links between the region's economic sectors and trends occurring in these sectors.

Table 12
Sector and Trend Links

Sector	Links with Current Trends	
	Positive	Negative
Agriculture	<ul style="list-style-type: none"> Move to protect country's ability to meet own food requirements Growing demand for specialty and organic crops Gradual growth in agritourism 	<ul style="list-style-type: none"> Current market forces (e.g., energy and transportation costs) challenging economic viability of individual farms Decreasing amount of agricultural land available (due to development encroachment) Increasing competition from other areas with longer growing seasons
Construction	<ul style="list-style-type: none"> Population growth will continue to drive demand for housing Regional residential construction activity has been very strong Demand for housing for an aging population likely to increase Increasing demand for home renovation services 	<ul style="list-style-type: none"> Reduction in construction of publicly funded buildings Shortages of skilled tradespeople Productivity gains will decrease overall employment requirements
Manufacturing (see also Advanced Technology)	<ul style="list-style-type: none"> Increasing demand for ship building and maintenance services 	<ul style="list-style-type: none"> Poor investment climate US economy is weak (affecting demand for manufactured goods) Increasing transportation and input costs makes it difficult to compete with cheaper global suppliers
Retail	<ul style="list-style-type: none"> Gradual population growth will increase demand for goods Population is aging and older people 	<ul style="list-style-type: none"> Current retail market well saturated/supplied The health of the retail sector is closely

Sector	Links with Current Trends	
	Positive	Negative
	have less retail needs	linked to the health of other sectors Big Box retailers affecting competitiveness of smaller retailers
Transportation	Restructuring of BC Ferries may lead to more innovative ferry services (e.g., cheaper night-time sailings)	Demand for transportation services linked to health of other economic sectors Airport and ferry traffic have both experienced recent declines Transportation costs are increasing
Financial Services & Real Estate	Gradual population growth will drive real estate sales activity Low interest rates have encouraged real estate activity	Poor stock/mutual fund performances affecting people's investment habits Interest rates are projected to increase which could affect real estate activity.
Advanced Technology	High tech sector has been showing strong growth despite recent global challenges Region well positioned to take advantage of revitalization of high tech sector Most sectors are incorporating high tech components or require regular technology upgrades to remain competitive Increased clustering of high tech industries contributing to critical mass and attracting grant money	Global high tech industry is struggling and a significant corporate re-adjustment has been taking place. Current post-secondary graduates lack the skill sets required by the high tech sector
Education	Increasing education requirements of the workforce Increasing demand for cost-recovery, specialized educational services Increase in industry-educational partnerships Major grants recently given to the university (high tech)	Number of school aged children is declining Province is reducing funding for primary and secondary education

Sector	Links with Current Trends	
	Positive	Negative
Health Care	Aging population increasing demands for geriatric health care services	Cost-cutting pressures of government
Film, Sports, Arts & Culture	<p>Increased filming occurring in BC/region due to cost advantages</p> <p>Increased interest in establishing professional sports teams and hosting sporting events in the region</p>	<p>Competition to provide film services is increasing (e.g., NZ)</p> <p>Reduction in public funding for arts and culture</p>
Tourism	<p>Increasing cruise ship traffic</p> <p>Increasing demand for or interest in sport, art, spa, agri- and educational tourism</p> <p>Increasing interest in safe, clean, green travel destinations</p>	<p>Increasing global geo-political instability making people nervous about travelling</p> <p>Increasing competition from other jurisdictions</p> <p>Travel demand closely linked to global and national economic conditions</p> <p>Negative impact of the City's current social problems on visitor attitudes</p>
Government		Provincial government employment levels are declining

Regional Planning and Governance Context²⁹

Recommendations regarding regional economic opportunities need to reflect local governance issues. As such, this section reviews the public planning and policy context within which this Blueprint has been developed.

According to the *Constitution Act* of Canada, the responsibility for the legislative framework that establishes and maintains local government systems falls to the provinces. In British Columbia, the local government system, as outlined in the *Local Government Act*, is comprised of three primary forms of local government that include regional districts, municipalities and improvement districts. Other, less common, legislated forms of government such as the Islands Trust, have been established in some areas to meet specific purposes and the authority of these areas may overlap with other local governments.

The legislation that allowed for the creation of regional districts was introduced in 1965 and between 1965 and 1970 the 28 regional districts that currently exist in British Columbia (including the Capital Regional District) were established. Generally speaking, regional districts are federations of municipalities and electoral areas and provide a government for unincorporated areas, a forum for inter-municipal cooperation and an organization through which to advance the interests of the regional as a whole. Regional Districts also provide a vehicle for the delivery of typical regional services like economic development, water supply, sewage disposal, and solid waste management.

In general, regional districts provide a political and administrative framework for inter-municipal or sub-regional service delivery on a partnership basis through the creation of "benefiting areas". Any combination of municipalities and electoral areas can jointly decide to provide services and recover costs (e.g., a large scale recreation centre that benefits four municipalities and an electoral area).

As noted above, the CRD is one of 28 regional districts in the province. Within the CRD, there are 13 municipalities (including eight District Municipalities, two Cities, and three Towns), three Electoral Areas, and nine First Nations³⁰. According to the *Local Government Act*, the purposes of these local governments include:

²⁹ The information in this section was largely drawn from the following two documents: *Managing Changes to Local Government Structure in British Columbia: A Review and Program Guide*. Ministry of Municipal Affairs. October 2000; and, *A Primer on Regional Districts in British Columbia*. Ministry of Municipal Affairs. 1997.

³⁰ Beecher Bay, Esquimalt, Pacheedaht, Pauquachin, Songhees, Tsartlip, Tsawout, Tseycum, T'Sou-ke

- a. providing good government for its community;
- b. providing the services and other things that the local government considers are necessary or desirable for all or part of its community;
- c. providing stewardship of the public assets of its community; and,
- d. fostering the current and future economic, social and environmental well-being of its community.

The *Act* gives municipalities the legislated authority to operate independently of each other when it comes to making decisions regarding the provision of services and the establishment of planning objectives. The nature of these decisions can vary significantly between municipalities depending on the philosophical perspective of each council. On a day-to-day basis, these differing perspectives may not be a problem and, in fact, may be healthy in terms of creating a balance between, for example, those areas of the region where growth is encouraged and those areas where growth is constrained. However, there are also times when it makes sense to address issues from a regional rather than a municipal or local area perspective.

Since 1996 the Capital Regional District has been working on the development of a *Regional Growth Strategy* that aims to set out the vision and guiding principles for a region that is economically vital, where communities are livable, where the environment and natural resources are stewarded with care, and where residents enjoy a health and rewarding quality of life³¹. This strategy was initiated in response to the requirements of the *Growth Strategies Act* (now Section 25 of the *Local Government Act* entitled Regional Growth Strategies).

This legislation includes components intended to promote coordination among municipalities and regional districts on issues that cross municipal boundaries and to provide a workable approach to dealing with regional-level growth-related challenges. The rationale behind the legislation was that without mechanisms for cooperation and coordination at the regional level, the local government planning system could not support integrated planning between regional districts, or even within regional districts. Until the enactment of the *Growth Strategies Act*, no framework existed for coordinated planning among local governments, the provincial government and other agencies³². Such coordinated planning is important in terms of dealing with issues such as regional growth planning and regional economic development planning because so much of what happens relative to these issues in one municipality or political jurisdiction has a direct effect, or is very dependent, on what happens in adjacent jurisdictions.

³¹ Regional Planning Services, Capital Regional District. *The Capital Regional District Regional Growth Strategy*. Feb. 2002. p. i.

³² Ministry of Municipal Affairs, Growth Strategies Office. *An Explanatory Guide to BC's Growth Strategies Act*. Revised Nov. 1998. Part I

The CRD Regional Growth Strategy process was initiated by the CRD in 1996 in partnership with member municipalities. To date, the region's First Nations have not participated in the planning process nor does this process apply to the Gulf Islands. From the outset of the growth strategy planning process, it has been a challenge to achieve consensus among the various municipalities and, so far, some of the municipalities still have not approved the strategy. Those municipalities that have not approved the strategy have expressed a variety of concerns regarding the implications of some components of the strategy relative to their community.

While a regional growth strategy can also be used to address economic development planning, this issue was only addressed to a limited extent as part of the CRD growth strategy process. However, the Strategy does make the following commitment:

“The Regional Growth Strategy intends that residents of the Capital Region enjoy economic prosperity as a foundation of high regional quality of life. It does this by supporting the preparation and adoption...of a Regional Economic Development Strategy that aims to enhance regional economic sustainability. Economic sustainability means the production and distribution of wealth to meet the needs of present and future generations for goods and services in ways that ensure the long-term promotion of a satisfying and high quality of life for all residents. A sustainable economy is one that exhibits diverse and viable economic opportunities and is resilient and responsive to changing circumstances.”³³

Further to this statement, the CRD is committed to the following actions:

1. The CRD agrees to participate with a broad cross-section of business and community interests, member municipalities, the Province, and the federal Government in establishing, through a written agreement, a regional economic development partnership. The partnership would oversee preparation and maintenance of a Regional Economic Development Strategy and coordinate actions, programs, investments and initiatives in its implementation.
2. The CRD agrees to participate with member municipalities and a broad cross-section of business and community interests, in the preparation and establishment, through an implementation agreement, of a Regional Economic Development Strategy consistent with the Regional Growth Strategy. The economic development strategy would build on the region's economic, environmental and quality of life advantages to identify opportunities to diversity and strengthen the regional economy, increase wealth and prosperity, and reduce poverty in the Capital Region.

These commitments led to the establishment of the Greater Victoria Enterprise Partnership Society (GVEPS) which has been give the mandate to oversee the development of this Economic Development Opportunities Blueprint. As noted above, this Blueprint must be consistent with the vision and principles reflected in the Regional Growth Strategy. Given that all local

³³ Op. Cit. *The Capital Regional District Regional Growth Strategy*. P. 16.

governments have yet to give their support to this strategy despite years of effort, it is very possible that this Blueprint will face similar difficulties in achieving multi-jurisdictional support.

In general, it is anticipated that the biggest challenge to achieving unanimity and support for the Blueprint will be dealing with the competing or conflicting interests of so many local governments. As noted earlier, it is not necessarily a problem that local governments differ in terms of their vision for their community. However, in the context of economic development, the ability to achieve bigger picture objectives for the region as a whole could be negatively affected by such lack of unity. Overall, the CRD is a very small player in the global, national and, to some extent, even the provincial economy. In turn, individual municipalities have very limited economic clout. Thus, the more that individual municipalities can work together to achieve common goals (e.g., providing meaningful employment opportunities for residents), the more likely it is that these goals will be achieved. Furthermore, supporting economic development initiatives does not have to mean compromising local growth management priorities as a municipality can support the establishment of, for example, a high tech industrial park, without having that park located within their boundaries.

Economic Development SWOT Assessment

A SWOT (Strengths, Weaknesses, Opportunities, Threats) assessment is an important part of any strategy, marketing or business plan development process. In the case of this Blueprint, the role of the SWOT assessment is to help identify potential economic development opportunities by identifying the region's strengths and weaknesses and by looking at opportunities and threats that may affect the region. Overall, the purpose of a SWOT is to answer the following questions:

<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none">• What does the region do well?• What are the region's advantages?• What makes the region different from competitive regions?	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none">• What could the region do better?• What does the region do poorly?• What should be avoided?• What causes problems?
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none">• What economic development opportunities exist (i.e., based on the region's assets/advantages, and trends in technology, markets, demographics, etc.)?	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none">• What obstacles face the region?• What are competitive regions doing?• Are changes affecting existing economic structures or businesses?

The SWOT information presented in this section was drawn from both the literature that was reviewed as part of this study (see Appendix A) as well as from the public consultation process. **It is important to note that the SWOT information presented here reflects the various comments provided by the community and business leaders that were interviewed and, as such, represents a variety of perceptions and opinions.** The rationale for including this full range of input, is that it illustrates the differing views that are held regarding the assets and weaknesses of the region. Hence, while one person believes the region has strong transportation links, another believes the region's transportation links are weak.

Strengths Reported by Interview Participants

Quality of Life

- Attractive setting
- High quality of life and amenities (environment, moderate climate, natural setting, arts and culture, sporting opportunities)
- Attractive heritage and natural resources/attractions
- Both the median and average CRD income are higher than the province as a whole (i.e., comparatively affluent)
- Clean and green
- Mild winter climate – allows outdoor activities year-round
- Relatively low crime rate compared to major centres
- Reasonable/manageable size
- Reasonable cost of living relative to Vancouver and Seattle

Location

- Strategic market location in the Pacific Northwest (and close to the US) – an area that is expect to have a population of nine million by 2026
- Isolated, captive market for retailers
- Good access to Asia-Pacific markets
- Business locations easy to access by residents
- Proximity to Vancouver and Seattle as major population centers
- Ideal location to host sports events due to natural resources and climates (e.g., triathalons, water sports, rugby, rowing, etc.)
- Provincial capital
- Appealing to tourists

Infrastructure

- High level of health care and education facilities
- Three high quality post-secondary educational institutions with knowledge based

infrastructure and business focus

- Several federal and provincial research centres
- High quality office space available
- Some strong transportation links (e.g., airport, ferries, float planes)
- Extensive fibre optic, wiring and other high tech infrastructure (supports high tech incubation)
- Highly developed business networks
- World class attractions and recreation facilities (e.g., parks, trails) including the May 2003 establishment of the Gulf Islands National Park Reserve of Canada as the nation's 40th national park
- Port/harbour facilities
- Government owned incubator facilities for high tech start-up companies
- Galloping Goose

Governance

- Geopolitical stability

Labour Force

- Competitive, well-educated, stable labour market
- Supply of technical workers from the three post-secondary institutions
- Strong volunteer base
- Quality tourism professionals
- Strong entrepreneurial spirit among elements of the workforce (e.g., high tech sector)
- A large number of creative people reside in the region

Economic Factors

- Low Canadian dollar
- High disposable resident income
- Relatively diverse, stable economy
- Support for a socially oriented approach to economic development

Existing economic sectors

- Strong retirement sector
- Thriving service economy with a strong customer service culture
- Centre for health care, professional, education, research
- Strong tourism sector generally
- Growing agri-tourism sector
- Diversified economic base of small, entrepreneurial companies and micro-enterprises

- Strong, vital, appealing downtown
- International recognition as a destination (for tourists, students and skilled workers)
- High level of employment provided by the military (DND) base in Esquimalt – these workers are training in technology, marine trades, etc.
- Home to some stable, traditional industries including maritime industry, shipbuilding/repair, etc.
- Strong, successful niche businesses (e.g., ocean science, marine construction, environmental technology)
- High quality research and development capability
- Strong and growing high tech sector supported by technology leaders (i.e., ViaTech)
- Good community support for arts and culture
- Growing film industry
- Growth of public-private partnerships in the development of industrial areas
- Strong home-based business sector

Weaknesses Reported by Interview Participants

Quality of Life

- A lifestyle that could be more exciting, vibrant and stimulating
- Limited cultural and entertainment offerings and amenities
- High level of panhandling, homelessness and other visible social maladies (e.g., drug use and trafficking)

Location

- Over-saturated local retail market
- Relative isolation of island location
- Natural geographical constraints
- Provincial preference given to Vancouver and federal preference given to Ontario and Quebec

Infrastructure

- Inadequate international transportation links and high transportation costs
- Lack of multi-modal transportation nodes
- Inadequate ferry service
- Lack of sufficient tourist attractions and facilities
- High cost of housing, land and commercial space.
- (Perception of) a deteriorating downtown infrastructure, vitality, safety and social environment
- A lack of suitable industrial land or buildings for clustering of companies – especially re:

manufacturing and advanced technology sectors – and high cost of land

- Insufficient business support services
- Increasing downtown office and retail vacancy rates
- Lack of secondary and tertiary sewage treatment facilities
- Inadequate venues for world class entertainment groups and team sports
- Poor road infrastructure in some areas of the region
- Conference centre is too small
- Lack of attention to keeping facilities clean and well maintained

Governance

- Burdensome taxes and fees imposed by regional governance
- Duplication in dealing with many municipalities
- Lack of harmonization among municipal development processes and associated rules and regulations (resulting in a piecemeal approach to development)
- Burdensome government policies and regulations at all levels
- Parochialism and lack of cooperation among municipalities and Electoral Areas
- Lack of cooperation between municipalities and community service agencies
- Multiple competing local interests for attracting investment
- (Historically) inflexible labour laws
- Lengthy development approval process
- Inappropriate industrial zoning guidelines
- Home-based business bylaws not meeting needs
- Failure to control urban sprawl in some jurisdictions
- Weak commitment to Regional Growth Strategy
- Tendency of local governments to resist growth and development rather than manage it
- No follow through on regional transportation strategy initiatives
- No follow through on economic development strategy initiatives
- Lack of a vision
- Provincial government downloading of social service responsibilities
- Moratorium on off-shore energy exploration

Labour Force

- Failure of schools to produce students trained in basic communication, technical and entrepreneurial skills
- Labour force shortages in high tech management/executives, computer science, and the skilled trades.
- Post-secondary education programs not keeping up with curricula and skill set requirements of the high tech industry
- Professional service firms (e.g., law firms, strategic service firms) not up to speed on the service needs of the high tech sector

- Labour force shortages in the construction sector (skilled trades)
- High workforce wages in many sectors
- High dependency ratio (young, unemployed, seniors)
- Weak entrepreneurial spirit and business understanding
- No jobs for well-trained students
- No jobs for First Nations youth
- Current labour laws serve as a disincentive to investment

Image/Attitudes

- A poor national and international image as a centre for trade and commerce
- Culture of complacency
- Lack of global view
- Need for a friendlier business environment
- Panhandling, street safety and social issues generally
- Competition among jurisdictions for economic development, rather than regional cooperation and rational decisions
- Negative public perception of business development
- Large numbers of well-organized NIMBY organizations dominate Council decisions
- “Newly wed or nearly dead” and/or government town image
- Lack of knowledge about Victoria by businesses that could potentially locate here
- Fear of change by area residents
- Lack of resident support for downtown
- A “keep the gate closed” attitude re: land development
- Unrealistic expectations regarding economic development

Economic Factors

- Limited access to investment and/or venture capital for some sectors
- High costs (e.g., land, water, transportation)
- Reduced government funding available (e.g., for education, art, health, social services, etc.)
- ALR restricts land development (although this is also viewed as a positive feature)
- Few company headquarters are located here which limits available of corporate money
- Low pay of service sector jobs
- Limited business networking opportunities
- While there is pressure to manufacture more domestically, price competitiveness makes it necessary for retailers to use off-shore manufacturers in order to be viable

Existing Economic Sectors

- Many (perceived) barriers inhibiting growth and job creation and raising the cost of doing

business

- Lack of cooperation among businesses within specific industry sectors to promote synergies and to take advantage of joint promotional, training and other opportunities.
- Dominance of public sector
- Public sector downsizing
- Over reliance on service sector
- Fragmented tourism product packaging, promotion and delivery
- Low priority of funding for the arts (award winning artists are on welfare)
- Environmental service sector not well organized resulting in a loss of local contract opportunities
- Local agricultural sector can not meet all our food requirements and more than 80% of what we eat is imported
- Retail sector being challenged by Big Box stores.
- Growing presence of vertically-integrated retailers from the U.S. (margins for these businesses are higher)

Opportunities For Economic Development Reported by Interview Participants

Food and Agriculture

- Build agriculture processing infrastructure such as a commercial production kitchen, specialty food processing facilities, or a meat processing plant.
- Expand agricultural production including organic foods, greenhouse products, wineries, etc.
- Value-added fishing opportunities (processing)

Development

- Acquire DND lands from the Federal Government for resale to private developers
- Examine options for making land available, or infilling land, for industrial and other (e.g., live-work) developments.
- Revitalization of the metropolitan core that includes residential development

Manufacturing

- Value added wood manufacturing to take advantage of excellent local/island designers.
- Expand marine science and industry sector (e.g., ship and boat building and repair; marine research and development)

Transportation

- Develop light rail or rapid transit facilities

- Expansion and enhancement of existing port infrastructure (i.e., cargo handling)
- Redevelop Inner Harbour and associated ferry terminal facilities

Advanced Technology

- Develop biotech opportunities (e.g., establish a biotech research institute)
- Expansion of high technology and knowledge-based businesses (e.g., hardware, software, GIS, manufacturing)

Education

- Increase the profile of the region as an educational destination in order to draw more non-local and foreign students to areas schools, post-secondary facilities and ESL programs
- Expand/support development of education products and research (online/distance learning programs; curricula development, etc.)
- Specialty schools (e.g., massage, catering, trades)

Sports, Arts & Culture

- Attract world class athletes to local training facilities
- Host international and national level events (e.g., biking, rowing, kayaking/canoeing)
- Enhance sports tourism opportunities through partnerships
- Support the proposal of the YM/YWCA to replace the downtown Y building with a destination facility (e.g., Y facilities, pool, library, classrooms)
- Invest in museums and galleries such as the provincial museum and support creation of cultural precinct concept
- Build a world class performing arts centre

Tourism

- Increase and diversity ecotourism opportunities for visitors (can focus on local resources such as French Beach, West Coast Trail, Juan de Fuca Trail, etc.)
- Expand the packaging and promotion of tourism products
- Take advantage of the new multiplex to attract special events and exhibits (and expand season)
- Build a larger conference facility
- Build new quality tourism attractions
- Expand the cruise ship facility and cruise ship visitation
- Develop and promote agritourism opportunities
- Develop a circle route through upgrading the Port Renfrew to Lake Cowichan logging road

Other Services

- Develop corporate support services such as call centers and back office support
- Accommodation and support services for seniors (e.g., congregate care, retirements facilities, travel services)

Opportunities – Financial, Marketing and Partnership Initiatives to Support Economic Development

Financial Incentives

- Make subsidized loans, tied to targets, available for industries trying to get out of the R&D phase.
- Encourage the province to establish an R&D tax credit program (to attract knowledge-based businesses).
- Establish venture and angel capital programs.
- Establish a challenge loan program – i.e., wealthy corporations or individuals indicate their willingness to contribute money to a particular project but only if government will match that funding.
- Provide metal fabrication firms with preferential supply streams to keep them in the region and justify the cost base.

Marketing

- Develop a comprehensive plan for marketing the region as a business destination (e.g., business opportunities, lifestyle, attractions, image)
- Market the region's lifestyle to attract knowledge workers and innovative young entrepreneurs (e.g., high tech firms) that develop products and processes for the global market
- Provide local success stories to investors to enhance their willingness to support local businesses
- Developing a strategic marketing plan for tourism that encompasses the Island as a whole
- Promote awareness to business leaders in Canada and the U.S. that we are open for business
- Promote the world class technologies and products that are developed and produced in the region
- Showcase Victoria as a centre for climatology studies
- Profile and market local artisans and craftsmen, markets, festivals, and other cultural opportunities to visitors
- Promote the Galloping Goose/Trans Canada Trail to draw more visitors

Partnerships

- Establish a partnership of the Chambers of Commerce, Tourism Victoria, Victoria Real Estate Board, etc. to develop and implement the region's 2003 image.
- Develop a better relationship with the Provincial Government to facilitate solution of technical issues constraining local economic potential
- Foster cooperation between the post-secondary institutions and the business community to develop educational programs that are relevant and to create linkages
- Partner with the 2010 Olympics (assuming bid success) to leverage benefits from this event
- Encourage all levels of government to work together to ensure schooling programs are providing graduates with skills required by local employers

Threats Reported by Interview Participants

Global

- Increase in value of Canadian dollar (exports)
- Weak Asia/Pacific economy
- Global political insecurities and volatility
- Economic downturns/recessions (affecting travel, etc.)

National/Provincial

- Public sector lay-offs (general government downsizing and offloading)
- Increasing competition from other regions
- Provincial and federal taxation, policies and regulations (which are not competitive with other jurisdictions)
- Shrinking military
- Reduced funding for research and development

Local

- Historical lack of willingness of local governments to collaborate for the overall betterment of the region
- Decline of the downtown core due to the development of other commercial nodes
- Increasing prevalence of homeless and addicted people downtown
- Urban sprawl
- Negative media image
- Environmental issues (concern regarding the loss and degradation of natural ecosystems)
- High labour costs
- Competition from other areas

- More attractive incentives in other regions (e.g., film industry)
- Loss of ability to balance protection of quality of life and conservation of natural resources with business growth and development

Concluding Observations

In preparing the SWOT analysis, it became apparent that there are many factors that, while not economic opportunities themselves, have or will have a direct effect on the successful implementation of many of the opportunities identified across many sectors. These factors include:

- Availability of appropriately zoned land to support a variety of economic activities;
- Controlling costs of doing business (land costs, transportation costs, taxes, etc.);
- Adequate transportation infrastructure;
- Need for business friendly attitudes;
- Need to keep Victoria clean and green, to address safety issues, and to maintain overall quality of life;
- Need to address affordable housing and social problems (e.g., panhandling, drug trafficking);
- Need to improve inter-jurisdictional cooperation;
- Streamlined bureaucratic business requirements; and,
- Support for initiatives to ensure a properly trained workforce.

Summary of the Region's Current Situation

This chapter presents a range of information and statistics relating to global, national, provincial and local economic conditions plus describes the policy and planning environment of the CRD and summarizes the results of the SWOT assessment. As noted in the introduction to this chapter, the results of the situational assessment help drive the economic development vision for the region and provide a basis for identifying and evaluating key opportunities. Based on the information outlined in this chapter, the Blueprint vision and associated strategic recommendations need to reflect the following realities:

- Current global economic and geopolitical conditions are uncertain and while the long-term outlook for the global economy appears positive it remains highly vulnerable to the impact of stock market volatility, terrorism, the threat of war, airline industry restructuring, and investment weaknesses.
- Canada's economic performance within the global economy has been relatively strong in recent years although the country remains heavily dependent on continued access to the U.S. market (which has been experiencing weak performance). Inflation and the Canadian dollar are expected to remain relatively low and while the population will

experience modest growth, labour force shortages are anticipated due to an aging, retiring population. The country will remain challenged by high debt loads for the foreseeable futures.

