



CORMORANT ISLAND



Community Economic Profile

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October 2014





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About This Document

It is an overdue task to take a snapshot of current economic conditions on Cormorant Island. The Cormorant Island Economic Profile provides a *brief summary* of the current conditions in the Village of Alert Bay and the 'Namgis First Nation – the two communities that make up the island.

The purpose of this document is to ensure that participants involved in developing an Economic Development Strategy for Cormorant Island have a **common understanding** of the state of economic affairs and the factors that impact our economy.

In summary, this profile seeks to answer the question: “Where are we now?” so that participants in the later stages of the planning process can collectively decide, “Where do we want to go?” and “How do we get there?”

Information provided in this Economic Profile has been collected from a variety of primary and secondary sources outlined at the end of the document.

Stronger together

The 'Namgis First Nation and the Village of Alert Bay have a long history of working together and are seen as a model for how First Nations and non-Aboriginal communities can work together.

In 1999 (and again in 2012), the two communities signed the 'Alert Bay Accord', and agreed to work together and consult each other on areas of mutual interest. On a small island like Cormorant Island, there are many areas of mutual interest, including economic development, environment, heritage and the well-being of residents.

Although the two governments are now working on their first joint economic development plan, the two communities have worked together on a number of economic development projects over the years, including the boardwalk and management of the fishing pier (through the Historic Alert Bay Development Corporation (HABDC)).

See the Appendix for a recent copy of the Accord.



"Contemporary 'Namgis Art' by A.Davey, CC-by, flickr.com

Background And Past Successes

Looking back at the history of the island, it becomes obvious that the people here have a remarkable resilience; an ability to adapt to large and small changes in the natural and human worlds, and that this is something that we can, and must, draw on now as we deal with new changes and challenges.

Cormorant Island has been a vital place of settlement and commerce for thousands of years. 'Namgis first settled Cormorant Island as a seasonal place of habitation that was part of a web of extraordinarily productive winter and seasonal summer settlements. The 'Namgis economy, of which Cormorant Island was only as small part, supported 500 generations of 'Namgis people.

In the 1870s 'Namgis and colonial settlers established the permanent community of Alert Bay that for 100 years was the 'capital' of a vast Northern Vancouver Island and adjacent 'Mainland' region. Institutional services and a vibrant commercial fishing industry sector that operated in this period.

From the 1970s to the 2000s 'Namgis economic efforts were focussed on maintaining a viable commercial fishing fleet, establishing ecotourism related enterprises including the U'mista Cultural Centre, and building out a comprehensive network of 'Namgis social and health services and facilities.

The Village of Alert Bay focussed on maintenance and improvement of the key marine, recreation, cultural and utility infrastructure upon which an economy is supported.



Photo by Adriana Pritchard

In the 2000s both governments on Cormorant Island have worked together to meet goals described in the Alert Bay Accord. Effort has been placed on maintaining the social and physical infrastructure that we currently enjoy, lobbying for prudent new development, and protecting the natural environment upon which we all depend. In addition, in this period 'Namgis began to develop large-scale economic enterprises throughout their territory. The promise of this new enterprise is that the economy of Cormorant Island is being supported by business ventures located far beyond our shores.

We all have much to be grateful for. The foresight and focussed determination of those who came before us have allowed the economy of Cormorant Island to survive negative impacts that have come with government cutbacks and centralization, technological change, the activities of multi-national corporations, and climate change. There is no doubt that the current and future residents of Cormorant Island are fully able and prepared to devise a strategy for economic development that is sustainable and just.

Notes on data

Whenever possible we have used the 'Namgis' own data for 'Namgis statistics. In instances where this was not available, we have used the Statistics Canada Census and National Household Survey. We have clearly marked these instances.

'Namgis collects data every 5 years, most recently in 2014. Census Canada collects data on the Village of Alert Bay every 5 years, most recently in 2011. Therefore the information for both groups is not for the same time period, but they are compared here for lack of other information.

There are concerns about data from Statistics Canada in 2011. The first concern is that the Census data is from 2011 and is now out dated. Secondly, a large portion of the 2011 data is from the National Household Survey, a voluntary survey that replaced the mandatory long form census in 2011. Because of the voluntary nature, there are concerns that it may under represent certain groups, including low income and Aboriginals. Wherever possible we have tried to use other data.



