



### *Meeting with Minister Ida Chong, March 12, 2012*

#### The Salt Spring Island Chamber of Commerce

- The Salt Spring Island Chamber of Commerce, established in 1948, is not-for-profit organization representing more than 350 business owners and individuals on the island. We enjoy strong cross section of community support – from single-person businesses, to not-for-profit organizations, larger employers, the arts and the general public. We serve as an advocate for business, growth and the well being of trade and commerce on Salt Spring and we encourage investment opportunities and economic development.
- At the Chamber's Annual General Meeting in 2010 members voted unanimously in favour of asking the Province for a review of Salt Spring's Governance Structure.

#### The Salt Spring Island Economy

- Like many other tourist-dependent communities, Salt Spring Island, with a population of 10,000 is having significant challenges in the current economic environment
  - visitation to the Island has fallen 22% over the past two years
  - Young families continue to move away due to lack of employment opportunities on the island
  - Businesses are closing or changing hands at a rapid rate and new ones are not starting up
  - We are hurting. That is why we believe a review of the way Salt spring is governed is needed now.

#### Our concern

- The current system of government on Salt Spring, with no local municipal government, appears to be a major impediment to the Chamber's efforts to strengthen the local economy. No business development programme has been funded by the Trust over the past six years, yet its budget has increased 42.3 per cent in the past three years. All of its new programmes were studies related to green initiatives, none of which bolstered the economy or fostered tourism. The 2012 Trust budget for new programs of more than \$300,000 does not include business or tourism improvement.
  - We are the largest community in BC that is not a municipality
  - Because we are not a municipality, the community is not eligible for some grants and other forms of support from Union of BC Municipalities, as well as the federal and provincial governments. As a result, our property taxes are about the same as similarly-sized municipalities, but our levels of service are lower. If Salt Spring were a

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- municipality, would have access to the Working Communities Grant Program which, based on our current population, would bring substantial financial support for economic development through 2014.
- The current system of government, fragmented between the Islands Trust and the CRD, is difficult for businesses to understand and negotiate. It does not provide a mechanism for the community to choose its spending priorities clearly and focus its resources effectively. It also does not provide the certainty and transparency that encourages businesses to invest in the local economy, nor does it provide the types of data (e.g. numbers of local businesses) that are necessary for business planning, and are normally available from municipalities.
  - Current arrangements for financing the Islands Trust disadvantage Salt Spring relative to other islands in the Trust area. This places us in a second-tier position as a community in relation to our neighbours. In turn, this impedes our ability to promote tourism (the main single driver of our community), to provide services to residents and visitors and to sustain the local economy. In 2003, Salt Spring was the number three tourism destination in BC. By 2011 it had dropped to a distant sixteenth position.
  - During the past six years, the Trust formed an Industrial Task Force to study the need for more light industrial and commercial zoning and promised to proceed on the Task Force's recommendations. This has not happened. Our voice was not heard.
  - Environmental groups such as the Climate Action Group and the Salt Spring Water Council have received funding from the Trust for various studies yet, because of current complex bylaws, no funding has been provided for economic development or business development programs during the past six years.

### Our Request

- We recognize that creating a municipality on Salt Spring raises many important issues that go beyond the strictly economic.
- We also recognize that many of the potential impacts of incorporation as a municipality, on businesses and residents, both positive and negative, are not clearly understood – by the Chamber, and by the community at large. We believe that Salt Spring residents have the right to know a complete breakdown of costs, benefits and implications of alternate forms of governance. Only after a Governance Study can they make an informed choice about the most suitable form of government for Salt Spring Island.
- **We therefore request that the Province undertake a study of all the potential impacts of incorporation of a municipality covering all of Salt Spring Island, including the impacts on businesses and the overall economy.**

- **Recognizing the current state of the Island's economy, we further request that the study be undertaken, and the results made available to all Salt Spring Island residents and businesses, as soon as possible.**

Our thanks

- On behalf of our membership, thank you for taking the time to meet with us today.
- We look forward to a positive response to our request.

Robert Steinbach, President, Salt Spring Chamber of Commerce

Pat Preston, Vice President, Salt Spring Chamber of Commerce

Ken Byron, Director, Salt Spring Chamber of Commerce