- British Columbia has had one of the poorest performing economies in the country and continues to be challenged by declining resource revenues and a high debt load and deficit. Public and resource sector lay-offs are affecting consumer confidence and finding meaningful alternate employment for laid off workers is a concern. The trend toward a service-based economy will continue and the demand for services will be driven by an aging, increasingly multi-cultural society. Encouraging investment in the province continues to be a challenge due to barriers ranging from the softwood lumber dispute, to unresolved land claims negotiations, and a complex and non-competitive regulatory environment.
- Like the province, the CRD economy is facing some significant challenges due to factors such as ongoing public sector lay-offs, declines in public funding (i.e., for community services and programs), and global challenges to tourism that, in turn, negatively affect other sectors of the economy.
- The CRD economy benefits from significant strengths relative to such things as quality of life, visual appeal and profile of the area, economic niche businesses, high quality post-secondary institutions, and a well-educated labour force.
- The multiple jurisdictions and associated bureaucracies of the CRD represent a challenge to economic development in the region as turf protection, lack of unity, and differing zoning and development application processes discourage investment and make it difficult to achieve the consensus needed to move forward in an efficient manner.

Jurisdictional Interdependency Assessment

Economic Linkages

While many residents of the CRD agree that steps need to be taken to sustain and enhance the economy, the various municipalities that comprise the CRD have historically had trouble agreeing on the nature of these steps or have pursued their own economic development initiatives in isolation of the other jurisdictions. Some municipalities have indicated that they do not view economic development as a priority for their area and, therefore, see limited benefit in participating in any kind of joint economic development initiatives. The inter-jurisdictional acrimony result from these differing perspectives is a concern as it limits the ability of the region to maximize its economic prosperity potential. Regions that do not take steps to address a declining or stagnating economy often see investment fall, jobs lost, and quality of life degraded. Conversely, regions that are able to develop effective economic development partnerships and to combine their collective resources and energies are best positioned to create a strong economy and to protect quality of life.

While a high proportion of economic activities in the CRD tend to be clustered in certain municipalities (i.e., Victoria, Saanich), the entire region is heavily dependent on these existing economic activities and on the nature and scope of future economic activities to provide employment for residents. If a resident of Sidney does not have a job, they will have limited money to spend on products and services that they would purchase throughout the region which, in turn, would affect the income and employment levels of those product and service providers. As such, no municipality should become complacent about the economic decline of businesses in other municipalities or feel they have no role to play in responding to economic challenges such as public sector downsizing. As mentioned in the previous section, willingness to cooperate in the implementation of an economic development blueprint does not have to mean compromising local growth management priorities. For example, a municipality can support the establishment of, for example, a high tech industrial park in the larger region, without having that park located within their boundaries.

Labour Force Residence and Place of Work

One of the most effective ways of demonstrating the economic interdependencies or linkages of the various jurisdictions within the CRD is to review Census data related to Labour Force by

Place of Employment and Labour Force by Industry. Figure 9 provides some examples of the commuting patterns of CRD residents focusing, for illustrative purposes, on Central Saanich, Highlands, Langford, North Saanich and Saanich. Complete data for all the municipalities is provided in Appendix C.

While Figure 9 shows that Victoria is the work destination for between 35% and 50% of workers in each of these five areas, it also shows that between 50% and 65% of workers are employed in other areas of the CRD. For example, only 1.5% of working Highlands residents are actually employed in the Highlands while the remainder of working residents commute throughout the region to work. Likewise, only 10% of working North Saanich residents are employed in North Saanich while the rest work throughout the region. These figures mean that 98.5% of Highlands residents and 90% of North Saanich residents, for example, are dependent on other areas of the CRD to provide employment.

Labour Force by Industry and Place of Residence

In addition to the live-work data described above, a review of Labour Force by Industry data also provides some meaningful insight into the economic linkages within the CRD. While Table C-2 in Appendix C provides complete data for all municipalities, Figure 8 shows the labour force distribution by industry for the CRD and for the City of Victoria.

Figure 8

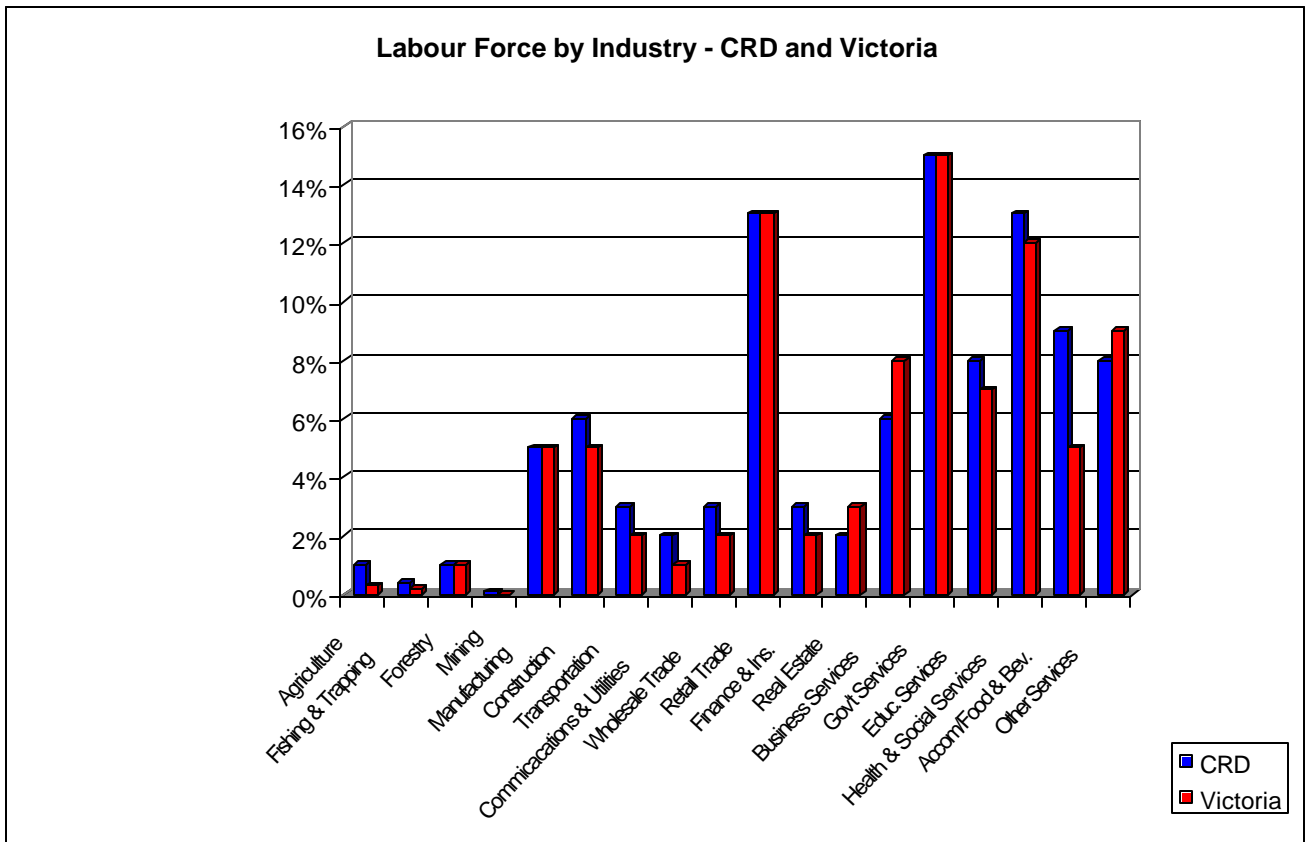
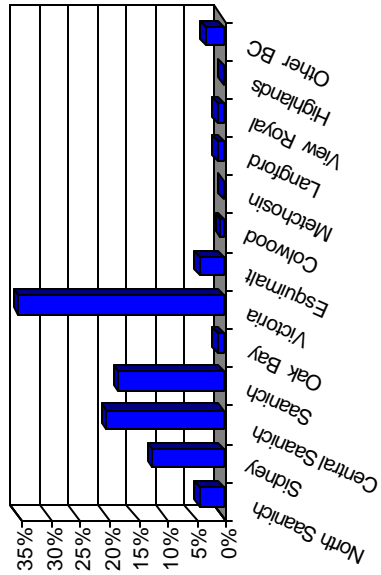
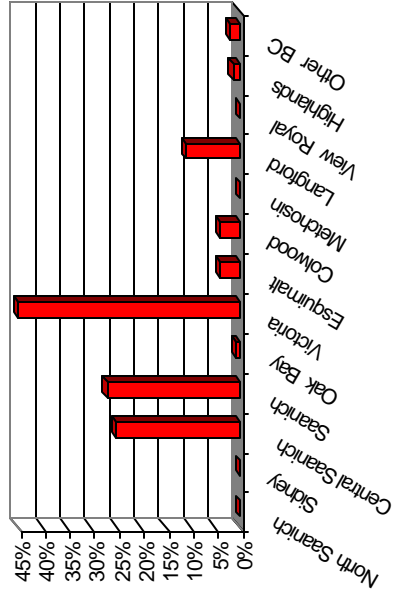


Figure 9
CRD Labour Force Residence and Place of Work

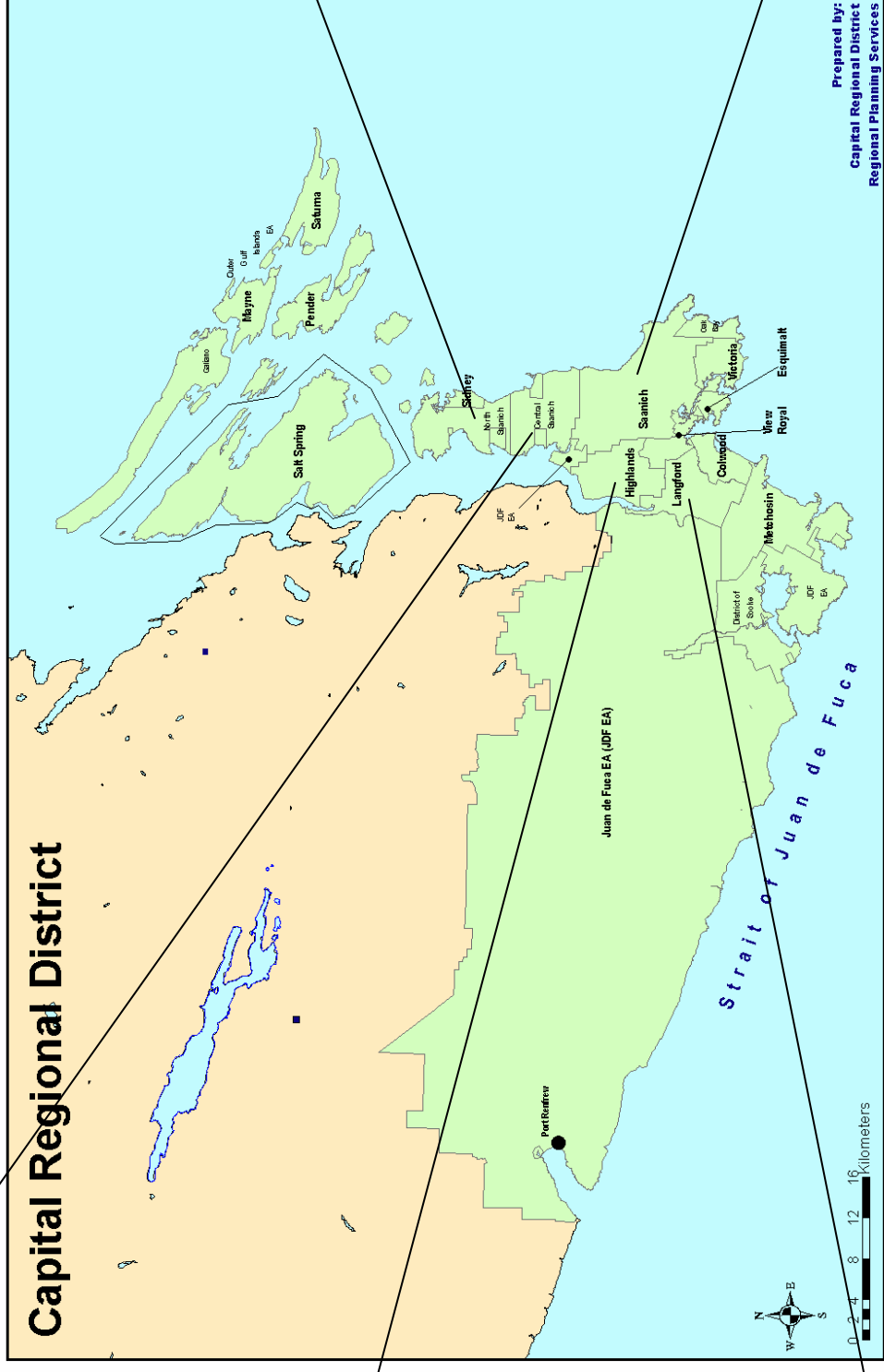
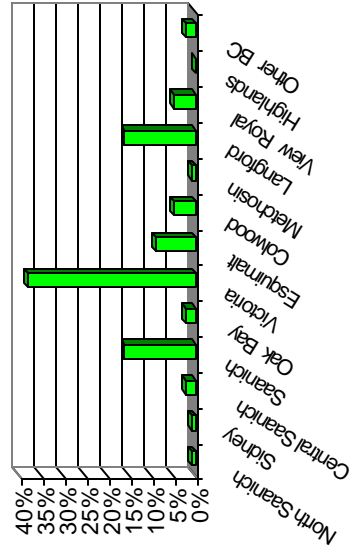
Central Saanich Labour Force Place of Employment



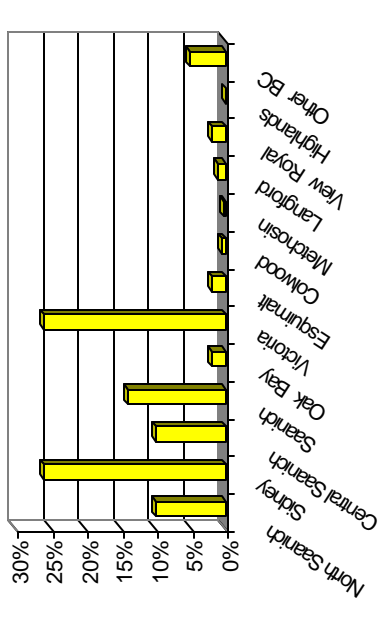
Highlands Labour Force Place of Employment



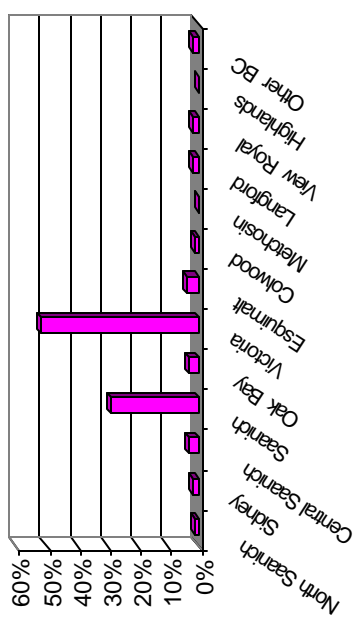
Langford Labour Force Place of Employment



North Saanich Labour Force Place of Employment



Saanich Labour Force Place of Employment



While labour force by industry data is commonly used to demonstrate the distribution of labour force skill sets among sectors, it can also be used to help understand economic linkages between various municipalities. For example, according to this figure, educational services account for 8% (almost 13,000) of the CRD's experienced labour force. Presumably, this experience is largely derived from employment in the region's schools and post-secondary institutions. In order to provide these employees with the tools they need to do their job, products and services (e.g., educational materials, desks, janitorial products) are purchased by school administrators from suppliers located throughout the CRD and elsewhere. Thus, a teacher can live in Central Saanich and work for a school located in Victoria. This school can purchase products for use by this teacher from a supplier in Saanich who uses a trucking service based out of Esquimalt and a driver who lives in Colwood to deliver the products. The teacher, supplier and trucker all receive wages for their services which they, in turn, use to purchase goods and services from businesses located throughout the region – thus supporting more jobs. The reverse of this situation is that the teacher has no job, so the supplier loses out on an order, the trucker does not need to make a delivery and none of them have money to spend to purchase goods and services from other businesses resulting in a loss of jobs in these other businesses. The other component of this economic chain is the corporate, income and property taxes paid by supplier, teacher and trucker which, in turn, are used to finance health care, build roads and generally contribute to the region's overall quality of life.

Overall, the ongoing health and vibrancy of the region is dependent on the economic linkages that exist in the CRD. As such, there is tremendous value in combining the collective resources of the region in order to maintain and strengthen these linkages.

Desired Future State

The Vision and Goals

A Vision Statement describes a desired future state – in the case of this Blueprint, the Vision describes state and characteristics of the future economy. A solid and shared vision creates commitment and understanding. It enables governments, businesses and residents to focus on the future, and to understand common aspirations for economic prosperity. As such, preparing a Vision Statement is a sound strategic planning practice. A well-formulated economic development strategy also identifies specific goals (i.e., intended results or outcomes of economic development) associated with achieving the vision.

The preparation of the economic development Vision and Goals statement presented in Figure 10 evolved in two key stages. A draft vision and goals statement was initially prepared by the study team based on input provided during the initial partnership workshop, a review of past economic development strategies and the RGS, a review of municipal OCPs, input received during the public consultation process, and the stated objectives of the Blueprint in the RFP. This “working” vision was then presented to civic, business and community leaders during a workshop session that was held to present and discuss various aspects of the Blueprint. The input received during this session was reviewed and used to modify the draft vision and goals statement and to produce the statement presented in Figure 10³⁴. The consistency of economic development opportunities with the vision and goals is a key component of the opportunity evaluation matrix described and applied in the next chapter.

Figure 11 illustrates the synergy between this economic development vision and region’s the environmental and quality of life initiatives. In the case of each of these initiatives, the driving factor is a commitment to sustainability. According to the Brundtland Report (Our Common Future)...*Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.* This definition suggests that sustainability can be viewed within an ecological, as well as an economic and social context.

³⁴ Despite the range of people who had an opportunity to comment on the statement, it is important to note that a community visioning process was not held as part of this study process although this could always be pursued at a later date.

Figure 10
Economic Blueprint Vision and Goals

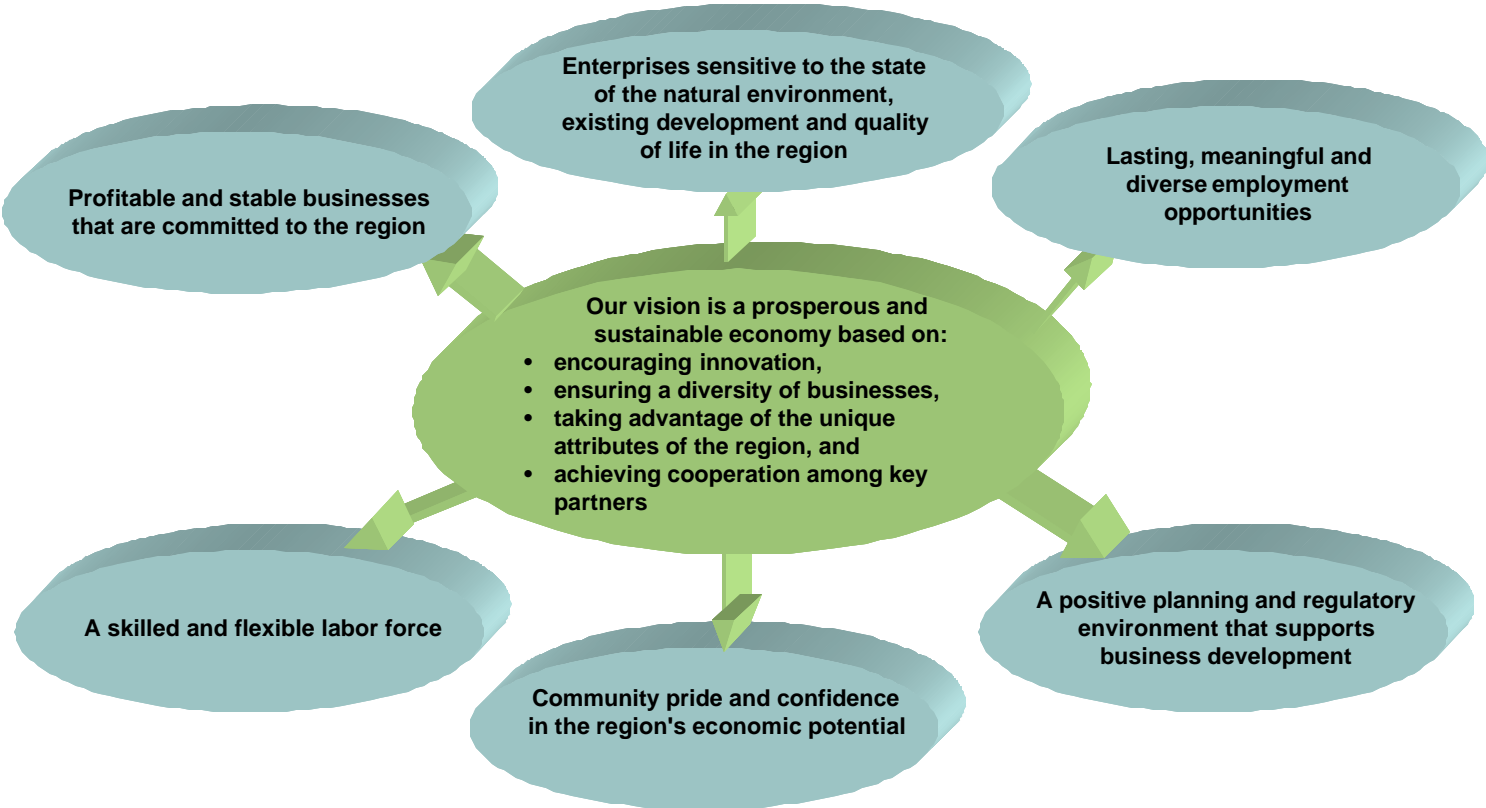
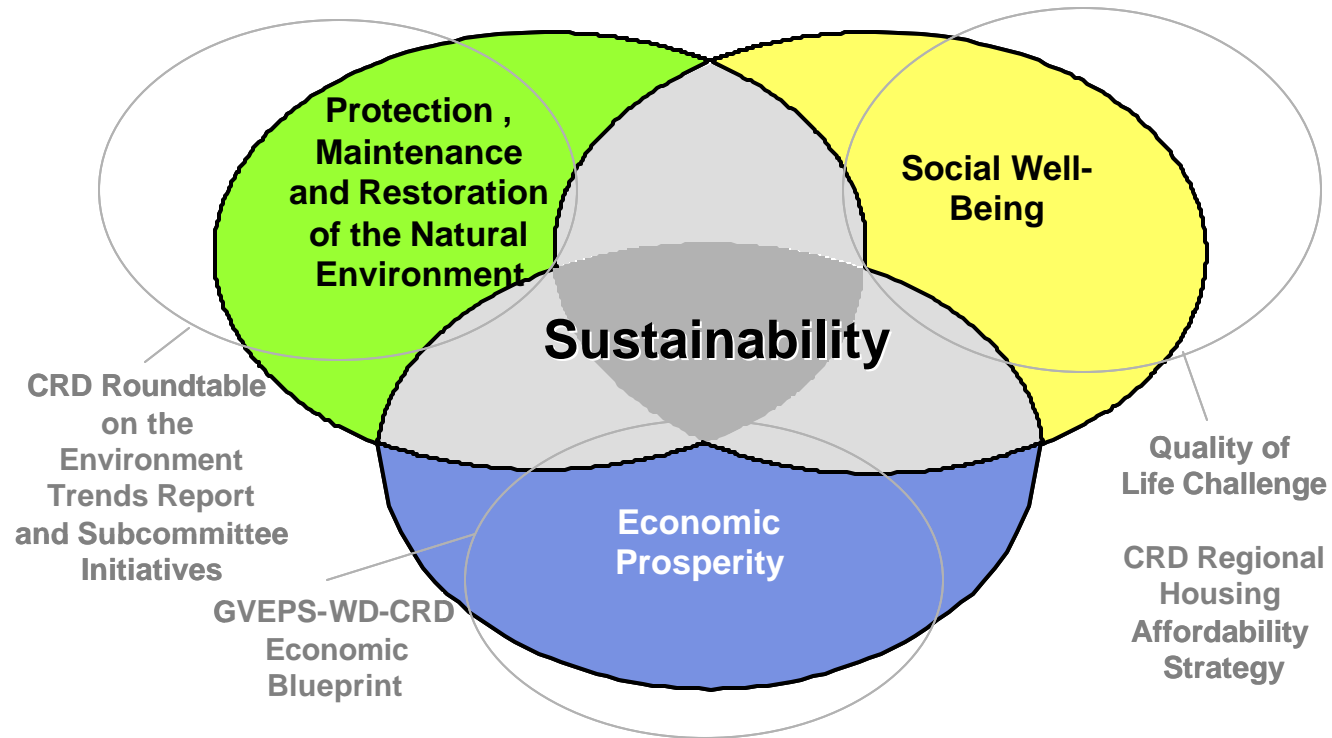


Figure 11
Economic Development, Environmental and Social Sustainability Linkages



Economic Development Opportunities Assessment

The Economic Development Blueprint Implementation Framework provided in the concluding (next) chapter of this Blueprint makes recommendations relating to *both* the improvement of the existing business climate and the implementation of specific economic development opportunities. The purpose of this chapter is to document the process used to evaluate the specific opportunities identified through the situational analysis and to rate them against a series of evaluation criteria.

The list of specific opportunities outlined in the SWOT assessment suggest that the region's natural, human and infrastructure resources, as well as its existing economic strengths, can support an extensive range of expanded or new economic opportunities. While many feasible opportunities have been identified, trying to implement them all in the short- to mid-term is not possible and would jeopardize the success of the Blueprint by spreading resources and implementation efforts too broadly. Recognizing that implementation efforts have a better chance of succeeding if they are focused on a few key opportunities, each opportunity was subject to a structured evaluation. This methodology has been designed to identify the opportunities that come closest to achieving the vision and goals of the Blueprint development process and that best reflect current economic realities and trends. This chapter provides a summary of identified economic development opportunities, describes the framework used to conduct the evaluation, and provides the evaluation results.