"Namgis Burial Grounds" by David Stanley, CC-by, flickr.com

About Us



WHERE WE LIVE

Cormorant Island lies in the Broughton Strait between the mainland of British Columbia and the northeast tip of Vancouver Island. The island has two primary political jurisdictions, 'Namgis First Nation and the Village of Alert Bay. Of the 400 hectares on the island, about 249 hectares is 'Namgis First Nation land, 173 hectares is the Village of Alert Bay, 5 hectares is Whe-la-la-U (an area set aside for all Kwakwaka'wakw First Nations), and there are two small areas that are administered by the Regional District of Mount Waddington.



Cormorant Island is located within the Kwakwaka'wakw culture region that was historically home to over 30 Kwakwaka'wakw First Nations for over 10,000 years. Today, the 'Namgis are the largest of the remaining 13 Kwakwaka'wakw First Nations. Cormorant Island is also a part of the Regional District of Mount Waddington, a larger local government body that encompasses Port Hardy, Port McNeill and other areas on North Vancouver Island and the mainland.

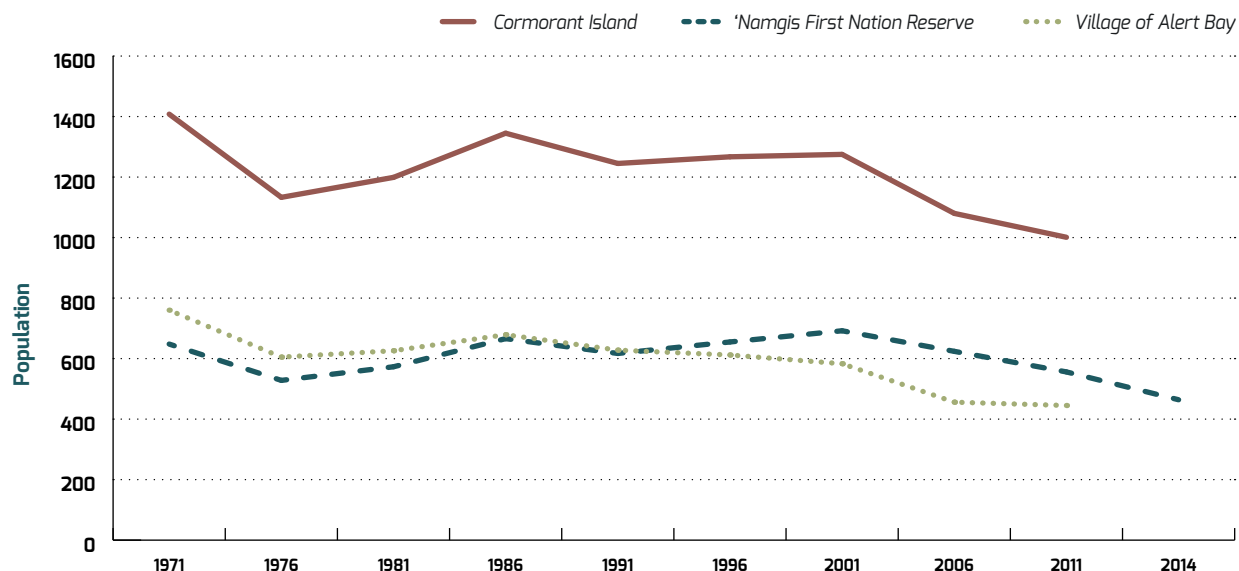
POPULATION

Population trends are often related to economic performance and well-being. People often move away when there are no jobs, and move into areas when jobs are plentiful. Community liveability and sense of place (historic, cultural, and family ties) are also factors that might affect population change in a community over time. A few key trends are discussed below.

Our population is shrinking

- ▶ The population on the island is approximately 1000, made up of about 445 from the Village of Alert Bay (2011 data¹) and 550 on the 'Namgis reserves (2014 data²) (note that 80 or so 'Namgis members that live in the Village of Alert Bay would be counted under Village statistics).
- ▶ The graph below illustrates that the population of the island has been declining since the early 1980's, mainly driven by decreases in the Village of Alert Bay. The 'Namgis population on Cormorant Island was growing until the early 2000's and has been declining slightly since then.