Summary of Economic Development Opportunities

The economic development opportunities evaluated in this chapter include most but not all of the ideas listed in the opportunities section of the SWOT assessment. This is because a number of the "opportunities" identified during the public consultation process (e.g., financial incentives, marketing initiatives and partnership opportunities), are more appropriately considered as part of the implementation process associated with specific opportunities. A total of 31 opportunities have been evaluated. Consistent with the situational analysis, these opportunities are grouped as follows: Food and Agriculture, Development, Manufacturing, Transportation, Advanced Technology, Education, Sports, Arts and Culture, Tourism and Other Services.

Evaluation Framework

In order to evaluate the potential of each identified economic development opportunity relative to achieving the economic goals and vision of this Blueprint, a formal evaluation process was devised. This process involved evaluating the extent to which each opportunity measures up positively against the following considerations:

- **State of Competition** – the significance of existing or potential competitors or competitive offerings including consideration of critical sector mass as appropriate
- **Availability of resources** – needed labour, materials, energy and water resources
- **Availability of infrastructure** – needed transportation, service and business infrastructure (i.e., availability of various modes of transportation, waste management, technological and key business services and infrastructure)
- **Capital and land to support sustainable development** – the financial and physical capacity to support sustainable development and economic use (i.e., ability to access capital funds and land for development that is consistent with economic, environmental and social priorities)
- **Public (government) investment requirements** – the level of needed public investment
- **Community support** – the historic and current level of community support for the opportunity
- **Appropriate to the region’s unique culture and environment** – the extent to which the opportunity reflects the cultural and environmental qualities of the region as they relate to lifestyle, quality of life and amenities.
- **Contribution to local business viability and strength** – the extent to which the opportunity will contribute to the ability of existing businesses in the region to remain financially viable or to expand their product or service and employment capacity.
- **Contribution to the region’s economic resiliency** – the likely number of jobs created and the extent to which the opportunity will help strengthen the economic stability of the region and its ability to buffer the overall economy against declines in particular sectors.

When reviewing the evaluation results it should be understood that in many instances the evaluation comment and associated rating is a qualitative assessment that reflects the professional judgment of the study team. In order to facilitate a comparison of the relative potential of each opportunity, Table D-1 in Appendix D lists the various economic development opportunities in the left hand column and then summarizes information along the top two rows pertaining to the evaluation criteria applied against each opportunity. The key factor to note with this table is that in addition to summarizing the characteristics of each opportunity relative to the stated evaluation criterion, the table allocates a numeric rating or score to each evaluation category. The reason for doing this is to make it easier to see the relative difference between each opportunity. The approach used to apply these scores is outlined in Table 13. Basically, a

three-point scoring system is used (i.e., 1, 2 or 3) with a “3” being the best score. All of the categories are given an equal scoring rate. As there are a total of nine categories, the maximum score possible is 27.

Table 13
Economic Development Opportunity Evaluation Scoring Guide

Criteria	Scoring Guide		
	3	2	1
Competitive Advantage	High	Moderate	Low
Availability of Resources	High	Moderate	Low
Availability of Infrastructure	High	Moderate	Low
Capital and Land to Support Sustainable Development	High	Moderate	Low
Public Investment Requirements	Low	Moderate	High
Community Support	High	Moderate	Low
Appropriate to region’s unique culture and environment	High	Moderate	Low
Contribution to local business viability and strength	High	Moderate	Low
Contribution to the region’s economic resiliency	High	Moderate	Low

Opportunity Assessment

The following table summarizes the results of the economic development opportunities evaluation while the more detailed evaluation results are provided in Appendix D.

Table 14
Economic Development Opportunity Rating Summary

Opportunity By Sector	Min. Score (Max. 27)	%	Max. Score (Max. 27)	%
Expand the packaging and promotion of tourism products	23	85.2	25	92.6
Host international and national level events (e.g., biking, rowing, kayaking/canoeing)	23	85.2	25	92.6
Expansion of high technology and knowledge based business (e.g., hardware, software, GIS, manufacturing)	23	85.2	25	92.6
Expand education products/research sector (e.g., online/distance learning programs, curricula development)	22	81.5	25	92.6
Revitalization of the metropolitan core that includes residential development	23	85.2	24	88.9
Increase the profile of the region as a educational destination for non-local and foreign students	22	81.5	24	88.9
Build a larger conference facility	23	85.2	24	88.9
Expand the marine science and industry sector	22	81.5	24	88.9
Develop corporate support services such as call centres and back office support	21	77.8	23	85.2
Take advantage of the new multiplex to attract special events and exhibits (and expand season)	22	81.5	23	85.2
Redevelop Inner Harbour and associated ferry terminal facilities	23	85.2	23	85.2
Increase and diversify ecotourism opportunities for visitors	20	74.1	23	85.2
Develop biotech opportunities (e.g., establish a biotech research institute)	20	74.1	23	85.2
Attract world class athletes to local training facilities	22	81.5	23	85.2
Expand agriculture sector including production of organic foods, greenhouse products, wineries, etc.	23	85.2	23	85.2
Expand cruise ship visitation to the city	19	70.4	22	81.5
Accommodation and support services for seniors (e.g., congregate care, retirement facilities, travel services)	22	81.5	22	81.5
Agriculture processing infrastructure such as a commercial production kitchen, specialty food processing facilities, or a meat processing plant.	19	70.4	21	77.8
Invest in museums and galleries such as the provincial museum and support creation of cultural precinct concept	21	77.8	21	77.8
Build new quality tourism attractions	20	74.1	21	77.8
Examine options for making land available, or infilling land, for industrial or other (e.g., live-work areas) development.	15	55.6	21	77.8
Replace the downtown Y building with a destination facility (e.g. Y facilities, pool, library, classrooms)	20	74.1	20	74.1
Expansion of existing port infrastructure (i.e., cargo handling)	18	66.7	20	74.1
Develop and promote agritourism opportunities	20	74.1	20	74.1
Build a world class performing arts centre	17	63.0	19	70.4
Specialty schools (e.g., massage, catering, trades)	17	63.0	18	66.7
Purchase DND lands from the Federal Government for resale to private developers	18	66.7	18	66.7
Develop a circle route through upgrading the Port Renfrew to Lake Cowichan logging road	17	63.0	18	66.7
Value-added fishing opportunities (processing)	14	51.9	16	59.3
Value added wood manufacturing to take advantage of local/island designers	14	51.9	16	59.3
Develop light rail or rapid transit facilities	12	44.4	15	55.6

Economic Development Blueprint Implementation Framework

Introduction

Based on the research conducted for this project, the results of the SWOT assessment, and the input provided through the public consultation and workshop processes (see Appendix B), the following issues are clear:

- The economy of the region has tremendous potential but is currently facing a range of significant weaknesses and threats;
- We live in one of the most beautiful and promising areas in the world and it is incumbent on us to do our best to optimize our economic prosperity while protecting our quality of life; and,
- Becoming what we want to be requires addressing economic weaknesses and threats and optimizing our economic development or prosperity potential.

Building on the results of the analysis, this study concludes that optimizing the region's economic development and prosperity requires a two-pronged approach that includes:

1. Overcoming problems that are negatively affecting the local business climate; and,
2. Enhancing existing or developing new business enterprises that build on the region's assets and that are compatible with the region's commitment to sustainability.

Implementation Framework

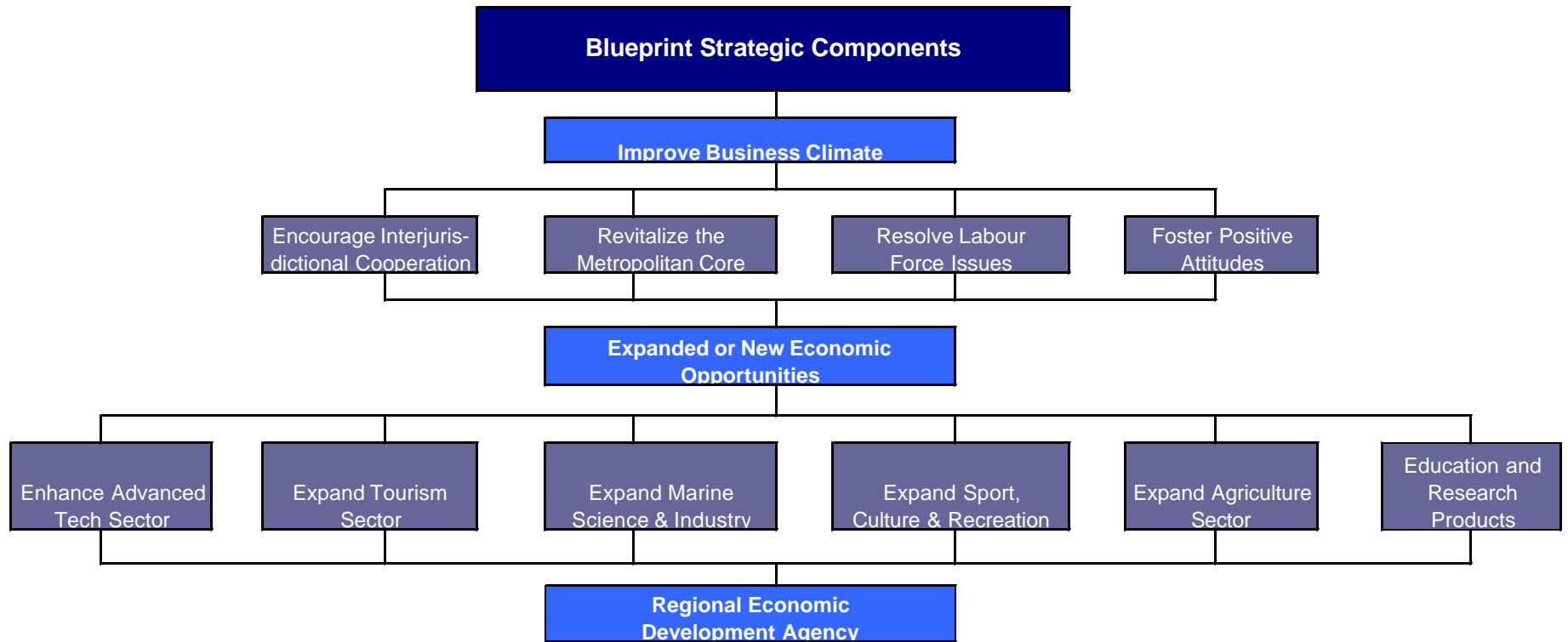
This section answers the question “how do we get there?” That is, how does the region achieve its economic development vision and goals? As noted above, achieving this vision rests on two distinct but linked components – improving the business climate and fostering expanded and new businesses opportunities. **Of these two components, improving or creating a healthy business climate is by far the most important because the business climate has implications for the economy and the region as a whole. By creating a fertile environment for economic activity in the region, all sectors can benefit and the identified opportunities have a greater chance of success.**

As identified in the SWOT assessment, numerous business climate improvements and economic development opportunities have been identified that could be pursued in the region. This framework focuses on issues and opportunities that are the most promising in terms of achieving a healthy and prosperous economy³⁵. A variety of significant economic development projects are going to be pursued with or without this Blueprint (e.g., Inner Harbour re-development; Vancouver Island Medical Training Program). These planned opportunities are not included as part of the Blueprint strategic recommendations.

The following figure summarizes recommendations regarding the key components of the Blueprint while the tables on the following pages provide more details on each of these recommendations.

³⁵ These issues and opportunities were determined based on consideration of the findings of the situational assessment (i.e., economic trends), the SWOT assessment results, the opportunity evaluation results (provided in the previous chapter), the public consultation results, feedback received during a workshop attended by civic, business and community leaders, and the knowledge and judgment of the study team.

Figure 12
Blueprint Components



Strategy 1: Improve Regional Business Climate

Many issues or barriers negatively affect the health of the regional business climate. The four most commonly expressed and noted concerns relate to:

- inter-municipal cooperation issues;
- the decline of the downtown/metropolitan core;
- labour force issues; and,
- negative attitudes (i.e., to development, to change, etc.).

Addressing these issues will help improve the business climate and contribute significantly to the ability of the region to achieve its economic prosperity potential. This section outlines recommendations for responding to each of these business climate issues using a framework that, where relevant, discusses the following:

- Issue background
- Recommendation
- Link to vision and goals
- Key implementation steps
- Responsible agency

The recommendations are intended to form a basis for action by business, government, and others having a stake in improving the region's economy.

Strategy 1 A – Improve Inter-jurisdictional Cooperation

Strategy 1 A Improve Inter-jurisdictional Cooperation	
Issue Background	
<p>During the public consultation process for this project, agency and business representatives were asked to identify what they perceive to be the region's strengths and weaknesses from an economic development perspective. Significantly, under the topic of governance, the only noted strength was "geopolitical stability". By comparison, the list of weaknesses associated with this topic goes on for half a page and is dominated by words such as burdensome, duplication, lack of harmonization, parochialism, inflexibility, fiefdoms and lack of vision. It is notable that these criticisms came not only from business people, but also from some local elected representatives. This perception of our local government structure should come as no surprise to people involved in economic development activities in the region as governance issues have been identified for years as barriers to economic growth and job creation. Taxpayers currently finance 13 mayors, three electoral area directors, 80 councilors, associated municipal halls and support staff, and emergency services.</p>	

Strategy 1 A | Improve Inter-jurisdictional Cooperation

The study team recognizes the range of complexities, strong opinions, lack of political will, and vested interests involved in addressing the issue of multiple local governments. Furthermore, we do not believe there is any kind of easy solution to this issue. However, we would not be providing an honest assessment if we did not report that many of the study respondents felt that the existence of 13 municipalities and three electoral areas in a region of less than 340,000 people is costly and creates barriers that inhibit achievement of the region's economic prosperity goals.

The economic development barriers associated with multiple local governments relate in part to the complication, confusion, and delays faced by investors or developers trying to understand different local tax structures, bylaws, zoning guidelines, approval process requirements, and associated rules and regulations. Fragmentation of governance also results in the lack of logical land use patterns in the region, and unnecessarily costly utilities and services, which negatively affect the quality of life of residents. Other widely held perceptions are that some local governments do not understand either economic development or the benefits of working together to encourage it and are not willing to support developers.

Recommendation

Effectively resolving the debate relating to the region's local government structure is likely not achievable in the short-term. However, we are hopeful that local governments are willing to take at least some modest steps towards helping improve the region's business climate and working towards creating a common understanding of the nature and benefits of economic development. Even simple initiatives such as establishing and maintaining a regional inventory of available industrial and commercial space (which can be used to identify appropriate site options to prospective investors and developers) will help foster cooperation and benefit regional economic development activities. Success with such an initiative will hopefully lead to a willingness to deal with more complex issues such as establishing consistent industrial zoning guidelines and development approval processes. Due to the political sensitivity of the governance issue, the recommendations outlined below focus on what is hoped to be an achievable objective of encouraging local governments to begin the process of removing regional economic development barriers through a cooperative and collaborative process.

Link to Vision and Goals

Cooperation among key partners is a significant component of the region's economic vision and any improvements in inter-jurisdictional cooperation would contribute positively toward an improved business climate and to the establishment of a positive planning and regulatory environment that supports sustainable and prosperous business development.

Strategy 1 A Improve Inter-jurisdictional Cooperation	
Implementation Strategy	
Key Steps	Responsible Agency
Municipal leaders to meet and agree to open dialogue on options for removing economic development barriers. It may be necessary to initiate this effort without the commitment of all the municipalities but, at the very least, the four core municipalities could start the process. This meeting could be done in conjunction with a session to address the establishment of a regional economic development champion (See section entitled “What Next?”). Consider retaining a professional facilitator.	Mayors and EA Directors (at least of the four core municipalities but all should be invited)
Prepare an inventory of the range of governance issues affecting economic development (the list of weaknesses in the SWOT assessment could serve as a start but it is recommended that developers be asked directly what local government activities they need to have coordinated), prioritize this inventory relative to both the implications of issues for economic development, the ease with the issues can be dealt with, and the cost-effectiveness of a coordinated approach. Commit to moving forward on one issue.	Participating mayors and EA Directors with help from either municipal planning staff and/or the new economic development champion (depending on the time it takes to establish the latter office)
Once a commitment has been made to address an issue (e.g., developing a regional inventory of industrial and commercial land and space), establish an action plan, identify a “project manager”, determine and assign responsibilities, and establish target completion dates.	As above
Once the first issue has been addressed successfully, start the process again with another issue.	As above

Strategy 1 B – Revitalization of the Metropolitan Core

Strategy 1 B | Revitalization of the Metropolitan Core

Issue Background

The issue of revitalization of the metropolitan core (and the loss of downtown vitality) has recently received extensive local media coverage and has fostered several initiatives aimed at addressing some of the problems affecting the metropolitan core. Although the roots of these current problems are too extensive to address here, they are manifested through closed shops, graffiti, discarded drug paraphernalia, homelessness, and excessive panhandling. In turn, these problems have negative economic implications that include loss of community pride, loss of retail customers, reduced appeal of the downtown for offices, unwillingness of business owners to invest in upgrades, loss of capital to other regions, degradation of the City's image among visitors, and loss of business tax revenue. During the public consultation process for this Blueprint, the decline of downtown vitality and the need for revitalization of the metropolitan core were frequently identified as the region's primary economic weaknesses and one of its primary opportunities.

Urban planners throughout North America recognize that a healthy, thriving downtown that accommodates both business and residential development is an important asset to any region that is trying to sustain or grow their local economy and create or retain jobs. This recognition is reflected in the RGS which assumes that this area will accommodate an increasing share and mix of development. Likewise, it is critical to the overall health of the regional economy (not just the City of Victoria's economy) that effective steps are taken to ensure that the metropolitan core remains a vital place for business and other community activities. For example, approximately 40% (60,000+ people) of the CMA labour force is employed in the downtown core alone (compared to 25% who live there). Many of these people are employed in the retail, accommodation and food services sectors. These sectors are highly dependent on a healthy tourism industry and for most visitors the downtown is their first introduction to the Greater Victoria region or their primary destination in the region. As such, a decline in the appeal and safety of downtown can lead to a loss of visitors that, in turn, can lead to a loss of jobs.

Recommendation

The problems affecting the vitality of the metropolitan core did not occur overnight and, likewise, will not be fixed overnight. The City of Victoria has taken an important step in responding to downtown issues through the Mayor's Task Force on the Downtown and the *Downtown Action Plan* that includes components such as a Homelessness Plan and an Anti Graffiti Program. This plan is complemented by the work of the Urban Revitalization Policy Committee of the Chamber of Commerce, which recently released a paper on urban revitalization. Our overall recommendation is that every effort be made to pursue the Downtown Action Plan and to be aggressive in revitalizing both the downtown and metropolitan core. This

Strategy 1 B | Revitalization of the Metropolitan Core

area offers tremendous visual, heritage, cultural, retail and other assets and has excellent potential to contribute to the region's ongoing and expanded economic prosperity. Given the current effort being made to encourage revitalization, the purpose of addressing the issue in this Blueprint is to confirm its significance as a key step in improving the local business climate. Furthermore, because steps taken to improve the downtown can have negative implications for adjacent areas if actions simply result in the problem changing locations, it is also recommended that revitalization activities encompass adjacent metropolitan areas.

Link to Vision and Goals

Protecting the vitality of the downtown core will have a positive effect on the economy of the region generally while specifically helping to achieve the following regional goals:

- fostering community pride;
- enhancing confidence in the region's economic potential; and,
- creating profitable, stable local businesses that are committed to the region.

Implementation Strategy

Key Considerations

It is critical that immediate and continuing steps be taken to:

- deal with the problems that threaten the viability of downtown (e.g., safety fears, litter, drug use/dealing); and,
- ensure that the bulk of regional business investment (office and retail) occurs downtown and not in dispersed, car-oriented centres.

Encourage the development of downtown housing (e.g., above retail and office facilities). While the benefits of this are obvious, it is worth re-iterating that downtown housing would:

- help generate around the clock office, retail, entertainment and resident activity (which generates economic benefits and reduces the opportunity for crime);
- create a built-in market for downtown businesses and services thus reinforcing investments made in these existing businesses and community facilities;
- help reduce urban sprawl (which is consistent with the objectives of the RGS) by focusing housing development in an existing urban node; and,
- improve the city's tax base (retail and property), providing more revenue to finance additional improvements to the City's infrastructure and community services.

Strategy 1 B | Revitalization of the Metropolitan Core

Consider the use of incentives and regulatory guidelines that will foster downtown housing development (including some low-income housing). These actions might include zoning that encourages housing, and encouragement of rehabilitation and redevelopment. All municipalities in the region need to review their economic development policies to ensure that they do not weaken the downtown, and that mixed-use, sustainable development occurs in nodal centres throughout the region. The full implementation of the spirit of the Regional Growth Strategy will benefit economic development in all parts of the Capital Region and will help to preserve quality of life.

Strategy 1 C – Labour Force Issues

Strategy 1 C Address Labour Force Issues	
Issue Background	
<p>The availability of an appropriately skilled labour force is very important to achieving the economic prosperity goals of the region. Like elsewhere, there are several issues currently affecting the labour force in Greater Victoria. On the employee side, the region is facing increasing shortages of skilled tradespeople and senior managers with skills in the high tech industry. In addition, the workforce is aging, and retiring baby-boomers are leaving a gap in the workforce. Some students are graduating from post-secondary institutions without the skill sets required by employers (e.g., communication, technical, entrepreneurial) while other people are trying to find work without even basic job readiness skills (e.g., literacy, social skills). Labour force analysts are suggesting that given current trends, there will be an increased dependence on immigrants to meet future labour requirements. On the employer side, there is concern that existing government wage subsidy and other job placement programs are almost entirely focused on helping EI and SA recipients gain employment. However, there is limited support available for small but expanding companies who need either some kind of business advisory assistance or wage subsidy support to hire the more highly skilled workers needed to help ensure the business expansion is successful.</p> <p>Awareness of these labour force issues, and recognition that they need to be addressed, is increasing. Ensuring that our educational institutions are producing graduates with appropriate skills, that job readiness programs continue or are expanded, and that growing businesses have access to the business advisory support they need, will best be achieved through the collaborative efforts of the region's employers (including industry associations), government, and educational institutions.</p>	
Recommendation	
<p>For many years the focus of government activities with regard to the labour force has been on job creation. According to employment statistics, businesses in British Columbia created more than 80,000 new jobs in 2002. However, in order to effectively meet the future labour force needs of the region, the focus of labour force development activity must shift to one of skills development, specifically the development of skills that match the needs of employers in the region. As such, it is recommended that continued support be provided for initiatives such as Workforce 21 and the Aboriginal Human Resources Development Strategy (AHRDS) of HRDC and that a local representative of AHRDS be invited to participate in Workforce 21. Workforce 21 is an organization comprised of a group of professionals representing various government, educational and business agencies who are attempting to help address local workforce issues through collaboration. AHRDS is five-year strategy (started in 1999) that allows Aboriginal organizations to design and implement labour market programs and services aimed at expanding</p>	

Strategy 1 C Address Labour Force Issues	
<p>the employment opportunities of Aboriginal people. In addition to support for (and possible collaboration between) these two initiatives, it will also be worth monitoring the current initiative of the Ministry of Advanced Education to develop a new model for industry training in the province.</p> <p>It is particularly important that meaningful steps be taken to ensure that post-secondary institutions are teaching curricula that are relevant to local employers – specifically the high tech and skilled trades sectors. This can be done through a curricula advisory council set up as part of Workforce 21 that can be responsible for identifying the specific skill requirements of these (and other) sectors and working with representatives from the relevant post-secondary institutions to incorporate these requirements into curricula. In this way, the region can help ensure that students are being taught skills relevant to the demands of the business sector (e.g., business development, marketing). In addition to curricula modification, it is also important to ensure that students (particularly at the high school level) are clearly informed about the range of options available to them in the skilled trades, advanced technology and other promising sectors. As such, the curricula advisory council could also work with high schools to expose students to these fields as part of their career planning courses and career days.</p> <p>In conjunction with curricula/job skill requirement matching activities, it is also recommended that Workforce 21 take responsibility for ensuring that the region is providing adequate retraining opportunities for career-changers and older workers and that steps are taken to sustain or expand job readiness programs. Career changers and older workers are often people who have been laid-off or have been out of the workforce for some time and need access to retraining that will make them marketable in today’s job climate. Job readiness programs are required to assist people who have limited skills and other barriers that make finding employment a challenge.</p>	
Link to Vision and Goals	
<p>This strategic component is consistent with the region’s goal of ensuring a skilled and flexible labour force and creating lasting and meaningful employment opportunities. To some extent, it will also contribute to the profitability and stability of local businesses.</p>	
Implementation Strategy	
Key Steps	Responsible Agency
<p>Communicate the above labour force recommendations to Workforce 21 and confirm willingness to establish a curricula advisory council to actively work as a liaison between schools and post-secondary institutions, businesses, and the Ministries of Education and Advanced Education.</p>	<p>GVEPS or new economic development agency</p>

Strategy 1 C Address Labour Force Issues	
Establish the curricula advisory council (four to six members), and determine and formalize its mandate, the process for fulfilling its mandate, and reporting requirements.	Workforce 21
Lobby HRDC and the Ministry of Skills Development and Labour for resources to establish training programs targeted at start-up business operators and staff. Work with appropriate institutions (e.g., Camosun College) to establish these programs. Liaise with business and the education institution to identify the training content of these programs.	Curricula Advisory Council

Strategy 1 D – Foster Positive Attitudes

Strategy 1 D Foster Positive Attitudes	
Issue Background	
<p>Many respondents to the Blueprint survey noted the negativism that characterizes the region’s response to economic development. The respondents identified the large numbers of well-organized NIMBY organizations that dominate municipal Council decisions, a “culture of complacency,” negative public perceptions of business development, fear of change, and a “keep the gate closed” perspective. Anti-business attitudes of local government staff and elected representatives can prove discouraging for those seeking development approvals or even preliminary information on development opportunities. If these negative views continue to prevail in Council chambers and neighbourhoods throughout the region, the goals of the Regional Growth Strategy and this Blueprint will not be attained.</p> <p>The considerable public investment that has been made in planning for a brighter future in the region will only pay off if initiatives that are consistent with sustainability -- including the economic component -- are implemented. The broad public in the region is rarely surveyed, but when they are, they generally support change that improves the safety, environmental quality, and economic vitality of the region. Neighbourhood interest groups, which often originate to oppose specific developments, may become entrenched as opponents of all change. These groups may wield political influence out of proportion to their membership, and can delay or derail even initiatives that are fully consistent with the goals of adopted plans.</p> <p>A more informed, supportive populace can be a powerful force for positive change. Creating such an informed public, and the associated changes to negative attitudes, will prove challenging but nonetheless crucial to achieving the Blueprint’s goals. Attitudes of business people and elected representatives, too, should reflect a more cooperative, collaborative, and positive view of the economic future of the region.</p>	
Recommendation	
<p>The Capital Region’s population needs to become optimistic about the future and must embrace change that is consistent with the Regional Growth Strategy, the Opportunities Blueprint, and other plans and strategies. At the Blueprint Workshop, a group of participants recommended that we must “capture the interest of the community in our economic future.” Other groups said that the populace must be made to understand the implications of complacency, and that decision making should be taken away from those with only one vested interest.</p> <p>Education is a central pillar of attitude adjustment. Continuing efforts need to be made to reach the public with information about:</p>	

Strategy 1 D Foster Positive Attitudes	
<ul style="list-style-type: none"> • the need for a vital economy; • the implications of economic decline for people, their portfolios, and their quality of life; • the need to accept responsibility in our neighbourhoods for supporting economic activity; • the ways that wealth is actually created; and, • what adopted plans and strategies say about economic development. <p>This information should reach the public, and also elected representatives of Municipal Councils, the Regional Board, School Boards, and their advisory committees. Resident associations also should receive information about land use planning, economic development, and community sustainability. Such an educational program, if it is successfully delivered, can improve the quality of dialogue regarding the future of the region, individual developments, and community character, and can engender positive change in the residents' attitudes.</p> <p>Business people, too, need to understand how economic activity can affect the community, and what sustainability means to future of the region. A high level of awareness of the environmental and social responsibilities of business, and a willingness to understand local concerns and to recognize their legitimacy, will help businesses to create development proposals that have a greater likelihood of success. Business activities do more than generate income for owners and employees; they also influence the character and quality of communities, and affect the social and environmental quality of the region.</p>	
Link to Vision and Goals	
<p>Attaining the vision of a sustainable economy will require changed attitudes in a variety of areas, including perspectives on economic development in the region. Attitudes that are favourable toward economic development are needed to attain all of the Blueprint's goals. Managers of businesses and other enterprises also need to ensure that their operations are "sensitive to the state of the natural environment, existing development, and quality of life in the region."</p>	
Implementation Strategy	
Key Steps	Responsible Agency
<p>Develop a curriculum and a mechanism for delivering information about the state of the local economy, and the role of economic activity in maintaining our quality of life. To be effective, updated information needs to be delivered on a regular basis to the general public, elected representatives, and neighbourhood associations throughout the region.</p>	<p>New regional economic development agency supported by regional universities, the CRD, and Chambers of Commerce</p>

Strategy 1 D Foster Positive Attitudes	
<p>Prepare a brochure that describes the relationships of economic development, environmental protection, and social responsibility in the Capital Region, for use by businesses and other enterprises that operate in—or plan to relocate to--the region. The brochure should contain key sustainability concepts drawn from the Regional Growth Strategy and other local plans, and should be seen as a statement of what residents and jurisdictions expect of enterprises operating here.</p>	<p>New regional economic development agency supported by regional universities, the CRD, and Chambers of Commerce</p>
<p>Monitor the performance of the local economy on a regular basis, using indicators suggested in the Blueprint, and report the findings as part of the regional information program.</p>	<p>New regional economic development agency and the CRD, with support of BC STATS</p>
<p>Following the municipal elections every three years, embark on a “briefing” program to ensure that new (and incumbent) representatives understand the Vision and Goals of the Blueprint, the role of economic development in the region, the state of the local economy, and the meaning of sustainability.</p>	<p>New regional economic development agency</p>
<p>Prepare an outreach program for community associations. A regular newsletter should be complemented by a bi-annual series of presentations throughout the region on economic development and sustainability issues, geared to the concerns of community groups and the public. The importance of taking a positive view of change and the future, and of participating in economic revitalization of the region should be highlighted.</p>	<p>New regional economic development agency with support of the CRD and municipalities</p>

Strategy 2: Expanded and New Business Opportunities

Addressing the business climate issues described in Strategies 1A to 1D will significantly contribute to the ability of the region to foster the expansion of existing, or the attraction of new, business opportunities. Building on these recommendations for improving the region’s business climate, this section outlines an implementation framework for pursuing initiatives that are believed to represent the six most significant economic development opportunities in the region. These initiatives include:

- Expand advanced technology sector
- Expand tourism sector
- Expand marine science and industry sector
- Expand sport, arts and cultural sector
- Expand agricultural sector
- Develop education/research products sector

Strategy 2 A – Expand Advanced Technology Sector

Strategy 2 A Expand Advanced Technology Sector
<p>Description of Opportunity</p> <p>As noted in the Situational Analysis, the advanced technology sector is one of the fastest growing sectors in both the province as a whole as well as in the CRD. Locally, there are an estimated 800 information technology, wireless, multimedia, manufacturing and other advanced technology companies generating almost \$1 billion in revenue annually. The advanced technology sector typically involves environmentally sustainable businesses that provide well paying, challenging employment. Several local businesses have achieved national and global profile for their innovative products. The local industry is generally well-coordinated and has been building synergistic partnerships as a result of the efforts of the Vancouver Island Advanced Technology Centre (VIATeC) to support and grow the sector. Additional support for the sector is provided by the UVic Innovation and Development Corporation (IDC) which aims to “facilitate the transfer of UVic research to the private sector by providing professional technology transfer and industry liaison services to the university community”. Space is not an issue, at least in the short-term, as the Vancouver Island Technology Park (VITP), for example, provides high quality space that can foster the clustering of advanced technology companies and provide operational cost savings benefits through the sharing of selected support services and facilities. Over the longer term, space may become an issue as local industrial land values and lease rates are currently the highest in Canada (see Colliers <i>Canadian Real Estate Review 2002 – 2003</i>) and the municipal zoning restrictions associated with industrial land may required modifications to meet the requirements of the advanced technology sector.</p> <p>In general, the region’s advanced technology sector (focusing on niche products) is well positioned to grow. However, aside from continuing global issues associated with the dot.com</p>

Strategy 2 A | Expand Advanced Technology Sector

fallout, there are three key issues affecting the ability of the sector to achieve its full potential. These issues include access to capital for start-up and growing companies, access to business advisory services for companies ready to move from the product development to business development stage, and, a general lack of regional support for, and understanding of, economic development.

Recommendation

Although the region's advanced technology sector is generally performing well, addressing the issues identified above will help enhance its local growth potential and contribute to its overall stability. Following is an outline of possible approaches to addressing the capital, business advisory and economic development issues facing the advanced technology sector recognizing the limits constraining what can realistically be done by the region.

Investment/Venture Capital: At the regional level, there is not much that can be done to enhance the availability of investment capital (e.g., local governments have no control over R&D grant or tax credit programs). However, VIATeC runs an Access to Capital program that aims to facilitate the matching of early stage advanced technology companies with potential investors. The ability of VIATeC to continue delivering and growing this program, and to lobby the government regarding tax environment issues, depends on the adequacy of their funding and resources. In April 2003, the province provided VIATeC with \$150,000 for this program. While this infusion of cash will boost the program's capabilities in the short-term, it is being considered a one-time grant. As such, the region and the businesses that comprise the advanced technology sector need to support VIATeC's efforts to secure resources in order to ensure that the program will continue.

Business Advisory Services: It is one thing to develop an advanced technology product and another thing altogether to turn the sale of that product into a viable business venture. Many innovators have very limited business knowledge or understanding. As such, the availability of quality business advisory services is crucial. As with investment capital issues, VIATeC provides business advisory services through their Venture Business Panel but the scope and growth potential of these services is constrained by limited funding and resources.

One way the region can support VIATeC and ensure the continued delivery of investment capital and business advisory services (the latter need applies to a number of sectors and not just to the advanced technology sector) is to find innovative ways for ensuring it has adequate resources and/or to transfer responsibility (and associated costs) for tasks with cross-sector application (e.g., business advisory training/advice). For example, during the workshop session that was held with civic, business and industry leaders as part of the Blueprint development process, it was noted that there are limited training programs targeted at smaller or start-up companies whose staff require training in business development, marketing, and so forth. Therefore, one option would be to have the Workforce 21 agency (described in the "Address Labour Force

Strategy 2 A Expand Advanced Technology Sector							
<p>Issues” section) work with post-secondary institutions and businesses (advanced technology and other sectors) to develop appropriately targeted business training.</p> <p>Regional Support for Economic Development: Like any other sector, the advanced technology sector is negatively affected by a lack of a common regional understanding of the nature and importance of economic development and a lack of regional commitment to economic development. It is hoped that implementation of the other components of this Blueprint (e.g., Improve Regional Business Climate) and the establishment of a new regional economic development agency (see “What Next?” section) will help address this problem.</p>							
<p>Link to Vision and Goals</p> <p>Supporting the advanced technology sector is consistent with the region’s commitment to developing an economy based on innovation and on supporting environmentally sensitive businesses that provide lasting and meaningful employment opportunities. It is also consistent with the goals of creating profitable, stable businesses committed to the region, and of enhancing confidence in the region’s economic potential.</p>							
<p>Implementation Strategy</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;">Key Steps</th> <th style="width: 30%;">Responsible Agency</th> </tr> </thead> <tbody> <tr> <td>The implementation of the business climate improvement measures (Strategies 1A to 1D) will have a positive impact on the development potential of the advanced technology sector and should be seen as a priority in terms of fostering the prosperity and growth of this sector.</td> <td>New regional economic development agency with cooperation of local governments</td> </tr> <tr> <td>Facilitate the establishment of business training programs targeted to small and start-up advanced technology businesses (see also “Labour Force Issues” section as the need for business training also applies to other sectors).</td> <td>GVEPS communicating with Workforce 21 and VIATeC and then Workforce 21 working with training institutions.</td> </tr> </tbody> </table>		Key Steps	Responsible Agency	The implementation of the business climate improvement measures (Strategies 1A to 1D) will have a positive impact on the development potential of the advanced technology sector and should be seen as a priority in terms of fostering the prosperity and growth of this sector.	New regional economic development agency with cooperation of local governments	Facilitate the establishment of business training programs targeted to small and start-up advanced technology businesses (see also “Labour Force Issues” section as the need for business training also applies to other sectors).	GVEPS communicating with Workforce 21 and VIATeC and then Workforce 21 working with training institutions.
Key Steps	Responsible Agency						
The implementation of the business climate improvement measures (Strategies 1A to 1D) will have a positive impact on the development potential of the advanced technology sector and should be seen as a priority in terms of fostering the prosperity and growth of this sector.	New regional economic development agency with cooperation of local governments						
Facilitate the establishment of business training programs targeted to small and start-up advanced technology businesses (see also “Labour Force Issues” section as the need for business training also applies to other sectors).	GVEPS communicating with Workforce 21 and VIATeC and then Workforce 21 working with training institutions.						

Strategy 2 B – Expand Tourism Sector

Strategy 2 B Expand Tourism Sector	
Description of Opportunity	
<p>The tourism industry is a significant component of the region’s economy, contributing an estimated \$1.07 billion in revenue in 2002, and employing approximately 33,500 people. Despite terrorism-related setbacks to the global tourism industry, Victoria’s tourism industry remains healthy thanks largely to its reputation as a beautiful, safe, clean and green destination. Tourism Victoria is forecasting that overall revenue for the industry will grow by 5% for 2003 when the region will host more than 120 cruise ships at Ogden Point (the largest number ever), and the Royal BC Museum will host “Dragon Bones”, a dinosaur exhibit from China that is expected to draw visitors from all over North America. The profile of the region’s tourism industry has been enhanced by numerous positive accolades in travel magazines. Readers of upscale travel magazines regularly include Victoria and Vancouver Island in their Top 100 Annual Readers’ Polls. For example, in Conde Nast Traveler magazine’s 2002 Readers’ Poll, Victoria ranked as the ninth top foreign city and Vancouver Island ranked as the #1 temperate island worldwide. Readers of Travel & Leisure Magazine ranked Vancouver as the sixth top island overall, top island in Continental United States and Canada, and Victoria as the eighth top city in the United States and Canada also in 2002. Several local tourism businesses have also recently received awards acknowledging them as global leaders in their field. On the whole, it is anticipated that the region’s tourism industry will continue to experience growth at levels equal to, or better than, recent years barring unforeseen international and national events. Nonetheless, there are several key opportunities that would contribute to the ability of the industry to achieve its full potential. These opportunities include increased destination marketing and promotion and the development of new regional tourism products (e.g., a world-class harbour/marine facility, a cultural precinct). Potential threats to the tourism sector include ongoing instability in the airline industry and panhandling and drug use in the downtown core.</p>	
Recommendation	
<p><i>Destination Marketing and Promotion.</i> The region has a well-established tourism profile and high quality tourism products. In addition, Tourism Victoria does an excellent job of marketing the region to the world through its media relations, meeting and incentive travel initiatives and marketing partner programs. In order to maximize the visitor spending potential of the region’s products and associated marketing activities, it is recommended that a concerted effort be made to improve the packaging of the region’s tourism offerings in the following areas:</p> <p><i>Outdoor Adventure and Recreation.</i> There is tremendous opportunity to develop outdoor recreation and soft adventure tourism products for the Greater Victoria area. Outdoor tourism is the fastest growing sector of the tourism industry and Greater Victoria enjoys an enviable position due to its geographic location on the southern tip of Vancouver Island. In addition, the</p>	

Strategy 2 B | Expand Tourism Sector

region is expected to benefit from the profile of the recently established Gulf Islands National Park Reserve of Canada. The golf and whale watching products have been developed extensively in the Greater Victoria area while opportunities remain largely untapped to expand upon additional marine based tourism activities such as kayaking, rowing and sailing. Numerous trails and parklands infrastructure in the area lay the foundation for the further development of cycle tourism and hiking expeditions. While not strictly related to the outdoors, there is an opportunity to capitalize on growing trends in spa travel to offer spa services that highlight products indigenous to Vancouver Island and/or open spa resorts that take advantage of the area's spectacular scenic beauty.

Cultural Tourism. Visitors often seek the opportunity to participate in the culture of the host area. This is expressed through visits to heritage sites and museums, participating in local festivals and events, enjoying the local arts community, and sampling the host region's wine and food. The Royal BC Museum has demonstrated through the hosting of several blockbuster cultural exhibits that visitors will travel to the Greater Victoria area to see such exhibits. Past successful cultural exhibits include: Empires Beyond the Great Wall, Leonardo da Vinci, as well as the current exhibit Dragon Bones: When Dinosaurs Ruled China. The community has received significant economic benefit from these blockbuster exhibits and additional exhibits of this nature should be encouraged, especially in the non-summer months. Greater Victoria's heritage tourism potential can be developed through the preservation of heritage sites and implementation of tourism programming, supported by a marketing budget. Development of local festivals and events should be encouraged, especially in the non-summer months, to draw visitors from outside of the community for overnight stays. The local professional arts community would benefit from additional operational and marketing dollars to spread the word about the excellent calibre of arts activities in the Greater Victoria area. Marketing dollars also could be devoted to bolstering several grassroots artist studio tours. The Cowichan Valley is gaining renown for its growing wine and food industry and similar products exist to develop and market this product for the Greater Victoria area.

Family Attractions. Greater Victoria has experienced an erosion of family attractions over the past 15 years and would benefit from additional attractions with family appeal such as the proposed ocean sciences centre.

Learning Vacations. Tourism Victoria has been successful in creating interest in Greater Victoria as a learning vacation destination for diverse groups ranging from high school students to university alumni members. This product builds upon Greater Victoria's established reputation as a destination for elderhostel programs. Additional opportunities exist to develop current products for the learning vacation market and to expand upon the marketing of this niche area.

Product Combinations. At present, the various components of the region's (and the island's) tourism industry are fragmented and opportunities exist to combine the products and services of different operators throughout the region to create attractive and appealing packages. Although

Strategy 2 B | Expand Tourism Sector

product and service packaging has been improving, much more can be done. A key benefit of packaging is that it will encourage people to stay in the region longer and will assist in raising awareness of the range of tourism products that exist throughout the region. Tourism Victoria has a mechanism to promote packaging through its website, which has a robust e-commerce engine. Visitors can book individual room nights and packages through this website. Packages include accommodation, transportation, and activities such as museum admission. This packaging could be facilitated by Tourism Victoria, or through an independent “task force” but would require the support of individual operators. While there is limited funding for marketing, Tourism Victoria has been very successful at stretching its marketing dollars as far as possible through partnerships. Product packaging will further help build these partnership relationships.

In order to maximize the benefits of packaging, packages could link products and services from throughout the region. These packages could be promoted via existing distribution channels, by individual operators (participating in a package), and to conference delegates (to encourage post-conference stays). Possible combinations, pending the outcome of a market analysis, could include, for example:

- transportation, hotel accommodation, a whale watching tour, tickets to the Dragon Bones exhibit (or other sporting and cultural events) and a peninsula winery tour;
- transportation, cycling tour along the Galloping Goose to Sooke, overnight at a Sooke B&B; and,
- transportation, overnight at a peninsula B&B (e.g., farm) and tours of artisan studios.

World Class Harbour/Marine Development. The Greater Victoria Harbour Authority (GVHA) was established in 2002 to assume control of several waterfront properties in the region previously owned by the Federal Government. Among others, these properties include Ogden Point. The number one short-term goal of the GHVA is to upgrade the Ogden Point cruise ship terminal. This short-term work (underway) includes raising the pier, creating a customs office and retail area, improving signage, and adding walkways, landscaping and railings. In addition to this short-term planning, determining the long-term future of the site is also a priority of the GVHA. Other than the cruise terminal, the Helijet facilities and a cafe, Ogden Point is largely vacant. As such, it represents the single largest piece of undeveloped industrial property in the city (about 30 acres). Given the significance of this site, the importance of careful long-term planning is recognized. However, one of the proposals for the site suggests developing a “prominent signature building”. We recommend building on this suggestion and pursuing a development concept for this site that would be both regionally and provincially significant. Specifically, it is recommended that the GVHA consider using Ogden Point to build a world-class, provincially significant multiple use development that incorporates, for example, event, accommodation and retail facilities. Potentially, a large-scale tourism attraction such as the Victoria Ocean Sciences Centre that is being considered as part of the Neptune project and/or the proposed Parks Canada Discovery Centre, could also be developed on the site. Such a development would complement the existing cruise ship terminal plus represents a number of

Strategy 2 B Expand Tourism Sector	
<p>synergies (e.g., the conference and performing arts components could include shared features, the hotel could serve as a staging group for people joining a cruise ship, etc.).</p> <p><i>Air Transportation.</i> At the regional level, there is little than can be done to improve air links to the region. The airline industry has suffered massive losses in the past two years and remains very fragile. Even prior to moving into bankruptcy protection, Air Canada had cut service to many smaller communities in British Columbia and will probably continue to do so. The Council of Tourism Associations of British Columbia (COTA) and the Tourism Industry Association of Canada (TIAC) continue to advocate for improved air access on behalf of the tourism industry at the provincial and national levels, while locally, air access is monitored by Tourism Victoria’s Strategic Issues Committee. For the most part, airlines make routing decisions in response to demand by travelers. Therefore, the region should persist in its efforts to promote awareness of the region as a “destination” in order to generate increased visitor numbers (which can also be done through improved product and packaging as discussed below). In turn, it is hoped that resulting increased demand will attract improved service from the air industry. As an example, WestJet has responded to increased travel demand with enhanced services to Victoria.</p> <p><i>Panhandling and drug use.</i> Encounters with panhandlers and drug users or dealers degrade the visitor experience. As noted in other sections of this Blueprint, the economic health of the downtown core depends on rapid and effective solutions to these social problems. If panhandling and drug-related activities on Victoria’s streets continue, then the benefits of tourism and related economic activity will decline. The social issues underlying drug use and homelessness will require long-term solutions and actions, but effective short-term actions are needed now to protect the tourism (and other business) sectors.</p>	
Link to Vision and Goals	
<p>Supporting the ongoing development of the tourism industry involves taking advantage of the unique attributes of the region by supporting businesses that are sensitive to the state of the natural environment, existing development and quality of life in the region. In turn, the continuing health of the industry will contribute to the profitability and stability of businesses in the region and to creating pride and confidence in the region’s economic future.</p>	
Implementation Strategy	
Key Steps	Responsible Agency
<i>Destination Marketing and Product Development</i>	
<p>Conduct a market analysis to determine priority product development and packaging opportunities.</p>	<p>Tourism Victoria or designated task force</p>

Strategy 2 B Expand Tourism Sector	
Based on the results of the market analysis, facilitate the development of product packages by making contact with operators (perhaps via a workshop), providing information on the results of the market analysis and the benefits of packaging, and communicating recommendations regarding product combination opportunities (recognizing that it will be up to operators to decide whether or not to pursue these recommendations).	Tourism Victoria or designated task force with cooperation of operators
Assist those operators who create a product package to access appropriate marketing channels.	Tourism Victoria
<i>Harbour/Marine Development</i>	
Convey recommendations to the Greater Victoria Harbour Authority regarding the development of a world class multiple use structure at Ogden Point and, when the time comes, lobby the City in support of the development.	GVEPS initially, Tourism Victoria and the new regional economic development agency in the longer term.
Educate the community regarding the potentially significant economic and community benefits associated with such a development.	Tourism Victoria and the new regional economic development agency

Strategy 2 C – Expand Marine Science and Industry Sector

Strategy 2 C | Expand Marine Science and Industry

Issue Background

The Capital Region is located in one of the most envied parts of the world when it comes to climate and scenery. Many view our natural surroundings as second to none, with the Pacific Ocean playing a dominant role in most residents' lives. Given the importance of the ocean to the region, it is not surprising that through the years, much of our economic well-being has been based on this resource. However, fishing (along with timber harvesting) has virtually disappeared as an economic driver due to its unsustainability. Despite this situation, the ocean still plays a strong role in the region's economy as a result of the recent growth in the marine science and industry sector. Unfortunately, in a region that seems to focus on tourism and technology as its primary economic drivers, the marine sector is quite often overlooked.

In general, there is limited awareness of the marine sector which is actually performing very strongly in the region. A number of participants in the Economic Development workshop held as part of this project suggested that the boat building and repair sector holds little economic development potential. However, the region has significant competitive advantage in this sector as the area is home to a number of shipyards offering services and facilities such as maintenance and refits, vessel and system repair, shipbuilding, marine railways, a floating drydock (the only one on the west coast), and engineering and design. Local projects currently in process or recently completed include a \$40 million order for 24 47' Coast Guard vessels, development of a new Pilot boat, and maintenance/repair of a large Mexican tanker. Furthermore, many of the world's super yachts are being built within 300 miles of Victoria. The naval architects and interior yacht designers located in the region are in demand. An unanticipated upside to the recent Fast Ferry situation, is that ship builders in the region have developed very strong abilities in aluminium welding and shipbuilding – skills which are in high demand. The belief of most people working in this sector is that it will only continue to grow.

The marine sciences component of this sector is also important to the region's economy. The Pat Bay Ocean Sciences Centre employs scientists, technicians, support staff and ships' crews in three divisions: the Canadian Hydrographic Service, the Marine Environment and Habitat Science division, and Ocean Science and Productivity. The scientists study a wide range of topics including sustainable aquaculture, ocean contaminants, changes in ocean conditions on marine ecosystems and understanding the role of the ocean in the global climate system. A second Ocean Science Centre has been proposed for the region as part of the Canadian Neptune Project. The focus of this facility would be on responding to the public's curiosity about the marine world, and staff would be devoted to research, exploration, education and entertainment. Neptune is a series of underwater observatories in the Pacific Ocean connected by fiber-optic cables that provide data and imagery to shore-based Internet sites allowing for real-time viewing and analysis. Five different locations for this centre have been proposed within the Inner Harbour precinct.