LOCAL POPULATION CHANGE



Source: Statistics Canada, 'Namgis First Nation

- ▶ The figures above are for year-round residents, however, there is a large influx of people each summer (perhaps several hundred 'Namgis members each summer, depending on fishing conditions).
- ▶ Some trends that are driving these population changes have been the long-term decline in the fishing and forestry industries; the movement of young people off the island for jobs; lack of 'Namgis housing; the pullback of government and corporate jobs to bigger population centres, increasing costs of BC Ferries and BC Hydro – all of which are common trends in many rural areas. Since the mid-1980's, the 'Namgis population has not declined as much as the Village population, possibly because of stronger ties to family, culture, and land.

We are aging

- ▶ The proportion of island residents over 65 went from 6% in 1996³ to 17% in recent years⁴. If this trend continues it will have serious implications for the services needed on the island (health care vs. daycare, for example), and for the available labour force.
- ▶ The population of the Village is significantly older than the provincial and 'Namgis average. Median ages are shown below.

42 BC provincial⁵

45 'Namgis First Nation⁶

50 Village of Alert Bay⁷



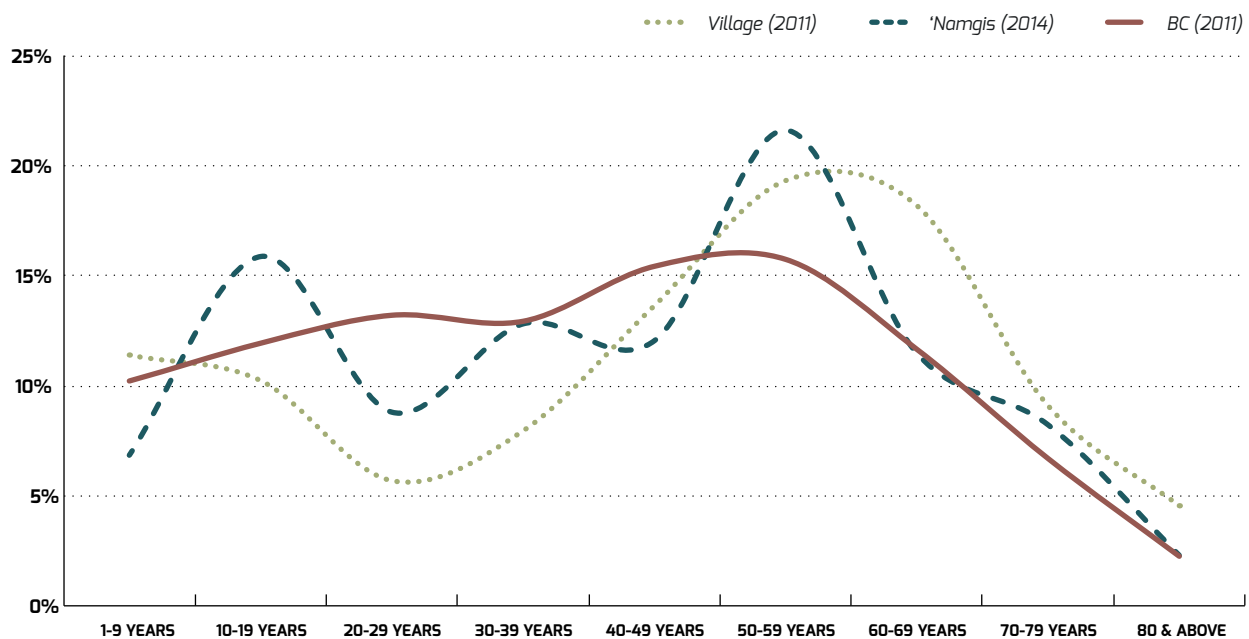
Photo by Adriana Pritchard



"At the beach", by Alan Davey, CC-by, flickr.com

- The local population is 'missing' a large portion of 20-40 year olds, relative to the provincial average. The graph below shows how Cormorant Island, and particularly the Village of Alert Bay, has less young people and more older people than the provincial average. This means that there are less working age individuals on the island.

CORMORANT ISLAND POPULATION BY AGE CATEGORY



Source: Statistics Canada 2011 Census was used for the Village of Alert Bay and BC. Namgis' own data was used (2014 data).

EDUCATION

There is a clear connection between education and economic development. Graduates tend to have higher employment rates and income levels than non-graduates. Places with good schools are better able to attract young families. An additional dimension for remote communities that do not have easily accessible secondary education facilities (like Alert Bay) is that many students move away to pursue education and may not return.