Strategy 2 C Expand Marine Science and Industry					
<p>Expansion of the marine science and industry sector can only enhance other sectors of the economy such as tourism and education. The marine tourism sector is already strong as the region has extensive marina and support facilities for pleasure boaters. The results of an unofficial business survey suggest that Saanich Peninsula businesses received \$50 million in expenditures (moorage, fuel, taxi) from U.S. boating visitors last year. An Ocean Sciences Centre in the downtown area could be the much needed addition to Victoria's traditional attractions, as well as providing a high profile facility for educational activities (see also the discussion regarding the multiple-use development in the "Expand Tourism Sector" discussion).</p>					
<p>Recommendation</p> <p>The marine science and industry sector has significant economic development potential and we recommend expanding civic and community support for this sector to ensure that the region is able to capitalize on its competitive advantage and continue to offer and develop niche marine services/products. Given the region's location, existing facilities and skilled labour, it is positioned well to take a leadership role in this sector. By way of example, support could include efforts by the City to make foreshore land in the Rock Bay area available for marine industry activity. As a high proportion of foreshore land suitable for marine activity is First Nations' land, support could also include consulting with the applicable bands to determine whether there are opportunities to work together to develop the land for marine industry purposes.</p> <p>We also recommend building on the synergies between the Marine Science Sector and the Tourism and Education sectors. Building on these linkages could increase visitation to the area, increase visibility/awareness of the industry's importance as an economic driver, and improve access to research funding capital.</p>					
<p>Link to Vision and Goals</p> <p>This recommendation supports the vision of developing an innovative, diverse economy that takes advantage of the unique attributes of the region. It is also consistent with the goals of fostering profitable, stable businesses that are committed to the region, developing a skilled and flexible workforce, and creating lasting and meaningful employment opportunities.</p>					
<p>Implementation Strategy</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">Key Steps</th> <th style="width: 50%; text-align: center;">Responsible Agency</th> </tr> </thead> <tbody> <tr> <td>Initiate a local campaign to increase awareness of the region's abilities and competitive advantages in the ship-building and repair sector as well as its importance to the region's economy.</td> <td>New regional economic development agency</td> </tr> </tbody> </table>		Key Steps	Responsible Agency	Initiate a local campaign to increase awareness of the region's abilities and competitive advantages in the ship-building and repair sector as well as its importance to the region's economy.	New regional economic development agency
Key Steps	Responsible Agency				
Initiate a local campaign to increase awareness of the region's abilities and competitive advantages in the ship-building and repair sector as well as its importance to the region's economy.	New regional economic development agency				

Strategy 2 C Expand Marine Science and Industry	
Ensure zoning and government regulations support development of this industry (both marine science and the more industrial marine business).	Municipal and provincial politicians, Greater Victoria Harbour Authority
Enhance marketing of the region as a ship repair/yacht building specialist location. Develop a marketing strategy based on the packaging of products and services available here.	Sector leaders, new regional economic development agencies, local governments.
Package marine tourism products/services to improve visitation to region.	Tourism Victoria with support of operators.

Strategy 2 D – Expand Sport, Art and Culture Sector

Strategy 2 D | Expand Sport, Art and Culture Sector

Description of Opportunity

Events such as the 1994 Commonwealth Games, the 1998/1999 Leonardo da Vinci exhibit, the recent Impressionists exhibit at the Greater Victoria Art Gallery, the annual Jazz Fest and Symphony Splash, Pacific Opera performances, rowing regattas, and other sporting events, have attracted thousands of non-residents to the region who spend money on transportation, accommodation, food, and retail purchases during their visit. A healthy Sport, Art and Culture sector is also important to residents and is indicative of a well-rounded lifestyle and a strong economy. A vibrant cultural community attracts visitors and new residents, and helps to retain young people. Lifestyle considerations are very important to today's workforce who, through technology and the ease of travel, can choose to work almost anywhere. Although not a major economic driver of the regional economy, the Sport, Art and Culture sector is very important to the overall economic health of the region.

The development of a "Cultural Precinct" based around the Royal BC Museum has been proposed to further enhance the Arts and Culture sector in Victoria. This concept would tie together the museum, the surrounding heritage properties, and an indoor/outdoor performing venue. It would provide a focal point for the region's cultural activities by combining cultural heritage with current arts and culture offerings.

The film industry is also important to the local economy and generated over \$15 million in direct revenues to the region in 2002. Victoria is often the springboard to the rest of the island for filmmakers considering this region for a shoot. Greater Victoria hosted 31 productions last year while the rest of the island hosted 60. Although the region does not have studio facilities that compare to those found in major film-making centres, it continues to enhance the infrastructure needed for this industry. Three local hotels now offer production offices that provide all the comforts of home for a film and production crew with everything from movie sets to change rooms/showers and limousine services. Continued marketing and development of this infrastructure will only serve to grow this industry.

Another aspect of enhancing the Sport, Art and Culture sector is in the hosting of special events and exhibits which represent significant potential for generating economic activity. Such activities can raise the pride and profile of a community, which, in turn, can generate spin-off economic impacts down the road (e.g., through future tourism or business investment activity). While opportunities to host large scale events such as the Commonwealth Games and the Leonardo exhibit do not occur all that often, the region is well positioned due to climate, visual appeal, and location to host a range of small, mid and large sized events by leveraging off existing and proposed sport, cultural and other facilities in the region. These facilities include, for example, the Elk Lake rowing centre, the Commonwealth Pool, Athletic Park, the University, the new multiplex, and the proposed performing arts centre.

Strategy 2 D | Expand Sport, Art and Culture Sector

Making further use of the above-mentioned sporting facilities, the region is developing a reputation as an excellent training venue for athletes. The area's mild climate and variety of world-class venues make it an ideal location for year-round training. Camosun College is in the process of building residences that can be used by visiting athletes, while the University of Victoria is also expanding its on-campus accommodation.

Recommendation

Support facility expansion for Sport, Art and Culture. If the region is to be competitive in the areas of sport, art and culture, it must upgrade existing, or build new facilities. A new multiplex arena is already in the works that will provide, amongst other things, a high-class venue for sporting events and large trade shows, as well as a facility for entertainment engagements that currently bypass Victoria due to the lack of an appropriate venue. However, the region would also benefit from a new performing arts facility that would be suitable for larger engagement and that would provide a new home for the Victoria Symphony and Pacific Opera which will both outgrow the current facility at the Royal Theatre in the next few years (see also discussion on developing a multiple use development at Ogden Point in the "Expand Tourism Sector" write-up). In addition, the film industry requires continued investment in production infrastructure to support the bigger projects that may be attracted to this region.

Pursue opportunities to leverage off existing (and proposed) sport, cultural and other facilities in the region to attract new visitors or lengthen the stay of existing visitors. This recommendation can be achieved either by building on the existing event structure that exists in Victoria, or by developing a new or modified event-planning model. At present, Festivals Victoria is responsible for planning many of the larger cultural events (e.g., Folkfest, Symphony Splash) that occur in the City of Victoria. However, there is no comparable organization for the region as a whole nor is there a regional event-planning organization for large sporting events and specialized exhibits. In general, the latter tend to be organized by associated interest groups (e.g., sporting competitions are organized by the parent sport organization) on a more ad hoc basis. While it makes sense to pursue a more coordinated and dedicated approach to the hosting of events and exhibits throughout the region, the best model for doing this needs to be confirmed based on consultation with affected sports, cultural and other interest groups. However, possible model options include:

- expanding the Festivals Victoria model throughout the region and developing a similar structure for sporting events and exhibits
- creating a new model responsible for festivals and events throughout the region as a whole
- creating a new model that focuses on sporting events throughout the region (and let festivals planning continue as per the current model)

Strategy 2 D Expand Sport, Art and Culture Sector	
<p><i>Develop Greater Victoria's capacity to serve as a sport training centre and sporting event host.</i> The climate and natural assets of the Greater Victoria area are ideal for a number of sports. While the area already serves as a training centre for rowing, track and other events, opportunities exist to expand the profile of the region as sport training and hosting centre. In addition, the possibility that Vancouver and Whistler may host the 2010 Winter Olympics provides a significant opportunity for the Greater Victoria area to raise its overall profile in the sporting world as a sport training centre. In general, the region should continue to develop the infrastructure and marketing needed to promote its athletic training capacity.</p>	
<p>Link to Vision and Goals</p>	
<p>Enhancing the Sport, Art and Culture sector in the region is consistent with the vision of developing an economy that is based on taking advantage of the unique attributes of the region, and with the goals of fostering community pride, adding to the profitability and stability of local businesses, and supporting business activity that is consistent with existing development and with quality of life values in the region.</p>	
<p>Implementation Strategy</p>	
Key Steps	Responsible Agency
Research and develop funding models/sources for sport, art and culture infrastructure investment.	New regional economic development agency, municipalities, CRD
Support the proposal to develop a world-class multiple use development at Ogden Point.	CRD, municipalities, community arts groups, special interest groups
Continue public consultation to build support for the CRD's Regional Strategic Arts Plan and the development of a new Performing Arts Centre.	CRD, municipalities, community arts groups, special interest groups
Leverage off the region's sporting assets and the 2010 Winter Olympics (if awarded to B.C.) to promote Greater Victoria as a sport training location.	Sport Host, individual sport associations, UVic, Camosun
Partner with Tourism Victoria to market the region's capacity to host special events, both cultural and sporting, leveraging off existing and proposed facilities.	Sport Host, Tourism Victoria, Municipalities.

Strategy 2 E – Expand Agricultural Sector

Strategy 2 E | Expand Agricultural Sector

Description of Opportunity

Commercial agriculture has been practiced in the Capital Region since the mid 1800s. Fertile pockets of soil combine with one of Canada’s mildest climates to create excellent farming conditions. The CRD has approximately 15,500 ha of farmland, which represents nearly seven percent of the region’s land area. The largest concentration of farmland is on the Saanich Peninsula, although Metchosin, Sooke and the Gulf Islands (Saltspring, Saturna, Pender, Sidney, and James Islands) also boast substantial areas of land suitable for agriculture. The 5,200 ha of CRD land in crops (not fallow or grazing land) constitutes an area about twice the size of the City of Victoria. The agricultural resources of the Capital Region -- with \$634 million in capital investment and \$50 million annual income -- should be valued as important parts of the economically productive landscape.

The Regional Growth Strategy recognizes agriculture’s role as a contributor to the region’s character and economy. The RGS calls for finding ways to increase economic activity in agriculture, including high-value and specialized farming. Through the RGS, municipalities and business have agreed to focus on the economic potential of the region’s unique biophysical attributes, and to support agriculture. The RGS “seeks to protect the character and quality of rural communities, to ensure that they remain strongly rooted in the agricultural and resource land base.” Policies are aimed at “buffering Renewable Resource lands from activities in adjacent urban areas, and policies that support farming within the Agricultural Land Reserve....”

Despite a commonly-held view that agriculture is declining in the Capital Region, between 1991 and 2001, the area of farmland grew by more than nine percent, the area devoted to vegetables expanded by more than one-third (to 350 ha), and the area devoted to tree fruits (including grapes) more than doubled (to 260 ha). In the coming years, the Vancouver Island Vintners Association expects a substantial increase in the amount of land dedicated to the production of grapes.

The fragmented nature and the cost of farmland in the CRD makes expansion of land-extensive agriculture such as grain production unlikely. The competitive advantage of the CRD agriculture sector lies primarily in its proximity to a large urban population, which creates a varied market for agricultural crops. Vegetable and fruit production and dairying has traditionally done well and the production of niche and high value crops, especially organic production of berries and vegetables and specialty forage crops, has grown in the region in recent years. Vineyards and wineries are growing on the Saanich Peninsula, following the boom in the Cowichan Valley and are expected to benefit from the sector’s strong links to tourism. Viticulture, which is also an intensive form of agriculture requiring high levels of investment, has potential for the region as it is suitable for agriculture economies where land is expensive.

Strategy 2 E | Expand Agricultural Sector

It is unlikely that agriculture will directly employ substantial proportions of the CRD labour force. It can, however, make economically productive use of the large area of agricultural land in the region, provide food for the local population, build strong links to tourism, and stabilize the regional economy during recessions that affect other sectors.

Recommendation

Recognize agriculture in Official Community Plans, Economic Development Plans, and development decisions. Agriculture depends on secure land tenure and neighbours that realize that farming activities may produce noise and dust. Most CRD municipalities have included agricultural protection in their Official Community Plans. This policy support needs to be carried through public land use debates, where the realities of farming activities sometimes offend neighbours. Economic development plans need to pay heightened attention to farming as a component of the local economy, and should seek ways of encouraging investment in agricultural production, processing, and marketing. Farmers, for their parts, need to be good neighbours, conserving water, minimizing off-site transport of dust or pesticides, and protecting surface water and groundwater from pollution.

Support purchase of local farm products. For local farmers to benefit from proximity to the urban population, residents need to purchase local produce. A “buy local” campaign could be as effective as the “buy BC” campaign has been on the provincial level. Labeling, logos, and marketing to local grocery stores and restaurants could boost the profile and purchase of locally produced farm products. Farm stands, U-picks, local farmers’ markets, and farm tours (for local residents, not just visitors) can boost direct sales and margins for producers.

Build links between agriculture and tourism. Wine tours have been successful in the Okanagan and Napa Valleys for years. On Vancouver Island, such tours are growing rapidly. In 1999, the Vancouver Island Wine Festival drew 600 people while 10,000 people are expected in 2003. Tourism Victoria, the Vancouver Island Vintners Association, and other farm organizations should collaborate and build on the obvious synergies of visitors, wine, good food, bed-and-breakfasts, and the attractive landscapes of the region (see also “Packaging and Promotion” in the “Expand Tourism Sector” write-up). Such agriculture-tourism linkages will extend beyond the Capital Region to the Cowichan Valley and the Gulf Islands, perhaps helping build a base for southern Vancouver Island-Gulf Islands economic development collaboration.

Link to Vision and Goals

Expanding agriculture supports “taking advantage of the unique attributes of the region,” and provides renewable resource-based diversification of the region’s economy that is increasingly based on services. Well-run farms are “enterprises that are sensitive to the state of the natural environment...and the quality of life in the region.” Successful expansion of agriculture requires

Strategy 2 E Expand Agricultural Sector	
<p>“a positive planning and regulatory environment that supports sustainable business development.” Enhanced agriculture is also an important component of the Regional Growth Strategy.</p>	
<p>Implementation Strategy</p>	
Key Steps	Responsible Agency
<p>Review Official Community Plans, zoning bylaws, and development policies to ensure strong support for agricultural land protection and agricultural operations. Recognize the special needs of organic farms.</p>	<p>Municipal Councils and staff</p>
<p>Develop a program of “branding” local agriculture, including labeling of local fruits, vegetables, and processed foods, and creating a logo for southern Vancouver Island farm produce. Conduct an advertising campaign that highlights the value and benefits of purchasing local produce.</p>	<p>Peninsula Agricultural Commission, with the collaboration of the Ministry of Agriculture and Fisheries and local grocery stores.</p>
<p>Forge links between tourism and agriculture through joint marketing and development of package tours.</p>	<p>Tourism Victoria, Peninsula Agricultural Commission, Vancouver Island Vintners Association</p>

Strategy 2 F – Education/Research Product

Strategy 2 F Education/Research Product	
Description of Opportunity	
<p>It is well-recognized that we live in an age when access to a highly educated and job-skilled workforce is a major key to economic success (see also the discussion on Labour Force Issues). The much-publicized “Irish Economic Miracle” was initiated, in large part, by a relatively huge investment in post-secondary education, especially focused on technology. The Greater Victoria region is well-situated to help satisfy the need for education services – for ourselves, for British Columbia and for Canada, and to reap substantial economic gains from providing education products and services to those further afield. Joining the region’s three established public sector post-secondary organizations (University of Victoria, Royal Roads University and Camosun College) are a growing number of private sector training organizations. In addition, southern Vancouver Island has a well-developed niche market in independent schools. This sector is a significant economic driver and has the potential to attract a growing number of students from outside the region.</p> <p>Research activities in the region are clustered around the universities, the hospitals, and the advanced technology industries. A number of significant cross-sector initiatives have been taking place between these organizations such as the recent P3 initiative between UVic, MDS, Genome B.C. and the VITP to explore molecular proteins. The attractions of the region to researchers include the cutting edge research taking place, the peaceful and pleasant living conditions, and the relatively clean environment. For example, the Marine Biological Sciences Centre in Bamfield is extremely rare as it operates adjacent to waters not directly affected by industry. While opportunities exist to expand the profile of the Greater Victoria region as a centre for research, problems that will need to be addressed in order to achieve this potential include a growing shortage of technicians, and a traditional indifference to supporting research in our region by the Federal government.</p>	
Recommendation	
<p><i>Encourage close co-operation between educational institutions and the advanced technology sector.</i> While much has already been achieved in this regard (e.g., the cooperation between UVic’s Innovation and Development Corporation and the advanced technology sector), the region can only benefit economically from improved synergies between educational and advanced technology organizations. The proposed new regional economic development agency (see the “What Next?” section) is seen as playing a key role, along with the post-secondary institutions and VIATeC, in facilitating further cooperation between these organizations and the integration of their strategic plans.</p>	

Strategy 2 F Education/Research Product	
<p><i>Foster synergies between the business community and post-secondary institutions.</i> Building on the above recommendation, in conjunction with the recommendation in the Labour Force Issues section, it is suggested that steps be taken to ensure that there are appropriately skilled people for the jobs available in the region, and appropriate jobs available for the graduates of local post-secondary institutions. This issue can be addressed through the formation of the curricula advisory council discussed in the Address Labour Force Issues section.</p> <p><i>Ask local governments to speak as one in provincial/federal discussions regarding topics such as research and education funding.</i> Lack of a clear, unified voice in this, as in other economic development matters, means that we do not carry the political “clout” of a region of 300,000+ people. Presenting a common front will both enhance the region’s profile and increase funding potential. The timing is right to lobby for greater research funding as the Federal Government has indicated its commitment to seeing the Canadian economy increasingly driven by innovation and research.</p> <p><i>Promote the region’s educational “products” in all economic development marketing initiatives.</i> A key mission of the proposed new regional economic development agency will be to ensure that whenever the opportunity arises to showcase the region’s strengths to potential customers or investors, that all key sectors, including education and research, participate.</p>	
Link to Vision and Goals	
<p>Education and research facilities fit well with the region’s vision of a sustainable economy. Indeed, these activities can be seen as symbiotic with other strategic sectors such as tourism, marine science and advanced technology. The growth of the education products and research sector is also consistent with the region’s goals of creating a skilled and flexible labour force and of fostering community pride and confidence in the region’s economic potential.</p>	
Implementation Strategy	
Key Steps	Responsible Agency
Facilitate and encourage continuing communication between regional post-secondary institutions and the business community and work on removing the barriers they identify (e.g., to collaboration, to relevant curricula development, etc.).	New regional economic development agency, post-secondary institutions, VIATeC, Workforce 21
Ask local governments to integrate all economic development activities and to “speak as one” especially in response to issues of regional significance (e.g., research funding).	New regional economic development agency, CRD, municipalities
Foster “cross-selling” between the Education Products and Research sector and other key sectors.	New regional economic development agency, sector leaders

What about Social Issues?

While the scope of this project is specifically focused on economic development opportunities, the study team acknowledges the strong linkages that exist between the state of the local economy and the social conditions of local residents. In the course of interviewing business, community and government representatives for this project, it became clear that many people make little distinction between economic development issues and social or quality of life issues. In many respects, the economy versus social priorities debate reflects the classic “chicken and egg” problem. For example, how can someone find a job if they are homeless – yet, how can the community afford to provide subsidized housing if a weak economy is limiting the tax revenue available to finance such social projects?

One of the objectives of this Blueprint development process is to address opportunities for partnerships between the various agencies involved in economic and business development activities. However, there are also a number of agencies that are involved in addressing social issues that have significant implications for the economy (e.g., CRD Regional Housing Affordability Strategy, City of Victoria Downtown Action Plan; Quality of Life Initiative; Mustard Seed, etc.). While the focus of their activities may be different, in all cases these organizations are striving to improve the quality of life or well-being of residents – in a sense, they are each responsible for different pieces of the economic prosperity puzzle.

In general, there are significant opportunities to take advantage of synergies between these various organizations. As such, if these economic and social organizations can continue to work towards coordinating activities, improving inter-agency communication, and, where appropriate, joining forces to achieve objectives, the “community well-being” puzzle will come together much more efficiently and cost-effectively.

Measuring Blueprint Performance

An important component of the Blueprint implementation plan is the establishment of a process for monitoring the success of the region in achieving its economic prosperity goals and vision. An effective performance measurement process involves regularly (e.g., annually) monitoring a set of indicators that focus on the state of the regional economy and associated attributes of economic well-being. The following list of recommended indicators includes both quantifiable data readily available from secondary sources as well as more qualitative data that would be obtained from periodic surveys. These indicators have been determined based on workshop input from the GVEPS, the findings of the literature review, and consideration of factors such as timing (frequency) of data collection and reporting and cost-effectiveness. It is recommended that the proposed new regional economic development agency (see “What Next?” section) be responsible for monitoring the indicators and producing performance reports. As some of these indicators are similar to those recommended to monitor the RGS, there is an opportunity for synergy in the collection and reporting of indicator data.

Quantifiable Indicators

Regional Employment

- Total labour force
- Employed labour force
- Unemployment (number and percent)
- Employment by sector

Regional Income

- Employment income
- Employment income as a percent of total income
- Average hourly (weekly) earnings
- Disposable income

Regional Distribution of Economic Activity

- Housing starts by type (e.g., apartment, duplex, single detached) and municipal location
- Commercial, industrial, institutional building starts
- Value of building permits
- Number and type of business licenses
- Amount of development activity (subdivision or proposed rezoning) within 500 metres of an Urban Containment Boundary
- Extent to which development activity is occurring in a manner that is consistent with the RGS

Regional Real Estate Demand

- Commercial vacancy rates
- Median home sales price

Regional Taxes

- Total assessed property values by property classification and municipality

General

- Number of businesses by sector
- Industry sector revenue
- Total and per capita retail sales
- Education levels compared to the Lower Mainland, Calgary and Ottawa

Qualitative Indicators (obtained from a periodic survey)

- Number and percentage of residents and businesses reporting "optimistic" or "very optimistic" in terms of the state of future economic prospects for the region.
- Number and percentage of residents and businesses reporting "satisfied" or "very satisfied" with the degree of cooperation amongst community and economic development organizations.
- Number and percentage of residents and businesses reporting "satisfied" or "very satisfied" in regional efforts to attract new entrepreneurs and economic ventures.
- Number and percentage of residents and businesses reporting "satisfied" or "very satisfied" with the creation and existence of meaningful employment opportunities.
- Number and percentage of businesses reporting "satisfied" or "very satisfied" with the state of local business services and infrastructure (could specify by type of service or type of infrastructure).
- Number and percentage of residents and businesses reporting "satisfied" or "very satisfied" with efforts to protect regional environmental and natural assets.
- Number and percentage of businesses reporting "satisfied" or "very satisfied:" with core government services, permitting and enforcement.

What Next?

This Blueprint identifies a number of initiatives for improving the local business climate and for building on the region's assets and abilities to enhance economic prosperity. As with any strategy, the extent to which the region can benefit from these initiatives will be directly dependent on the extent to which the components of the Blueprint are implemented. In order to maximize the likelihood that implementation occurs, it is recommended that:

- A regional economic development agency be appointed
- A press/information release be distributed to announce the completion of the Blueprint

Regional Economic Development Agency

At present, there are several organizations in the CRD that deal with some aspect of economic development. These organizations include, for example, the City of Victoria Economic Development Division, the Sidney Community Development Office, the Oak Bay Business Improvement Association, Business Victoria, the three Chambers of Commerce, Tourism Victoria, and VIATeC. While the activities of the latter two groups occur on a region-wide level, the other organizations have a more specific geographic focus and the coordination of activities between these groups has been limited. There is no one cross-region, cross-sector organization that is responsible for the coordination of economic development activities at the regional level (or at the southern Vancouver Island level). Although there is an organization in

the region called the Economic Development Commission (more commonly referred to as Business Victoria), its activities are currently focused on labour force and skills development issues. While there are dedicated people involved with each of the existing “economic development” agencies, the region’s potential economic development success is watered down by competition for resources to support these agencies and competition for business development by these agencies. In addition, there is a need to recognize that the region is the proverbial “small fish in a big pond” and the more effectively we can coordinate economic development resources, the greater the likelihood that we can achieve our economic development vision and goals.

At a workshop held during the Blueprint development process (see Appendix E), civic, business and community leaders were asked to identify what they believe to be necessary to ensure the success of this strategy. The common response was that what is required is a champion or leader with adequate resources. This leader would be responsible for building on the momentum and community engagement started by the Blueprint development process, coordinating the activities of the various agencies undertaking economic development initiatives, and generally championing economic development at the regional level.

Effectively promoting the economy of the region as a whole requires a high profile and results-oriented economic development champion with credibility in both the business community (including other industry associations involved in economic development) and local governments, to coordinate economic development activities in the region. As such, we recommend appointing a regional economic development function and a high profile economic development champion whose role would be to:

- facilitate the implementation of this Blueprint;
- provide a single point of access for potential investors/developers;
- answer economic development questions;
- help investors work through the various regulatory processes;
- identify investment opportunities;
- maintain an inventory of available industrial and commercial land and space;
- market the region (both “internal branding” and “external branding”);
- push greater cooperation of private sector organizations in the region;
- push local government integration as it relates to business services and planning;
- identify barriers to existing business growth and facilitate solutions;
- facilitate coordination and communication (partnerships) among various economic development and community groups (both within the region and on the south island);
- and,
- generally be a focal point and champion for economic development activities in the region.

Although a range of governance issues will need to be ironed out, this office should be overseen by a Board of Directors. (e.g., the GVEPS could play this role or, alternatively, the Board could be comprised of representatives from regional associations with an economic development focus

such as the proposed Arts Development Office, VIATeC, Peninsula Agricultural Commission, Chambers of Commerce, etc.). The Board should meet on a regular (e.g., quarterly) basis and should monitor the progress of the office in achieving the region's economic vision and goals. In order to ensure that the priorities of this function do not end up being driven by the mandates of specific funding agencies, it is critical that it have a secure and "no strings attached" source of funding.

As a next step, the GVEPS will need to:

- Determine the appropriate governance structure for a regional economic development function (e.g., Board of Directors and CEO).
- Determine from where the economic development function should be administered. The location should be visible and easy to access. A downtown location is preferable.
- Establish a mandate, organizational structure, operating principals and CEO responsibilities. Consider a Board of Directors structure with mixed public/private and geographical representation. Non-regional (e.g., up-island) economic development representatives could also be invited to participate either actively or as observer in the establishment and operation of the office. The size of the Board of Directors must be kept manageable (i.e., 8 to 10 maximum) though, and consideration given to individual business capabilities when recruiting members.
- Maintain flexibility in the service area of the new organization so as to avoid artificial boundary limitations on economic development activities and to allow for natural economic development synergies on the south island.
- Confirm operating costs, funding formula and funding options. For example, allocate a portion of business license fees from each municipality to the function. Ensure that adequate levels of funding are provided to allow the new organization to successfully deliver its mandate and services.
- Establish targets and metrics to gauge the success of the office and tie these to contract/salary arrangements.
- Appoint a CEO. The preferred candidate will be high profile and have demonstrable community economic development experience and credibility with the business community. Ensure due diligence during appointment process.

In making the recommendations outlined above, the following concerns and benefits are recognized:

Concerns

- Locating the proposed economic development champion function in the downtown core may be perceived by some as favouring the downtown rather than other parts of the region – nevertheless a downtown location is important and will contribute to the revitalization of the core;
- The structure of the economic development function needs to be carefully designed to avoid creation of a bureaucracy with limited accountability; and,

- There may be concern that investing in a regional economic office will not generate an “economic development” return on investment.

Advantages:

- Would ensure someone is assigned responsibility for championing regional economic development (otherwise, who would have this responsibility?);
- Established measures and targets could be used to ensure the function remains accountable and meets regional economic development objectives; and,
- A dedicated economic development champion could play an important role in facilitating many key economic development activities such as maintaining a regional industrial and commercial land inventory.

Blueprint Press/Information Release

Despite the articles that were published and the interviews, focus group and workshops that were held during the Blueprint development process, many people are probably unaware of this document. As it is unlikely people will support something they are not familiar with, it will be important that the GVEPS take steps to raise awareness of the Blueprint. This can be done by distributing a press/information release on the project to local media and governments and to the individuals and organizations who were invited to participate in the final workshop. This release should include instructions for accessing the document on the Internet.

Appendices

- A. Bibliography and Information Sources
- B. Public Consultation Activities
- C. Supporting Tables – Jurisdictional Interdependency Analysis
- D. Opportunity Evaluation
- E. Blueprint Workshop – Summary of Participant Input

Appendix A - Bibliography and Information Sources

Appendix A

Bibliography and Information Sources

BC Stats. *BC Manufacturers' Directory*. 2002.

BC Stats. *British Columbia Regional District July 1 Population Projections: 2006-2015: P.E.O.P.L.E. Projection Run 27*. August 2002.

BC Hydro. Business [CARE] Victoria: Community Assisted Retention and Expansion Program. 2001.

BC Hydro. *BC Hydro Business [CARE] Victoria, Interim Results Report*. January 18, 2001.

Business and Industrial Development Commission. *Victoria and Esquimalt Harbours: A New Perspective*. July 1987.

Capital Regional District Regional Planning Services. *1996 Census Municipal Profiles for Central Saanich, North Saanich, Sidney, Gulf Islands and Capital Region*. October, 1998.

Capital Regional District Regional Planning Services. *1996 Census Tract Profile for View Royal, Metchosin, Langford District, Langford EA, Highlands, Colwood & Sooke*. December, 1998.

Capital Regional District Regional Planning Services. *An Analysis of Policies and Priorities in the Capital Region*. September, 1996.

Capital Regional District Regional Planning Services. *A Proposed Regional Growth Strategy for BC's Capital Region*. March 2001.

Capital Regional District Regional Planning Services. *Capital Region Profile – Overview Vol. 1, No. 1*. Spring, 1996.

Capital Regional District Regional Planning Services. *Capital Region Profile – Physical Setting Vol. 1, No. 3*. Spring, 1996.

Capital Regional District Regional Planning Services. *Capital Region Profile – Labour Market Vol. 1, No. 5*. Spring, 1996.

Capital Regional District Regional Planning Services. *Capital Region Profile Transportation Vol. 6, No. 1*. Winter, 1997.

Capital Regional District Regional Planning Services. *Capital Region Profile Agriculture Vol. 7, No. 1*. Winter, 1999.

Capital Regional District Regional Planning Services. *Capital Region Trends Vol. 17, No. 2.* October 2001.

Capital Regional District Regional Planning Services. *Capital Region Trends Vol. 17, No. 1.* April 2001.

Capital Regional District Regional Planning Services. *Capital Region Trends Vol. 16, No. 2.* October 2000.

Capital Regional District Regional Planning Services. *Development Review Volume 18 No.1.* March 2002.

Capital Regional District Regional Planning Services. *Development Review Volume 18 No.2.* June 2002.

Capital Regional District Regional Planning Services. *Development Review Volume 19 No.1.* June 2002.

Capital Regional District Regional Planning Services. *Island in a Sea of Change: Trends Affecting the Future of the Capital Regional District.* Undated.

Capital Regional District Regional Planning Services. *Official Community Plan (OCP) Option Background Report. Summary Reports: Population, Employment and Housing Unit Projections, 1996-2001.* November 1997.

Capital Regional District Regional Planning Services. *Population, Dwelling Unit & Employment Projections for the Capital Region's Growth Strategy Alternatives, 1996-2001.* June 2000.

Capital Regional District Regional Planning Services. *Sidney – A Complete Community?* April 2001.

Capital Regional District Regional Planning Services. *Technical Analysis and Assessment Regional Growth Strategy Options for the Capital Region.* July 2000.

Capital Regional District Regional Planning Services. *Technical Analysis and Assessment Regional Growth Strategy Options for the Capital Region – Appendices.* July 2000.

Capital Regional District Regional Planning Services. *The Capital Regional District Regional Growth Strategy.* February 2002.

City of Victoria. *City of Victoria Economic Development Strategy: Draft Background Document.* March 1998.

City of Victoria. *City of Victoria Economic Development Strategy.* Undated (1998?)

City of Victoria. *Economic Development Strategy Update*. 2002

City of Victoria. *2000 Corporate Strategic Plan*.

Colliers International. *Victoria Annual Industrial Report – Summer 2002* and *Victoria Annual Retail Report – Summer 2002*.

Corporation of the District of Oak Bay. *Oak Bay Official Community Plan*. 1997.

District of North Saanich. *Official Community Plan*. 1999.

Greater Victoria Chamber of Commerce – Urban Revitalization Policy Committee. *Urban Revitalization in Greater Victoria: Options for Discussion*. January 2003.

Greater Victoria Economic Development Commission. *Smart Communities Demonstration Project Business Plan*. January 12, 2000.

Greater Victoria Economic Development Commission. *The Greater Victoria Round Table on Economic Issues*. Spring 1996.

Greater Victoria Economic Development Commission. *The Victoria Economy...by the numbers...*Fall 2001.

KPMG. *Regional Performing Arts Centre Business Plan*. May 2001.

Ministry of Agriculture, Fisheries and Food. *Census of Agriculture 2001*.

Ministry of Education. *Ministry of Education Service Plan, 2002/2003 – 2004/2005*. Feb. 2002.

Ministry of Municipal Affairs – Local Government Structure Branch. *Managing Changes to Local Government Structure in British Columbia: A Review and Program Guide*. October 2000.

Roger Barnes Marketing Planning. *Tourism Victoria & BC Ferries Lower Mainland Getaway Market: 2001*.

Synachor Management Inc. *Canadian Neptune Project: The Feasibility of a Victoria Ocean Science Centre*. April 12, 2002.

Smith, Dr. Brock, University of Victoria. *Tourism Victoria: Exit Survey Annual Report*. 2001

Smith, Dr. Brock, University of Victoria. *Tourism Victoria: Quarterly Exit Survey Report: Second Quarter*. 2001

Tourism Victoria. *Victoria Accommodation Survey: YTD Summary Report*. 2001

Town of Sidney. *Final Report of the Corporate Strategy Community Vision Committee*. January 1999.

Township of Esquimalt, Planning and Engineering Services. *Official Community Plan*. December, 1996.

Vancouver Island Advanced Technology Centre. *Capital Region Economy Advanced Technology Employment: CREATE Report*. February 15, 2002.

Westland Resource Group. *Island in a Sea of Change: Trends Affecting the Future of the Capital Regional District*. October 9, 1996.

Yates, Thorn & Associates et. al. *Capital Regional District Regional Arts Strategic Plan: Final Report – Part I: Policy and Organizational Planning*. January 2003.

Statistical Sources

Bank of Montreal Economics Department
BC Stats
Capital Regional District
Conference Board of Canada
Department of Finance Canada
Financial Consumer Agency of Canada
Industry Canada
Ministry of Agriculture, Fisheries and Food
RBC Financial Group Economic s Department
Statistics Canada
Victoria Real Estate Board
Westcan Terminals Ltd.

Appendix B - Public Consultation Activities

Appendix B
Public Consultation Activities

This appendix summarizes information on the nature, dates (if applicable) and participants in the public consultation activities undertaken as part of this project.

Municipal Leaders Focus Group – Held January 30, 2003 from 1 p.m. to 4 p.m.

The following municipal representatives were sent a written invitation to attend the January 30th workshop. Those that were unable to attend were invited to phone and arrange a telephone interview if they were interested in providing input.

Invited	Title	Jurisdiction	Participated
Allison Habkirk	Mayor	Central Saanich	
Jody Twa	Mayor	Colwood	
Darwin Robinson	Mayor	Esquimalt	Yes (alternate)
Karen Roessingh	Mayor	Highlands	Completed Survey
Stewart Young	Mayor	Langford	
Karen Watson	Mayor	Metchosin	
Ted Daly	Mayor	North Saanich	
Chris Causton	Mayor	Oak Bay	Yes
Frank Leonard	Mayor	Saanich	Phone interview
Don Amos	Mayor	Sidney	Yes
Ed MacGregor	Mayor	Sooke	Yes (alternate)
Alan Lowe	Mayor	Victoria	Yes
Graham Hill	Mayor	View Royal	Yes
Erik Lund	Director	Juan de Fuca EA	
Gary Holman	Director	Saltspring Island EA	
Rich Tamboline	Director	Outer Gulf Islands EA	

First Nations and Aboriginal Leaders Focus Group – Scheduled for January 29, 2003 from 1 p.m. to 4 p.m.

The following First Nations and aboriginal representatives were sent a written invitation to attend the January 29th workshop. They were also invited to phone and arrange a telephone interview if they were interested in providing input but were unable to attend the session. No First Nations or aboriginal leaders attended the session.

Invited	Title	Jurisdiction	Participated
Bert Charles	Chief	Beecher Bay First Nation	No
Benedict Thomas	Chief	Esquimalt First Nation	No
Arthur Jones	Chief	Pacheedaht First Nation	No
Donald Williams	Chief	Pauquachin First Nation	No
Gary Albany	Chief	Songhees First Nation	No
Andrew Planes	Chief	T'sou-ke First Nation	No
Simon Smith	Chief	Tsartlip First Nation	No
Allan Claxton	Chief	Tsawout First Nation	No
Vern Jacks	Chief	Tseycum First Nation	No

One-on-One Interviews – Conducted during January and February 2003

Approximately 50 stakeholder groups were contacted by telephone and asked to participate in an interview with a member of the study team or to complete an e-mail survey. Of those contacted, the 31 listed below provided a response. The interview/survey questions are provided at the conclusion of this Appendix.

Interviewee	Organization
Bill Taylor	YM/YWCA
Maureen Duncan	United Way
Liz Ashton	Camosun College
Hugh McDonald	SportHost
Mary-Ellen Echle	Business Development Bank
Claire Ward	Sprott Shaw College
Laurie Brown	Laurie Brown & Associates
Al Kemp	Rental Owners and Managers Association of BC (ROMA BC)
Sandra Mack	CEDCO
Carole Didier	Retail BC (Indigo Developments Ltd.)
Allan Allnut	Times Colonist
Paul Gerrard	Gorge Tillicum Community Association (on behalf of Saanich Community Association Network – SCAN)
Brad Forth	Power Measurement Ltd.
Ryan Pettersen	Retail BC (Levi's Store Owner)
Art Kool	Urban Development Institute

Interviewee	Organization
Michelle Le Sage/ Gilbert Noussitou	BC Restaurant and Food Services Association Victoria Branch
Dennis Carlsen	City of Victoria Economic Development Planner
Dr. Richard Skinner	Royal Roads University
Michael O'Connor	McConnan, Bion, O'Connor and Peterson
Shelley Gudgeon	Angel Foods Management
Jim Ralph	Rogers Chocolates
Gareth Turner	Investors Group (Home and Office Support Team)
Gary Potter	Broadmead Area Residents Association (BARA) (Part of Saanich Community Association Network – SCAN)
Peter Baillie	Epic Biosonics Inc.
Dr. David Turpin	University of Victoria
Detleft Beck	Coast Capital Savings Credit Union
Paul Ridout	King Bros. Ltd.
Elizabeth Wagner	Arts Advisory Council – Capital Regional District
Robert Bennett	Municipal Software Corporation
Cheryl Bryce	Songhees First Nation
John McCannel	Royal Bank of Canada

Final Workshop– April 1, 2003 – Ocean Pointe Resort

A total of 177 people were sent a written invitation to participate in a half-day workshop with the study team and the GVEPS. Invitees included MLAs, mayors, other civic representatives, First Nations chiefs, business operators and representatives of community organizations. The purpose of the workshop, which was attended by 81 people, was to provide an update of the Blueprint development process and to give participants the opportunity to comment on the draft vision and goals and the economic development recommendations, and to make suggestions regarding options for encouraging the successful implementation of major opportunities. More details on this workshop are provided in Appendix E.

Focus Group and Interview Questions

Local Government Focus Group Questions

- What do you feel are the major advantages or assets of the Capital Region that could support or promote further economic development?
- Looking at regional economic development prospects, what are the major constraints, obstacles, or challenges that need to be overcome in order for further economic development to occur?
- Considering these advantages and challenges, what do you consider to be the top five economic development opportunities in the Capital Region?
- What are the key barriers to achieving these opportunities?
- What can be done to overcome these barriers?
- Which of these opportunities do you think would be welcomed by the residents in your municipality?
- What concerns might they have about the opportunities they would **not** welcome?
- What planning, regulatory, or servicing changes might be needed in your municipality to allow or encourage appropriate economic development to occur?
- What role can you and the jurisdiction you represent play in moving the region forward with implementing economic development opportunities and advancing the state of economic development in general?
- How can jurisdictions work more cooperatively with one another to achieve economic development goals for the region as a whole?
- What is your perspective on the future state of the economy in this region?
- Do you have any other suggestions or observations regarding economic development in the region?

Business Operators and Community Agency Questions

- What do you feel are the major advantages, or “assets and opportunities”, of the region in terms of promoting further economic development?
- Looking at economic development in general, and at a regional level, what do you feel are the major constraints, or challenges, that need to be overcome in order for further progress to be made?

- Recognizing these challenges, and building off these advantages, what do you consider to be the top five priorities in terms of **new** economic development opportunities. What are the key barriers to achieving these opportunities and what would you identify as possible “solutions” for overcoming these barriers?
- Likewise, recognizing these challenges, and building off these advantages, what do you consider to be the top five priorities in terms of **existing** economic development opportunities. What are the key barriers to achieving these opportunities and what would you identify as possible “solutions” for overcoming these barriers?
- Do you have any other suggestions or observations regarding economic development in the region?
- In general, what is your perspective on the future state of the economy in this region?

Appendix C - Supporting Tables: Jurisdictional Interdependency Analysis

Appendix C

Supporting Tables – Jurisdictional Interdependency Analysis

The economic linkages between CRD municipalities discussed in the Jurisdictional Interdependency Analysis chapter are largely based on Census data. This appendix presents the data upon which the assessment is based. This data is summarized in the attached two tables that are described below.

Table C-1 - Labour Force by Place of Employment: This table is based on Journey to Work data from the 1996 Census (20% survey) which is the most recent data available. The data in this table relates only to people actually working when the Census took place (unlike Table C-2 which relates to the total experienced labour force). The left hand column refers to place of residence while the second row listing municipalities refers to place of employment. The second column (Total LF in Area) identifies the total number of the employed labour force that lives in the associated municipality. By following each row across, it is possible to see the number and percentage of the labour force employed in each of the respective municipalities. The column on the right hand side of the table shows the number and percentage of CRD residents that work outside the CRD. Note that this table does not account for residents of other jurisdictions (e.g., Cowichan Valley Regional District) that commute to the CRD to work.

Table C-2 - Labour Force by Industry and Place of Residence: This table is based on Labour Force by Industry data from the 1996 Census (20%) survey which is the most recent data available. The data in this table relates to the entire experienced labour force (including those who were unemployed when the survey was done) which is why the numbers are higher than those in Table C-1. The left hand column refers to place of residence while the second row listing industries refers to the industry experience of the labour force. The second column (Experience Labour Force) identifies the total number of the experienced labour force that lives in the associated municipality. By following each row across, it is possible to see the number and percentage of this labour force with experience in each of the respective industries.

Labour Force Place of Residence	Total LF in Area	Table C1 - Labour Force - Place of Employment (1996 Census - Journey to Work Data)													Other BC				
		CRD	North Saanich	Sidney	Central Saanich	Saanich	Oak Bay	Victoria	Esquimalt	Colwood	Metchosin	Langford	View Royal	High- lands		Subd. A	Subd. B	Subd. C	
CRD Total	123,190	120,035	1,735	4,515	4,090	24,135	3,330	60,815	8,370	1,695	470	3,630	2,630	10	2,725	10	1,270	3,265	
		97%	1%	4%	3%	20%	3%	49%	7%	1%	0.4%	3%	2%	0%	2%	0%	0.01%	1%	3%
C. Saanich	6010	5890	255	705	1180	1080	65	2095	240	25	0%	65	90	0	10	0	0	120	
		98%	4%	12%	20%	18%	1%	35%	4%	0.4%	0%	1%	1%	0%	0%	0%	0%	2%	
Colwood	5740	5640	15	60	50	780	80	2220	1010	435	50	585	285	0	0	0	40	210	
		98%	0%	1%	1%	14%	1%	39%	18%	8%	0.9%	10%	5%	0%	0%	0%	1%	4%	
Esquimalt	6440	6330	40	55	80	855	95	2950	1885	75	10	105	130	0	0	0	0	110	
		98%	1%	1%	1%	13%	1%	46%	29%	1%	0.2%	2%	2%	0%	0.00%	0%	0%	2%	
Highlands	695	680	0	0	15	190	10	315	25	30	0	75	0	10	0	0	0	15	
		98%	0%	0%	2%	27%	1%	45%	4%	4%	0%	11%	0%	1.44%	0%	0%	0%	2%	
Langford	7060	6885	40	100	140	1150	135	2710	655	330	75	1130	375	0	0	0	35	175	
		98%	1%	1%	2%	16%	2%	38%	9%	5%	1.1%	16%	5%	0%	0%	0%	0%	2%	
Metchosin	1715	1670	15	35	45	225	35	615	105	70	145	200	115	0	0	0	50	45	
		97%	1%	2%	3%	13%	2%	36%	6%	4%	8.5%	12%	7%	0%	0%	0%	3%	3%	
N. Saanich	3650	3450	380	940	365	510	60	940	90	15	10	25	85	0	0	0	0	200	
		95%	10%	26%	10%	14%	2%	26%	2%	0.4%	0.3%	1%	2%	0%	0%	0%	0%	5%	
Oak Bay	6365	6250	50	80	100	1350	645	3670	140	45	0	50	100	0	0	0	0	115	
		98%	1%	1%	2%	21%	10%	58%	2%	1%	0.0%	1%	2%	0%	0%	0%	0%	2%	
Saanich	41325	40510	430	670	1265	11855	1110	21465	1820	310	35	645	735	0	20	0	60	815	
		98%	1%	2%	3%	29%	3%	52%	4%	1%	0.1%	2%	2%	0%	0%	0%	0%	2%	
Sidney	3420	3330	295	1345	230	380	50	870	60	0	0	10	50	0	20	0	0	90	
		97%	9%	39%	7%	11%	1%	25%	2%	0%	0%	0%	1%	0%	1%	0%	0%	3%	
Victoria	30275	29545	185	375	505	4685	985	20325	1595	160	25	290	360	0	0	0	30	730	
		98%	1%	1%	2%	15%	3%	67%	5%	1%	0.1%	1%	1%	0%	0%	0%	0%	2%	
View Royal	2680	2590	15	30	65	585	25	1260	235	20	10	105	205	0	10	0	0	90	
		97%	1%	1%	2%	22%	1%	47%	9%	1%	0.4%	4%	8%	0%	0%	0%	0%	3%	
Subdivision A	3405	3045	0	60	10	15	10	160	30	0	0	0	0	0	2665	0	0	360	
		89%	0%	2%	0%	0%	0%	5%	1%	0%	0%	0%	0%	0%	78%	0%	0%	11%	
Subdivision B	260	240	15	20	15	30	0	85	15	20	10	0	15	0	0	10	0	20	
		92%	6%	8%	6%	12%	0%	33%	6%	8%	3.8%	0%	6%	0%	0%	3.85%	0%	8%	
Subdivision C	4150	3980	0	40	25	445	25	1135	465	160	100	345	85	0	0	0	1055	170	
		96%	0%	1%	1%	11%	1%	27%	11%	4%	2.4%	8%	2%	0%	0%	0%	25%	4%	

This data was obtained for the 1996 Census (20%) data. The total labour force numbers represent people who were working at the time of the survey. All numbers are rounded to the nearest "5" -- the top line totals represent the actual total of each row and are somewhat different from the original data which reflected the effects of rounding. The actual totals were used in order to ensure that the percentage rows add to 100%.

Labour Force Place of Residence	Exp. Labour Force	Table C2 - Experienced Labour Force by Industry and Place of Residence - 1996 Census based on 1980 Industry Classifications																			
		N/A	All Industries	Agri-culture	Fishing & Trapping	Logging & Forestry	Mining, Quarrying & Oil	Manu-facturing	Construc-tion	Transpor-tation	Communica-tion & Utility	Wholesale Trade	Retail Trade	Finance & Insurance	Real Estate & Insur. Agents	Business Services	Gov't Services	Educa-tional Services	Health & Social Services	Accom Food & Bev. Services	Other Service Industries
CRD Total	167460	3765	163690	1815	625	1425	210	7965	10500	5370	3240	4360	20560	4255	3880	10595	24910	12760	20590	14660	13770
		2%	98%	1%	0.4%	1%	0.1%	5%	6%	3%	2%	3%	13%	3%	2%	6%	15%	8%	13%	9%	8%
Central Saanich	7875	60	7785	260	20	110	10	350	530	315	240	235	830	285	170	370	1210	605	1000	430	715
		1%	99%	3%	0.3%	1%	0.1%	4%	7%	4%	3%	3%	11%	4%	2%	5%	16%	8%	13%	6%	9%
Colwood	7415	130	7270	20	10	80	65	275	620	180	170	235	915	175	160	280	1725	385	1015	455	475
		2%	98%	0.3%	0.1%	1%	1%	4%	9%	2%	2%	3%	13%	2%	2%	4%	24%	5%	14%	6%	7%
Esquimalt	8500	205	8250	30	40	50	10	420	555	285	145	300	830	140	185	405	2245	315	910	700	555
		2%	97%	0.4%	0.5%	1%	0.1%	5%	7%	3%	2%	4%	10%	2%	2%	5%	27%	4%	11%	8%	7%
Highlands	890	0	890	45	0	25	0	70	75	25	30	45	75	0	45	80	120	30	135	40	50
		0%	100%	5%	0%	3%	0%	8%	8%	3%	3%	5%	8%	0%	5%	9%	13%	3%	15%	4%	6%
Langford	9570	190	9390	95	30	80	0	610	805	260	245	365	1360	270	175	435	1445	515	1170	710	760
		2%	98%	1%	0.3%	1%	0%	6%	9%	3%	3%	4%	14%	3%	2%	5%	15%	5%	12%	8%	8%
Metchosin	2495	45	2465	105	10	50	0	185	235	40	80	45	205	40	50	120	370	255	320	170	130
		2%	99%	4%	0.4%	2%	0%	8%	10%	2%	3%	2%	8%	2%	2%	5%	15%	10%	13%	7%	5%
North Saanich	5385	55	5320	90	55	35	10	420	465	375	85	165	550	155	185	420	495	440	620	255	470
		1%	99%	2%	1%	1%	0.2%	8%	9%	7%	2%	3%	10%	3%	3%	8%	9%	8%	12%	5%	9%
Oak Bay	8390	185	8195	30	30	65	10	160	255	195	75	190	770	275	305	885	1145	1205	1230	625	615
		2%	98%	0.4%	0.4%	1%	0.1%	2%	3%	2%	1%	2%	9%	3%	4%	11%	14%	15%	15%	8%	8%
Saanich	53760	1040	52770	545	135	240	55	2415	3210	1485	1135	1450	6870	1560	1125	3265	7590	4835	7025	4720	4250
		2%	98%	1%	0.3%	0.5%	0.1%	5%	6%	3%	2%	3%	13%	3%	2%	6%	14%	9%	13%	9%	8%
Sidney	4640	140	4495	35	15	0	10	330	210	400	130	125	680	80	110	295	385	235	540	390	345
		3%	97%	1%	0.3%	0%	0%	7%	5%	9%	3%	3%	15%	2%	2%	7%	9%	5%	12%	9%	8%
Victoria	40675	1195	39495	100	85	285	10	1830	1950	930	545	860	5145	970	1050	3110	6025	2840	4785	4870	3715
		3%	97%	0.3%	0.2%	1%	0.03%	5%	5%	2%	1%	2%	13%	2%	3%	8%	15%	7%	12%	12%	9%
View Royal	3540	85	3450	30	10	45	0	220	300	165	55	50	580	80	80	215	580	150	405	180	260
		2%	97%	1%	0.3%	1%	0%	6%	9%	5%	2%	1%	17%	2%	2%	6%	17%	4%	12%	5%	8%
Subdivision A	6390	190	6195	340	95	55	20	290	635	470	110	80	685	115	130	370	275	460	540	620	745
		3%	97%	5%	2%	1%	0.3%	5%	10%	8%	2%	1%	11%	2%	2%	6%	4%	7%	9%	10%	12%
Subdivision B	300	0	300	0	15	0	0	10	20	15	0	20	25	10	10	30	60	35	20	10	40
		0%	100%	0%	5%	0%	0%	3%	7%	5%	0%	7%	8%	3%	3%	10%	20%	12%	7%	3%	13%
Subdivision C	6060	150	5935	90	45	265	10	320	510	190	140	165	810	90	50	255	925	365	700	380	555
		2%	98%	2%	1%	4%	0.2%	5%	9%	3%	2%	3%	14%	2%	1%	4%	16%	6%	12%	6%	9%
Subdivision D	70	15	55	0	10	0	0	0	0	0	0	0	20	0	0	0	10	0	0	10	0
		21%	79%	0%	0%	18%	0%	0%	0%	0%	0%	0%	36%	0%	0%	0%	18%	0%	0%	18%	0%
Indian Reserves	1510	80	1430	0	30	30	0	60	125	40	55	30	210	10	50	60	305	90	175	95	90
		5%	95%	0%	2%	2%	0%	4%	9%	3%	4%	2%	15%	1%	3%	4%	21%	6%	12%	7%	6%

Appendix D - Opportunity Evaluation

Table D-1: Summary Evaluation of Economic Development Opportunities

Opportunity & Sector	Evaluation Criteria										OVERALL RATING
	Competitive Advantage	Availability of Resources	Availability of Infrastructure	Capital and Land Base to Support Sustainable Dev.	Public Investment Requirements	Community Support	Appropriate to the Region's Unique Culture & Environment	Contribution to Local Business Viability and Strength	Contribution to Region's Economic Resiliency		
Food and Agriculture Agriculture processing infrastructure such as a commercial production kitchen, specialty food processing facilities, or a meat processing plant	Moderate. Numerous non-local and some local competitors exist. Increasing demand for specialty food products.	High. Many raw food products available locally. Generally suitable for lower skilled workers so adequate labour force likely available.	Moderate. Adequate utilities. Processing facilities/land required.	Moderate. Concept being pursued by local community organization. Capital/land availability not known but believed to be limited at present.	Low	Moderate to high. Generally supportive although a meat processing plant may generate concerns.	Moderate to high. Adds value to current agriculture sector. Contributes to ability to "feed ourselves".	Low	Moderate. Will build capacity on what is currently a small component of the region's economy.	19 - 21	
	2	3	2	2	3	2-3	2-3	1	2		
Expand agricultural sector including production of organic foods, greenhouse products, wineries, etc.	Moderate. Demand growing, but hard for some local producers to compete cost-wise with cheaper producers.	Moderate. Large areas of ALR, good soil and growing conditions. Some concerns re: high prices of energy and water and limited pesticide free land.	High. Although transportation costs affect viability of off-island market expansion.	High. Promising sustainable activity. High quality soil. Growing interest in investing in "grow our own".	Low	High	High	Moderate.	Moderate. Will build capacity on what is currently a small but very stable component of the region's economy	23	
	2	2	3	3	3	3	3	2	2		
Value-added fishing opportunities (processing)	Low. Numerous competitors on the island limits competitive advantage.	Low to moderate. Potential limits on fish harvesting due to gov't restrictions may limit supply. Adequate utilities.	Moderate. Transportation costs and waste management issues may affect viability.	Low to moderate. Likely a challenge to obtain financing. Sustainability dependent on fisheries resources.	Low	Moderate	Moderate. Support will depend on the health of the fisheries resource.	Low. This would be a new business but could provide a local market for fishers.	Low	14-16	
	1	1-2	2	1-2	3	2	2	1	1		

Opportunity & Sector		Evaluation Criteria										OVERALL RATING				
		Competitive Advantage	Availability of Resources	Availability of Infrastructure	Capital and Land Base to Support Sustainable Dev.	Public Investments Requirements	Community Support	Appropriate to the Region's Unique Culture & Environment	Contribution to Local Business Viability and Strength	Contribution to Region's Economic Resiliency						
Development																
Acquire DND lands from the Federal Government for resale to private developers	Moderate – due to current limited availability of developable land in the region. Not sure land is for sale.	Moderate. Depending on the nature of development (e.g., residential) adequate resources likely available.	Moderate. Would depend on the nature of development. Infrastructure req'ts of residential development much different from industrial development.	Moderate. Would depend on nature of development.	Low	Moderate. Would depend on nature of the development.	Moderate. Would depend on nature of the development.	Moderate. Would depend on nature of the development.	Low	Moderate. Would depend on nature of the development.	Low	Moderate. Would depend on nature of the development.	Moderate. Would depend on nature of the development.	Moderate. Would depend on nature of the development.	18	
	2	2	2	2	3	2	2	2	3	2	1	2	2	2		
Examine options for making land available for industrial development and infilling	Low to moderate. In general, it would be a challenge for the region to have a competitive industry sector due to the costs of land, transportation and labour relative to competitive regions.	Moderate to high. Resources likely adequate depending on the location of the land and the type of industrial development sought.	Moderate. Would depend on the nature of development as infrastructure req'ts vary by industry.	Low to moderate. Some land available for infilling. New industrial land likely limited. Rating depends on the nature and sustainability of the industrial development.	Low	Low to high. Support for more industrial development likely covers full spectrum from adamantly opposed to very supportive depending on the nature of the industry.	Low to moderate. Depends on the location and type of industry. Light/clean industry would likely be seen as positive while heavier industry could have a negative impact on the visual/clean appeal of the region.	Moderate. Could support new, well paying business development and generate spin-off (e.g., supply) opportunities for existing businesses.	Moderate. Could generate reasonably significant construction activity and new business opportunities.	High	Moderate. Could support new, well paying business development and generate spin-off (e.g., supply) opportunities for existing businesses.	2	Moderate. Could generate reasonably significant construction activity and new business opportunities.	Moderate. Could generate reasonably significant construction activity and new business opportunities.	15 - 21	
	1 - 2	2 - 3	2	1 - 2	3	1 - 3	1 - 2	1 - 2	2	2	2	2	2	2		
Revitalization of the metropolitan core that includes residential development	High. The competitive advantage of the metropolitan core has historically been very strong relative to other commercial nodes. This advantage is being threatened by social problems and government office relocation	High. Resources not an issue.	High. Traditional infrastructure (e.g., transportation) not really an issue.	Moderate. Land base not an issue. Availability of capital (e.g., for social facilities, etc.) is limited.	High. Large investment in social infrastructure and services required for successful revitalization.	High.	High	High	High	High	High	Moderate to high. Moderate employment potential but potentially significant benefit to health of existing businesses.	Moderate to high. Moderate employment potential but potentially significant benefit to health of existing businesses.	23-24		
	3	3	3	2	1	3	3	3	3	3	3	2-3	2-3			

Opportunity & Sector		Evaluation Criteria										OVERALL RATING
		Competitive Advantage	Availability of Resources	Availability of Infrastructure	Capital and Land Base to Support Sustainable Dev.	Public Investment Requirements	Community Support	Appropriate to the Region's Unique Culture & Environment	Contribution to Local Business Viability and Strength	Contribution to Region's Economic Resiliency		
Manufacturing												
Value added wood manufacturing to take advantage of local/island designers	Low. Numerous existing on and off island competitors.	Low to Moderate. Fibre supply shortages. Potential concerns re: water/energy req'ts depending on nature and scale of operation.	Low. High transportation costs for off-island markets. Waste management may be a concern.	Low. May be hard to obtain capital due to current problems in the forestry industry. Challenge to find suitable plant site. Sustainability of fibre supply an issue.	Low	Moderate to high. Depending on nature of the plant.	High. Builds on creative expertise in the region.	Low. Will create competitors for existing value-added companies.	Low	14 - 16		
	1	1-2	1	1	3	2-3	3	1	1			
Expand the marine science and industry sector	Moderate to high. A number of competitors in this sector. However, existing sector well established with increasing market profile.	Moderate to high. Generally adequate material resources. Availability of additional skilled labour may be limited.	High. Would need to confirm this with the industry, but generally, infrastructure appears to be meeting sector needs.	Moderate to high. Land in the Rock Bay area, for example, suitable for marine industry and research site development.	Low to moderate. Depends on extent of R&D focus which typically requires public investment.	High. Depending on the location of any new industrial facilities.	High. Consistent with existing focus on and promotion of marine sector.	High	Moderate	22 - 25		
	2-3	2-3	3	2	2-3	3	3	3	2			
Transportation												
Develop light rail or rapid transit facilities	Low to moderate. Convenience of car transportation main challenge to viability of LRT.	Moderate. Req'd material resources likely largely available. Unsure of availability of suitably skilled labour force. Potentially significant energy req'ts.	Low. Extensive infrastructure req'ts including ROW, terminals, etc.	Low. Very difficult to obtain required capital. Depending on routing, land availability may be a significant constraint.	High	Low to High. Support for this opportunity ranges significantly.	Moderate	Moderate. Depending on routing. Could make it easier for people to get to commercial destinations which could contribute to the viability of these businesses.	Low in terms of contribution to economic resiliency but high in terms of construction job creation potential.	12 - 15		
	1-2	2	1	1	1	1-3	2	2	1			
Expansion of existing port infrastructure (i.e., cargo handling)	High relative to on island competitors. Can build on existing demand for port services. Cargo handling opportunities limited to servicing the island.	Moderate to high. Hard to confirm with limited knowledge of requirements. Likely have adequate resources locally.	Moderate. On land transportation (e.g., transporting goods to terminal) and waste management could be issues.	Moderate. Possible site at Ogdon Point. High capital req'ts.	High	Low to high. Likely opposed by James Bay residents but supported by other residents.	Low. Inconsistent with Ogdon Point's existing economic focus on tourism and environmental issues would need to be well managed.	Moderate to high depending on port capacity and service profile.	Moderate	18 - 20		
	3	2-3	2	2	1	1-3	1	2-3	2			

Opportunity & Sector		Evaluation Criteria										OVERALL RATING
		Competitive Advantage	Availability of Resources	Availability of Infrastructure	Capital and Land Base to Support Sustainable Dev.	Public Investment Requirements	Community Support	Appropriate to the Region's Unique Culture & Environment	Contribution to Local Business Viability and Strength	Contribution to Region's Economic Resiliency		
Redevelop Inner Harbour and associated ferry terminal facilities		High. No competitors.	High. All resources likely available.	Moderate. Potential to stress road capacity. Waste management may be an issue.	Moderate. Land base available. Capital requirements very high.	High	High	High. Consistent with existing economic focus on tourism and marine sectors but environmental issues would need to be well managed.	High. Augments existing tourism and marine sectors.	High.	23	
		3	3	2	2	1	3	3	3	3		
Advanced Technology												
Develop biotech opportunities (e.g., establish a biotech research institute)		Low. Established competition in Vancouver and Seattle. Limited economies of scale.	Moderate. Most resources available. Skilled labour may be a concern.	High	Moderate to high depending on availability of capital.	Low	Moderate to high depending on the nature of the products.	High	High. Supports post-sec programs, the proposed Medical Centre, and other research facilities.	Low to moderate	20 - 23	
		1	2	3	2-3	3	2-3	3	3	1-2		
Expansion of high technology and knowledge-based businesses (e.g., niche hardware, software, GIS, instrumentation, manufacturing)		Moderate. Extensive global competition. However, strong niche products are better positioned for expansion. Competitive advantage will improve as critical mass builds.	High with exception of highly skilled labour.	High. Strong fibre optics network and high tech park. Key issue is limited resources to provide business advisory services to start-up companies.	Moderate to high. Excess capacity in tech centres so space not an issue. Difficult for start-up (risky) technology companies to obtain investment capital.	Low	High	High	Moderate	Moderate to high	23 - 25	
		2	3	3	2-3	3	3	3	2	2-3		
Education												
Increase the profile of the region to non-local and foreign students re: school, university and ESL programs		High. Program quality, community safety, size, and visual appeal all attractive to students. Proximity to Asia an asset.	High	High. Numerous existing educational facilities and programs.	High	Low to high depending on whether the institution is public or private.	High	High	Moderate	Low	22 - 24	
		3	3	3	3	1-3	3	3	2	1		

Opportunity & Sector		Evaluation Criteria										OVERALL RATING
		Competitive Advantage	Availability of Resources	Availability of Infrastructure	Capital and Land Base to Support Sustainable Dev.	Public Investments Requirements	Community Support	Appropriate to the Region's Unique Culture & Environment	Contribution to Local Business Viability and Strength	Contribution to Region's Economic Resiliency		
Export education products and research (e.g., online/distance learning programs, curricula development)	Moderate to High. Depends on program quality, market awareness, size of competition.	High	High	Moderate to high depending on public sector funding required.	Low to moderate depending on public sector funding required.	High	High	Moderate	Moderate	Moderate	22 - 25	
	2-3	3	3	2-3	2-3	3	3	2	2	2		
Specialty schools (e.g., massage, catering, trades)	Low. Strong existing local (e.g., Camosun for trades) and non-local competition.	High	High	Moderate. Land base not an issue but securing capital may be a challenge for private operators.	Low	Low to moderate	Moderate	Low	Low	Low	17 - 18	
	1	3	3	2	3	1-2	2	1	1	1		
Sport, Art, Culture												
Attract world class athletes to local training facilities	High. Quality, year-round facilities exist in region. Appealing training climate and established training profile.	High	Moderate to high with island location creating transportation cost/timing issues.	High	Low	High	High	Low	Low	Low	22 - 23	
	3	3	2-3	3	3	3	3	1	1	1		
Host international and national level events (e.g., biking, rowing, kayaking/canoeing)	High. Quality, year-round facilities.	High	Moderate to high with island location creating transportation cost/timing issues.	Moderate to high. Land base available but capital to host events may be limited (i.e., lack of local corporate sponsors).	Low	High	High	Moderate	Moderate	Moderate	23 - 25	
	3	3	2-3	2-3	3	3	3	2	2	2		
Replace the downtown Y building with a destination facility (e.g., Y facilities, pool, library, classrooms)	High. Established market and reputation and good downtown location.	High	High	Moderate. If built on existing site, land base not an issue. However, capital req'ts would be very high.	Moderate – largely due to library funding requirements.	Moderate – depending on scale of the development.	High	Low	Low	Low – except for short-term construction jobs.	20	
	3	3	3	2	2	2	3	1	1	1		
Invest in museums and galleries such as the provincial museum and support cultural precinct concept.	High. Established market and reputation. No significant local competitors.	High	High	Moderate. Capital requirements could be fairly high.	Moderate – depending on funding source of new organizational structure.	Moderate	High	Moderate	Moderate	Low	21	
	3	3	3	2	2	2	3	2	2	1		

Opportunity & Sector		Evaluation Criteria										OVERALL RATING
		Competitive Advantage	Availability of Resources	Availability of Infrastructure	Capital and Land Base to Support Sustainable Dev.	Public Investments Requirements	Community Support	Appropriate to the Region's Unique Culture & Environment	Contribution to Local Business Viability and Strength	Contribution to Region's Economic Resiliency		
Build a world class performing arts centre		Moderate. Limited local competition. However, Vancouver and Seattle offer a variety of quality facilities.	High	Moderate. Depending on location, transportation and street capacity may be issues.	Moderate. Various site options available but capital requirements very high.	High – depending on how it's funded.	Low to high. Support appears to vary considerably.	High	Moderate. Will draw more people to location, enhance arts sector employment, generate spin-off spending (e.g., restaurants).	Low	17 - 19	
		2	3	2	2	1	1-3	3	2	1		
Tourism												
Increase ecotourism opportunities for visitors		Moderate. Significant global competition but recent increase seen in local ecotourism product and visitor participation rates.	High	Moderate to high. Some transportation issues due to limited air links.	Low to high. Land base not generally an issue but acquiring capital can be difficult for tourism operators.	Low	High	Moderate	Moderate	Low	20 - 23	
		2	3	2-3	1-3	3	3	3	2	1		
Expand the packaging and promotion of tourism products		High. Very well established tourism industry and market awareness.	High	Moderate to high. Some transportation issues due to limited air links.	Moderate – challenge to get marketing dollars.	Low	High	Moderate	Moderate	Moderate	23 - 25	
		3	3	2-3	2	3	3	3	3	2		
Take advantage of the new multiplex to attract special events and exhibits (and expand season)		Moderate. Vancouver and Seattle will continue to attract bigger shows. Possible contribution from other local facilities (e.g., proposed west shore arena).	High	Moderate to high depending on the transportation req'ts of the event.	High	Low	High	Low	Low	Moderate – depending on scale and frequency of events.	22 - 23	
		2	3	2-3	3	3	3	3	1	2		
Build a larger conference facility		High. Very appealing conference destination.	High	Moderate. Transportation into region (e.g., limited air links) and local street capacity limits may be issues.	Moderate. Various site options available but capital requirements very high.	High	Moderate – due to public funding requirements.	High	High	Moderate to high depending on scale and number of conferences.	23 - 24	
		3	3	2	2	3	2	3	3	2-3		

Opportunity & Sector	Evaluation Criteria										OVERALL RATING
	Competitive Advantage	Availability of Resources	Availability of Infrastructure	Capital and Land Base to Support Sustainable Dev.	Public Investments Requirements	Community Support	Appropriate to the Region's Unique Culture & Environment	Contribution to Local Business Viability and Strength	Contribution to Region's Economic Resiliency		
Other Services											
Develop corporate support services such as call centers and back office support	Moderate. Have high quality of life but not as inexpensive as other Canadian competitive locations.	High	High	High	Low	High	Moderate	Moderate to high depending on number of employees.	Moderate to high depending on number of employees.		21 - 23
	2	3	3	2	3	2	2	2-3	2-3	Low	
Accommodation and support services for seniors (e.g., congregate care, retirement facilities, travel services)	High. High proportion of seniors. Quality of life, climate and services appealing to this segment.	High	High	High	Low	Moderate. Some concern re: building an economy on the retirement sector.	High	Low	Low		22
	3	3	3	3	3	2	3	1	1		

Appendix E - Blueprint Workshop: Summary of Participant Input

Economic Development Blueprint

April 1, 2003 Workshop Summary Notes from Working Groups

Introduction

A total of 81 people participated in the Economic Development Blueprint workshop held from 8:30 a.m. to 12:30 p.m. on April 1, 2003 at the Ocean Pointe Resort. These participants were divided into 12 working groups. Each working group was overseen by a facilitator who was responsible for recording the input of participants on a flip chart. This input was provided in response to nine specific questions posed to each group. The following provides a typed version of the working notes prepared by each facilitator for the 12 working groups. As some of the note taking was fairly cryptic, and as there is a tendency to move around from topic to topic in these types of sessions, the flow of the notes may not always be that clear.

The responses to each question are ordered from 1 to 12 to reflect the responses from each working group. If there are no comments associated with a working group, this either means that the group did not address this question or that no responses were recorded.

Working Session 1

Question 1a). Please consider the vision and goals for the economic future of the region. Are the vision and goals consistent with your view of a desirable future for the region?

Working Group 2

- Good “motherhood” statement, but....

Working Group 3

- Economy
 - Awareness of the importance of economic vitality
 - Regional awareness commitment
 - Communication/understanding
 - Downtown core
 - Regions “heart and soul”
 - How the world sees us!!
- Transportation
- Housing

Working Group 4

- Make region more visible in province/Canada/US
 - Why desirable location
- People know area as tourists, but not as place with business potential
- View US model, but want sustainability which can be seen as constraint
- Definition of sustainability different in each community
- Missing – exports/imports focus – recognition that we rely on outside world
- Seek resources/markets outside of Victoria
- Tend to isolate ourselves
- High-tech export everything
 - Import people (knowledge/skills)
- 2 goals are a subset of other goal:
 - Profitable businesses
 - Lasting/meaningful employment
 - Skilled and flexible workforce

Working Group 5

- Community , pride and confidence
 - Should include “Community Economic Development” community level
 - Should be more specific (i.e., what type of economic development?)
- “Sustainability” needs to have specific definition
- “Profitable and Stable Businesses”
 - change to “a region that is committed to profitable stable and sustainable businesses”.

- “Goal” of inter-jurisdictional co-operation, not competing for economic development
- Skilled/flexible labour goal
 - Change to “skilled and educated workforce”
 - Matching education and skills
- Economic development should be welcomed

Working Group 6

- The term “growth” (i.e., population) is not included – this is ok – don’t want to focus on this.
- “Action oriented” should be included – proactive vs. reactive
- Are there demographic factors (i.e., seniors less “action oriented”?; want to maintain peace and quite?)
- Small town attitude, population is spread out
- Diversity of:
 - Businesses
 - Opportunities
- Increased innovation
- Improved diversity of businesses
- Taking greater advantage
- Building cooperation
- OR economy that is based on Greater...
 - Innovation
 - Diversity of business opportunities
 - Utilization of unique attributes
 - Cooperation
- GOALS
 - Action oriented community proactive, driven, focused and goal oriented
 - Positive planning that encourages and supports growth of healthy business

Working Group 7

- Conference Board of Canada
 - “Bottom of heap”
 - Infrastructure investment
 - Inhibited by
 - Labour laws
 - Tax system
 - Regulations
 - Redevelopment needs

Working Group 8

- Strategic infrastructure for capital and business services:

- Access to capital
 - Old and new economy – comprehensive marketing
 - Internal / external
 - Venture capital (start-ups)
- Business friendly
 - More freedom to use lands
 - Economy for all
 - Seed money
- Proactive recruitment
 - Old / new economy
 - Internal / external
- Smart City
 - Carry on
- Benchmark, evaluation and celebration
- Focus on enterprises that are likely to succeed
- Coordinated / facilitative approach among our municipalities, leading to a more integrated approach.

Working Group 9

- Goal statements are acceptable “motherhood” statements EXCEPT for “meaningful and lasting employment”. It should say “Diverse employment for all?”.

Working Group 10

- Agree with “motherhood statement

Working Group 11

- Missing from report
 - Start with demographic analysis
 - Missing population growth issues (e.g., impact of aging, losing younger population and labour force)
- Problem – Unaffordable City/Region
 - Won’t be able to attract people
 - Hard to attract business (e.g., large space users)
 - “Lake Tahoe / Whistler” syndrome
 - pricing out people and business
- Motherhood statement
 - Some value, innocuous
 - Quality of life very important
 - Sustainability
 - Not bad, but need more
 - Lots of other communities doing the same
 - Marketing the same

- We attract individuals
- Hard to get cooperation
- But is it a problem or diversity?
- Depends on service
 - Emergency services
 - Core services

Working Group 12

- Vision – generally good
- Includes business start-ups (currently 25/month)
- More effective than focus on external marketing

Question 1 b). What improvements would you make to the vision and goals?

Working Group 1

- Want to attract innovators and capital to region, but need to ensure flexibility re: how this is pursued (regulatory, support entrepreneurs, etc.)
- Leverage off regional “assets”
- Interdependency core element of vision (collective action) (act as a region on basis of shared values)
 - Government re: regulatory role that supports this; businesses re: responsibilities & advantages to own financial prosperity
 - Local government, residents, business, institutions.

Working Group 2

- What’s new / does this engage us?
- Missing
 - Equity of resource distribution from senior government.
- Add:
 - “Engaging the community” to vision – help support coordination of efforts
 - Educate community
 - Increase awareness of economy
- Need vision to engage better:
 - Jobs
 - Policy makers
 - Decision makers
- Need to make community a stakeholder

Working Group 3

- Planning and regulatory environment communication
- Amalgamation??
- Building regulations.

Working Group 4

- Don’t see the word “safe”(secure – i.e., downtown)
 - Vision – to be safe (secure City)
- Exciting / dynamic – not staid

Working Group 10

- Duplication re: workforce and employment goals (tackle together)

Working Group 11

- Address aging population
- Encourage population growth and retention

- Recognize the numbers moving out of workforce
- More focus on affordability
- Problem:
 - no history of wealth creation
 - people bring it with them
 - lots of money, but not made here
 - lots of public sector

Working Group 12

- Goal of Vibrant Downtown
- Why
 - Natural geography lends itself to it
 - Harbour is underutilized
 - Marketplace, arts center
 - Focus on people, all the time – pedestrian streets
 - Water a unique asset
- Focus on skills, training and education for the arts
- Who owns the Blueprint? It's only part of the vision, not sufficient
- Where is the volunteer sector: focus is on business and enterprise
- Need some of the key elements of quality of life in the economic vision
- Vision needs to be deeply held community-wide
 - Why – needed to overcome lack of understanding and develop consensus
 - Add – Access to venture capital and business mentoring
 - Need to include goal about measuring success (especially against competitors – benchmarking)
 - Add – Goal on willingness and commitment with money behind it
 - Need durable partnership with financial resources to make it happen

Question 2 i). Please consider and comment on the “top four” actions to improve the region’s business climate. Are there other more serious issues that should be on the list?

Working Group 2

- Inter-municipal cooperation relies heavily on distribution of funding
 - Equity of sharing – Federal and Provincial
- Need to re-think
 - Partnerships
 - Package needs (e.g., affordable housing w/youth employment)
- Absence of leadership at all levels (re: skills shortage – ITAC)
- Put prejudices aside
- More honest assessment of regional resources
- Encourage engagement by all community organizations whether business or government
 - It is all of our problems
- Need to engage resources at high level to fix these problems

Working Group 3

- Aging population
- Loss of senior workforce
- First Nations – young population
- Delete a.

Working Group 4

- Good list – emphasize #1
- Talk about inter-municipal cooperation, but what about community organizations?
- Municipal cooperation works in lots of areas, but not in the area of economic development. Don’t evaluate decisions through lens of its impact on economic development.
- Regional make-up makes it easy to say “they should do it” – who is “they”?

Working Group 5

- *Enhance our reputation as having a positive business climate – “leading edge businesses”
- *Promote:
 - Leaders
 - Businesses
 - Opportunities
- *Address Needs/Support Existing Businesses
- Address housing affordability (attract new residents)
- Make our challenges our opportunities
- *Inter-jurisdictional cooperation a central theme

- Seek senior govt support

Working Group 7

- Quality of Life; attracts:
 - Private education
 - Private health care
 - Expand universities
 - Technology
 - Teaching hospital

Working Group 9

- Revitalizing the metropolitan core and ensuring that it remains a vital hub for business and community activities.
 - Complement economic and social development in the region.

Working Group 11

- Cooperation is key
- Problem:
 - Local government funding
 - Reliance on property tax; too small of base for infrastructure
 - Federal government's urban strategy
 - Will need cooperative effort – not 13 hands out!
- Need to address social issues:
 - Can't just be Victoria = regional responsibility
 - How do we do this??
- Cooperating on infrastructure
 - Develop strategies for making a more affordable community
 - Strategies for retaining young people and attracting others
 - Address cooperation with First Nations and their needs and economic uncertainty - work with them
 - Needs a regional focus – arms-length from politicians (eg: Doel Corp)

Working Group 12

- Business climate
 - Need way to integrate arts, culture and volunteer groups into economic strategy (expanded definition of business)

Question 2 ii). What actions should be taken to remedy the most serious issue(s)?

Working Group 1

- Local business supporting co-op placements; student employment – Promote this, but not just government dollars
- Get our act together re: municipalities acting as region
- “Show me the money” funding mechanism
 - coordinated approach to accessing federal funding
- Need inter-jurisdictional cooperation/partnership (transition to structural integration)
 - Raise awareness, and understanding of need
 - Urgent that region becomes more of a player
- Municipalities contribute money (share resources) towards regional strategies and initiatives, but see slide 3
- Plus revisit CRD Charter re: role and functions
- Need “business friendly” regional representatives and government staff:
 - Impact and image of region
 - The Collective Mentality
 - Commit to vision and goals
 - Build understanding and knowledge
 - “How can I help you?”
 - Not Command and Control
- Building mobility within region (both to and from)
 - Transportation infrastructure and modes
 - On/Off Island
 - But also recognize need to protect quality of life and advantages of living in region.
- Support changes to labour code/regulations
 - Achieve more of a balance between business requirements and labour needs
 - Support government in making changes that enable competitiveness/flexibility/adaptation while maintaining core employee protection

Working Group 2

- Education, engagement and resource leveling
 - Create passion, sense of importance around issues

Working Group 3

- Regional recognition focus on downtown issues
- Junior Chamber?
- Regional / external communications

Working Group 4

- Agree on problems but disagree on solutions

- We're at a key stage
 - Need to decide to cooperate and move forward or stand still!
 - If key stakeholders don't agree to move forward, process is a waste of time.
- Amalgamation
 - Why has tourism been able to pull itself together across the region without inter-jurisdictional issues?
 - Because they have a consistent budget!
 - Have looked to government for solution-need to look at business community/organizations to set tone. Tourism Victoria – model.
 - How do you get people to look at the “whole” picture (region) not just their own area/region?
 - Multiple rules (jurisdictions) difficult for businesses that want to operate in multi-jurisdictions.
 - Due to globalization, we can't afford to have fractured regions/industry.
- Remedy
 - Opportunity – economic development is a driver for the region,
 - Start cooperating at municipal/business level
 - All have resources to contribute.
- Mechanisms?
 - Merging of physical / human resources

Working Group 5

- Communicate the implications of continued complacency
- Communicate the implications of:
 - Eroded (residential) tax base
 - Building science research facility – building construction
 - Export technology
- “H + C” – Bring together all organizations listed in RGS
- Seek senior government involvement

Working Group 6

- Coordinated actions for removing barriers and defining accountabilities
 - Perception of safety, cleanliness, parking, panhandlers, etc. reflects poorly
- Region-wide:
 - Support and strengthen the metro core to ensure that it is the hub for businesses and community activities (through addressing perceptions, better links between neighborhoods, walking, etc.)
- Improve waterfront, not just in Victoria, but throughout the region – huge potential destination for tourism mixed uses – not just residential
- Build sub-regional support systems, activities, nodes, throughout region – should be connected “RGMS”
- Economic development of all areas equally important
- Waterfront must support marine industries

- Approve, publicize, and implement the Regional Growth Strategy.

Working Group 7

- Nurture local stakeholders
 - Commitment
 - Cross sectional
- Support exiting marketing
 - Private sector
 - Other bodies
- Revitalize residential

Working Group 9

- Revitalizing the metropolitan core and ensuring that it remains a vital hub for business and community activities.
 - Complement economic and social development in the region.

Working Group 10

- Inter-jurisdictional cooperation
 - Rationalize various municipal services doing away with duplication
- Downtown Core
 - Build support Greater Victoria-wide for a healthy downtown core
 - Various economic cores need focus
- Labour force issues
 - Need more cooperation with unions
 - Need more flexibility
 - Skilled trade shortage
 - Capitalizing on 2nd careers for mature workers
 - Housing costs for students and young people (?)
- Implementation
 - Does it break down here? Some skeptical that this will drift away.

Working Group 11

- Need a statement on working with provincial and federal governments for infrastructure development / funding.
- Metro Core = region's downtown
 - Is good, but needs work
 - Need to create something new – can't expect to see what was there 25 years ago
 - Need to attract more people
- Focus:
 - Arts, recreation

- Entertainment
- Residential
- Need regional component to finance these issues / solutions
- Labour
 - Supportive of it
 - Public sector can have some effect
 - Need to attract and retain labour
 - Attitude is crucial
 - Need to build up a critical mass of young labour
 - Also recognize education (academic) under this strategy (not just skill development)
- Image
 - May need to create different image, beyond “Tea and Scones” (eg: given of “Manchester” more hip than London)
- Key Issues
 - Cooperative approach to infrastructure
 - We need to have our act together when money does not become available.

Working Group 12

2 ii) What actions should be taken to remedy the most serious issue(s)?

- Item A reflects approach of past – need something much more forceful
 - What does it mean?
 - If we use approach of the past, will get same results as past.
- Need cross-sector body to develop and implement economic strategy for region
 - Players – Arts, business, First Nations, Government, etc....
 - Needs clear mandate – financial resources to do the job
- Suggestion:
 - Aggregate money being spent locally already to get more value for resources
- Options:
 - One big group -get each to define their economic visions
 - Need to find way to move all entities to take regional perspective
 - Need to think about larger economic region (i.e., CRD & CVRD together)
 - Transportation – local ownership of E & N
- Business climate
 - Better communication about assets of region (both CRD and CVRD)
 - Market (strategy for V.I. as a whole)
 - Why? Thinking too small – perhaps, but not unanimous
 - Need for Blueprint but who owns it?
 - As a result, language is vague without ownership (i.e., the CRD model)
 - Need to identify the champions who will do the coordination, etc. Need external marketing too

Working Session 2

Question 1i). Please consider the top four economic development opportunities in the region. Are there other major regional opportunities that satisfy the evaluation criteria that you think should be on the list?

Working Group 1

- “Build off what is here”
- Develop arts and cultural precinct
 - Future performing arts
 - Leverage off heritage funding
- Film production
- Invest in supporting infrastructure (equipment, supplies, people...) Not just create business, but create jobs
- “Niche” and specialty products such as advanced instrumentation (light high-tech)

Working Group 2

- Secondary education / distance education
 - Royal Roads University self-sustaining
 - Public sector training facilities
- Expand b. to include eco-tourism and educational tourism
- Amend a. to say.....”in which we have unique advantages”, such as:
 - Marine technology
 - Aquaculture
 - Distance education technologies
 - Instrumentation technology (AXYS, Power Measurement)
 - Medical technology
 - E-commerce /e-government
- Add to this – take advantage of weather for off-season opportunities

Working Group 3

- Add research facilities post-secondary institutions – link to c.
- Short-term opportunities; long-term opportunities
- Disaggregate items
- Conference center
- c. more info?
- Downtown issues
- Eco-tourism
- Film industry
- Food, wine, aquaculture
 - Tourism
 - Education

- Image
- South Island
- Leverage local innovation
 - Kyoto
 - Housing

Working Group 4

- People services around retirement sector
- Health services – medical school spin-off opportunities
- Ship building – odd one relative to other 3 opportunities
- Study of fresh water and sustainability in light of development (export technology re: protection of water quality)
- Human resources issues – graduating students:
 - lack of affordability,
 - limited higher paying jobs
 - affecting ability to retain

Working Group 5

- Eco-tourism – development opportunity
- No current promotion yet
- Tourism does not necessarily offer the best:
 - Jobs
 - Revenues
- Tourism
 - Eco-tourism
 - Arts & Culture tourism
- Vertically integrate shipbuilding / marine
- Victoria & Esquimalt Harbours could serve as “clusters” for boat building, repairs, marine industries, etc.
- Interface between tourism and marine
 - Boat races / Swiftsure
 - Yacht repairs en route
- Film industry could/should be added
- Establish region as center for environmental excellence
 - Building tech “LEEDS”
 - Marine technology
 - Tourism
 - Harbour management
- “Branding” region as ECO – we have momentum!
- “Small business” applies to all of the above – needs to be recognized
- Manufacturing .

Working Group 6

- Tourism – low paying, high turnover, seasonal, low education opportunity? **This is common mis-perception!*
- Focus on advanced tech, etc.
- Online education – specifically, business, trades, tourism
- Online educational software development “Pioneer” an educational platform connected with content.
 - This is not “location” specific
- Private health services
 - Research
 - Preventative
 - Alternative
- Ship/boat – transportation has been limiting in the past
 - Have larger facilities, but services for smaller luxury boats
- Avoid “cyclical” industries (or de-emphasize?)
- Add eco-tourism specifically need to recognize natural attractions
 - Agri-tourism, wineries, specialty products
 - Develop off-season awareness

Working Group 7

- Shipbuilding
 - Ship repair
 - Sustainable but limited growth
 - Yacht building limited by exchange rate
 - Limited commercial
 - Limited by access to facilities
- High-tech
 - Natural link to education
 - Large scale manufacturing is limited
 - Land base for expansion
- Tourism
 - Reliance on eco-tourism
 - Off-season
 - Gambling
 - Arts
 - Security
 - Snowbirds
- Hosting Sport/Arts
 - Calgary
 - Volunteer base

- Lack of facilities / coordination?
- Film?
- Other Opportunities
- Private health
 - Inevitable
 - Need to research needs
 - Enterprise voice
- Private education
 - Infrastructure
 - Public education
- Barriers
 - Regulation
 - Marketing

Working Group 8

- Artisans
- Home care
- Agricultural sector
- Environment
- Trades
- A coordinated initiative
 - Agriculture
 - Food (base strategy)
 - Necessity
 - Rising cost of food a concern
 - Lack of local food infrastructure
 - Requires access to capital
 - Cooperative ventures
 - Organic approach

Working Group 9

- Action items:
 - Add medical and health services
 - Expand the tourism sector through the development of tourism products through the region and through infrastructure improvements to reduce the seasonality of tourism
 - Sustain and expand the marine industry sector
 - Assess the potential to build agri-businesses that expands on the region's agriculture base (wineries, organic produce, greenhouses)

Working Group 10

- Decide, does this community welcome “industrial” industry?
 - Advanced tech with tax incentives
 - Quality tourism growth
 - Focus on increasing length of stay
 - Niche products
 - Cruising
 - Performing arts
 - Focus on boats (over ships)
 - Building
 - Repairs
 - Concerns re: ranking
 - Especially competitiveness of sport facilities

Working Group 11

- Two growth areas missing
 - Health
 - Education
- Island medial program (UVic)
 - Huge spin-off
 - Top cardiologist and cardiac care
 - Wellness sector – not supported or marketed
 - Challenge
 - Finding the new tech sectors – innovators for this
 - Discovery park (UVic)
 - Pursue climate of innovation, R.D., design
 - Focus on contributing elements
- Tourism
 - Recognize new sectors
 - Agri-tourism, wineries, eco-tourism
- Problem:
 - Lack of tourism in local plans, OCPs/RGS – lots of potential
 - Education – graphic design – potential
 - Health, education and new medic design (not just focused on “gadgets”)
 - Too narrow – broaden to include:
 - Support development of the Port of Victoria, port lands and centre of economic growth
 - Shipbuilding -- Minor aspect, recognize, but is broader
 - Marine technology sector
 - Neptune Project

- Many spin-offs
- Sports, tourism (cycling tourism eg: triathlons)
 - Don't market this, but have the facilities
 - Look at synergies with Olympic 2010 bid
 - Training
 - National conference
- Performing arts
 - Value? Elitist? Does it take money away from other opportunities?
- Harbour
 - Part of metro-core revitalization
- Tourism
 - Need to improve access to places
 - Peninsula
 - West coast (especially, Sooke, Port Renfrew)
 - Connections with Cowichan Valley

Working Group 12

- Expand locally controlled finance sector (eg: rising tide on a larger scale)
- Local control of infrastructure and resources (eg: E & N, Forests)
- Build on models of success -- Look at champions
- Define clearly those areas in which we are competitive (assist business in getting into areas where they can be successful).
- What opportunities are there to serve larger population of seniors and boomers?
- Focus on arts centred small business (eg: 22 Dance; _____ in CRD)
- People don't want to come here to get something they can get at home in the winter
- Export of education
 - K-12
 - Universities (Colleges)
 - Private schools
- First Nations, Culture/Education Centre
 - Tourism
 - Cultural presentation
 - Education for youth
- Centre of Excellence for learning
 - Uses technology to take education to the world
 - Become one of the leading areas in the world on the education/technology nexus
 - Focus on having our own railroad linking the island: 2-way connections
- Transportation \ Affordable housing (e.g., call centers; affordable housing areas are poorly served by transit)
 - Better transportation / housing, increase opportunity

Question 1 ii). What suggestions can you make to encourage successful implementation of the major opportunities?

Working Group 1

- Specialty and International education and learning tours and tourism education (general to product expertise)
 - Offerings (health, high-tech, trades)
 - Export product and import students
- Broaden mariner industries
 - Infrastructure (terminal, inner harbour)
 - Research and develop
 - Cruise ship (repairs, supplies, etc)
- National team coaching and training
- Maximize SVZ participation in 2010 Olympic Bid Sport Tourism

Working Group 2

- Hi-tech (VIATeC – long-term sustainable funding required)
- Engage senior government in vision of local initiatives to ensure core funding
- Post-secondary
 - Ease VISA process
 - More appropriate accommodation for W. Communities (RRU)
- Commitment to support what exists
 - Don't reinvent the wheel, but leverage strengths of existing organizations with leveraging resources (in-kind?)
- Look at GVEPS, perhaps add new partners to ensure representation
- Use this group to champion this Economic Development Blueprint and to move it forward

Working Group 3

- Technology blueprint
- Tourism blueprint
- Regional marketing
 - Tourism
 - Economic development
 - Tech
 - Marine

Working Group 4

- Reliable funding model
- Limited examples of effective sustainable models for economic development (e.g., high-techs – small start-up companies can't afford to contribute much (i.e., to an organization like VIATeC)

- High-tech incubation services
 - How do you take (any entrepreneur) and raise their business skills to the point where they're a viable operation?
- VIATeC focusing on labour force issues because that's what HRDC makes money available for.
- Money required for "help resource system" re: labour issues – for businesses generally.
- Marketing opportunities to community – identifying value of various sectors, but who should do this?
- Local press – highlight economic opportunities and sectors – raise profile
- Need to convince community of our economic potential / success.
- Building on 2010 – e.g.; opportunity D, but need to identify our "market"
- Funding for new tourism product development
- Conference facilities – for mid-priced events

Working Group 5

- Cooperative (Co-ops) as Source of Community Economic Development
- Focus on one or two initiatives – do not try to be all things to all people
- Assess capacity of communities / region to handle initiatives
- Encourage successful implementation by all municipalities to build on existing small businesses
- Resources – economic development is competitive and needs resources to businesses and municipalities
- Involve communities – not adversarial
- Engage senior governments – not adversarial

Working Group 6

- Transportation in and between areas is key
 - Should be convenient
 - Affordable
 - Timely (24 hours)
- Leadership is fragmented/non-existent
 - Need a leader
 - Need to build on unanimity of support for this Blueprint
 - Everyone agrees, but with no money, difficult
 - Where is money going to come from?
- Some resistance to yet another bureaucracy funded by taxpayers
- Fragmentation is a "fact of life"
 - Do we need to work around it?
 - No need to "Solve" this -- Show increased service and/or decreased costs.
- Create regional non-governmental agency to lead
 - Identify beneficiaries of development (infrastructure and/or promotion)
 - Sectors, partnerships, government, First Nations, Business Sectors

- Funding?
 - Business
 - Community
- Pro-Business climate
- No main point of contact for new business – who represents all parties (learn from Call Centre process)
- Could be expensive and no tangible output – must be focused and productive
- We are competing for tourism with many others – we need to be more active and aggressive in pursuing opportunities
- Building infrastructure – limited by lack of critical mass
 - Workforce
 - Commercial space limited
 - Transportation
- Look at Destination Marketing Commission (DMC) as model for organization (should be a partnership between business and government - senior local government, community, First Nations)
- Wide participation (usually comes when at rock bottom)
- Gain community commitment for plan
- Use working groups for key interest/areas – made up of interested businesses (tourism/marine), First Nations, NGOs, etc.
- Regular meetings – small – to coordinate working groups
- Get jurisdictions to agree on 4 key areas

Working Group 7

- Other initiatives
 - Dependent on public funding
 - No access to capital
- Keys to success
 - Private sector interest
 - Funding source stable
- Recognized entity
 - Tourism Victoria
 - VIATeC
 - VFC
- Partnership stressed
- Group of sector-based economic entities
- Take the lead – commitment
- Access capital

Working Group 8

- Lack of understanding
 - Boards currently exist

- Need to bring groups together
- Bio-tech / Health
 - Sector exploding
 - Knowledge-based
 - High paying jobs
- Identify / support innovation clusters
- Shipbuilding Issue/Harbour/Marine
 - New materials / specialized skills
 - Should focus on upgrading older vessels with new technologies
- Sport/Culture
 - State of the art recreation facility
 - Training
 - Housing
 - Education
 - Tourism
 - Large, complicated issue
 - “Where do you start”?
 - Can one group support this?
 - Too many special interest groups
 - Working partnership required (buy-in)
 - Ensure we are investing in both small and large aspects of tourism
 - Tie into Vancouver Island
 - Work together
 - “World Class Vision”
 - Again, think Island, not Malahat – South

Working Group 10

- Additional priority industries
 - Wineries, organic and healthy agriculture
 - Fishing potential \$100M industry
 - Pacific Rim focus – business, education, research
 - World Class “Stratford”

Working Group 12

- General Comments
 - High level, no tactical level – how do we do it?
 - What about small business?
 - Don’t give up on resource sector (eg: off-shore oil)
 - Value-added (market focused)
- Implementation
 - Eliminate red tape to fast-track our priorities

- Need to get our share of federal money (especially for big projects)
- Effective leadership at provincial / federal / local levels
- Need to establish baseline conditions for our goals and benchmarks for success (eg: as in Oregon)
- Benchmarks give framework for all sorts of efforts and common conversation on success / accountability
- Put social infrastructure in place for youth opportunities (eg: trades, training, good apprenticeship programs – in shipbuilding?)
- Back-up rhetoric with actions, resources / champions (eg: apprenticeships)
- Need to fund the leadership to move things along
 - To enable people to champion ideas at community level (money for capacity building)
 - Stakeholders own Blueprint (eg; fund that could provide grants)
 - Benchmarks
 - Budget facilitator process
 - Annual review / accountability
- Success – need to create an environment where people take care of small, but critical things:
 - Graffiti
 - Cleanliness
 - Work ethic
- Some frustration with persistence of problems

Question 2a). In your opinion, what has limited the success of other economic development strategies?

Working Group 1

- Regional zoning
- Immigration and foreign qualifications (improve allowances to retain immigrants)
- Issue is regional & (CRD) governance “silos” (lack of cohesiveness) and funding and lack of commitment towards taking a regional approach among (_____) governments.
- Regional economic development body
 - Promotion of region “integrated economic development”
 - Identification of strengths and opportunities for means of economic development growth.
 - Access funding at regional level
 - Bring together fragmented agencies with economic development mandates
 - Accountability draw on government but also business leaders (+ Provincial Government appointments)
 - Board (“innovation”) may be beyond this region in representation – build toward this.

Working Group 2

- Money
- Lack of input – community
- Too broad set of objectives

Working Group 3

- Cross-border issues
- Downtown social and economic development allocation of costs / benefits
- Education / awareness / communications

Working Group 4

- Lack of awareness re: strategies
- Everyone operating their own silo
- No coordination / consensus
- No champion driving process
- Leadership, leadership, leadership
- Lack of inter-jurisdictional cooperation
- Competition among communities to get business opportunities.

Working Group 5

- Lack of coordination among 14 local governments.
- Lack of budget/resources/staff

- Lack of political leadership
- Economy not seen as important issue
- Lack of education of community
- Lack of goodwill among municipalities/politicians/staff

Working Group 8

- No actualization
- No commitment plan (problem)
- Need an implementation partnership around each strategy
 - Need a champion for each
 - Need to bring in new “talent” > inter-community
 - Be self-relying, not rely on funding (initiative)
 - Improve federal presence
- Environment
 - Business success
 - Need media coverage/recognition
 - Emerging economic driver
- Media Plan
 - Cooperation of media companies
 - Perception of poor access
 - We are “business-friendly” but need improvement
 - Celebrate our diverse successes
- Diversify leadership
 - By sector
 - Understand that GVEPS can’t do everything
 - Expand membership
 - Include public / voluntary sectors
- EPS
 - Umbrella organization
 - Questionable buy-in without Vision Statement
 - Need to include community groups
 - Need to facilitate this group to prepare one common vision
 - Lots of interest to support this initiative
 - Society to proactively meet with special interest groups to bring them into the solution.
 - “Capture the interest of the community in our economic future”
 - Take decision making away from those with one vested interest
 - Losing families as loved ones leave for work elsewhere
 - Once the Vision Plan is complete, need to ensure that actions are implemented.

Working Group 9

- Location to Vancouver has, in some ways, limited Victoria's development
- Lack of integrated regional structure to implement economic plan

Working Group 10

- Success has been limited by:
 - Lots of planning (big picture); not enough focus on action plan and its implementation
 - Mixed messages in municipal planning (e.g., business in quiet zones)
 - Partisan voting on some municipal councils
 - Lack of strong, action-oriented political leaders with strong vision and strong action orientation funding issues to implement some infrastructure needs

Working Group 11

- Don't know of any strategic coordination in support of previous strategies
- Look at pre-disposing factors within each sector

Working Group 12

- We don't know if the past efforts have failed because we don't measure and track our success
- They have worked well for the very limited resources that have been put into it
- Always been competition,
 - lack of focus,
 - lack of accountability
 - lack of funding
- People in leadership don't seem to understand issues/opportunities and don't have political courage to bring community along.
- Barriers
 - Neither political nor business leaders do good job of selling the importance of economic development (eg: lack of downtown BIA)

Question 2b). What can we do to make this one successful?

Working Group 2

- Community engagement – Sidney example
- One overriding project focus to encourage passion and commitment
- Awareness of our competitive situation
 - What do we have to offer US competitors?
- Incentives – tax, training, etc.

Working Group 3

- Regional
 - Education
 - Awareness
 - Communications
- Resources??
- Next – Sector/priority working groups / committees
- Overall co-ordination?

Working Group 4

- Organizations combine resources
- Perhaps one new regional organization
- Needs a champion
- Calgary model – Regional Economic Development Corporation – had champion and money
- Tap into wealthy local residents willing to support region (value-added) and participation in economic development function (money, experience, time, commitment)
- Database of organizations involved in economic development

Working Group 5

- Commit resources from:
 - Municipalities
 - Province
- Commit resources to:
 - Business promotion
- Commitment to specific actions
 - Specific deliverables
- GVEPS should be made up of:
 - Broader composition
- Commit to infrastructure
 - Make housing more affordable
 - Recognize internalized/hidden costs

Working Group 9

- Niches / activities that are compatible to or different from Vancouver:
 - Tourism
 - Marine
 - Golf
- Regional structure that is charged with the responsibility for economic development and funded appropriately with diverse membership (younger folks, women, First Nations) – more than just middle-aged white men!

Working Group 10

- Time based action plan
- Action plan with specific tactics (over generalities)
- Maintain cross sectoral mix in planning
- Focus on decision, not tons of committee meetings
- Think regionally

Working Group 11

- Need implementing strategy and frequent reporting, monitoring
- Someone accountable has to maintain it
- Problem:
 - Decision makers rarely have a role after the workshop
 - Make sub-committee of CRD and report frequently
 - Responsible for marketing materials
 - Need to keep it in the public domain
 - Need clear ownership and responsibility
 - Can't sell on negatives
 - Need to be realistic

Working Group 12

- Success
 - Regular reporting to steering/audit committee
 - Define success
 - Hold collective feet to fire (what have we done?)
 - Budget commensurate with task
 - Need community representation and buy-in

Question 3. What other advice would you provide to the Enterprise Partnership Society with regard to economic development in the region?

Working Group 1

- Need to support efforts to address homeless people / “panhandlers
- See other points

Working Group 2

- Exhibit members and their commitment
- Increase profile and communication around the partnerships constantly would encourage more investment and commitment
- Focus on one or two key projects and then move on. Focus leads to Excellence!
- Identify champion who will “go the mile”
- Show linkages w/regional growth strategy better
- Stronger political advocacy to raise awareness of regional needs.

Working Group 3

- GVEPS to talk to municipal councils
- “Community” buy in
- GVEPS to broaden its membership
- All levels of government involved

Working Group 4

- Develop database of economic development agencies
- Find champion
- Find funding
- Current GVEPS – no one person is able to commit 100%
- Let community know about Blueprint
- Some one person tasked with implementation
- How do we get from here to doing something?
- Task GVEPS to identify champion

Working Group 5

- Focus – 1 or 2 clusters
- Create organization that can implement strategy (i.e., Champion)
- Enable an existing organization
- Continue dialogue after today.

Working Group 10

- Tell community who the Enterprise Partnership is.....

Working Group 11

- Need to have public discussion to create interest and buy-in
- Constraint – in some sectors, we don't have critical mass – hard to secure
- Health – have critical mass in this area
- Need to focus on whole region, not just core (e.g., cycling strategy – broaden)
- Need better tools for communicating about region outside of this area
 - Marketing
 - Profiling – success
 - Tell the story
 - Shift our image to more contemporary image
- Critical mass
 - Marine
 - Ocean Sciences
 - UVic
 - Port
 - R & D
 - High Tech
 - Pull it together
 - Market it
 - Research and development
 - Currently “silo”
 - Could be a major focus
 - Package these assets and opportunities with need to attract workforce
 - Create “Centres of Excellence”
 - Public administration
 - R & D
 - Health
 - Enlarge the circle
 - Need new perspectives / opinions