Facilities

- ▶ Cormorant Island has two elementary schools, Alert Bay Elementary (K-7) and the 'Namgis First Nation run T'lisalagi'lakw School (nursery-7). Students in grade 8 and above travel to Port McNeill every weekday for classes.⁸
- ▶ Currently there is no college on Cormorant Island, but the Cormorant Island Community Learning Centre (jointly operated by the Village of Alert Bay and 'Namgis First Nation) provides a variety of services to about 230 people per year (life skills, Adult Basic Education (ABE), drivers education, youth camp, job search, etc.). North Island College played a significant role in community education through the physical presence of post-secondary education on Cormorant Island until the closure of its Alert Bay campus in 2002. It is now more difficult for Cormorant Island residents to attend courses at North Island College, although the college has developed online course offerings.⁹

Education levels

- ▶ According to Statistics Canada (2011), education levels on Cormorant Island are lower than the provincial average (63% of Cormorant Island residents have completed high school or higher, compared to 83% for the province as a whole). One factor that could have contributed to this was the ability of fishermen and other resource professionals to get well paying jobs without high school diplomas in the past.
- ▶ Women in Cormorant Island have typically attained higher levels of education than men. According to Statistics Canada (2011) this is especially pronounced in advanced degrees – both 'Namgis and the Village **have at least double the amount of women with advanced degrees than men.**¹⁰

Our Economy



The economy of the Village of Alert Bay operates at several

levels. First, it is based on the supply of commercial and government services to the 1000 permanent residents who live on Cormorant Island. An estimated 1,000 additional persons maintain strong ties to Cormorant Island, commuting or visiting on a regular long-term basis. Second, Alert Bay merchants support the dispersed rural population of the Broughton Archipelago, particularly the First Nation residents of Kingcome, Gilford Island, New Vancouver and Hopetown communities. Finally, Alert Bay is growing in popularity as a destination for tourists who access the island either by private or commercial vessel, or via BC Ferries. These visitors, who create a welcome demand for food, accommodation and a range of interpretive services, are changing the types of business activities traditionally offered in Alert Bay and on Cormorant Island.

The decline of the commercial fishing industry from the 1990's onward, due to the negative impacts of provincial and federal regulations, resulted in a challenge to the Village's economy and cascading impacts like population loss, the clawback of government services to larger population centres, and higher unemployment rates.

Numerous economic developments studies have since identified and encouraged an economic shift towards tourism, special events, value-added, knowledge based and service industries. With this understanding, both the Village of Alert Bay and 'Namgis First Nation have taken steps to respond to the changes and diversify the local economy. Each local government has dramatically different resources and tools available to them, so the nature of these responses has been very different.



"Fishnet's house" by Arnaud DG, CC-by-sa, flickr.com



Photo by Adriana Pritchard

'Namgis has been very proactive in diversifying its local economy, and accepting of the time and patience required to make such a change. A number of economic development plans, beginning with the 1975 'NIDA' plan (Nimpkish Integrated Development Approach), drove the development of projects and initiatives – some of which worked out well, and others which did not (but provided valuable learning experiences). Projects such as Orca Sand and Gravel, the Kuterra Close Containment Salmon project, and Atli Resources are all diversifying the local economy and providing jobs for members and others, while projects like Mama'omas (fishing license management) are aiming to maintain and revive the fishing economy. There is broad recognition in the 'Namgis leadership that the majority of economic development activity in recent years has focused on off-island opportunities and improving band revenues, and it is now time to refocus activities towards Cormorant Island and developing employment/ opportunities for local people.



"The Watcher" by Alan Davey, CC-by, flickr.com

With a more restrictive mandate under BC's Local Government Act, the Village of Alert Bay has focussed on maintenance and expansion of infrastructure that supports local entrepreneurs. This activity has recently included upgrade of the Government Wharf, improvements to the trail system, a major renovation of the Alert Bay Community Hall, moving the Visitor Centre to an improved location, construction of a new Harbour Master's facility at Alert Bay Small Boat Harbour, and adoption of a new Official Community Plan.

This transition from a resource economy to a more diversified economy is not yet complete as evidenced by the presence of several unused or underutilized major commercial buildings in Alert Bay, the depressed residential housing market, and the island's decreasing population.

SECTOR SUMMARIES

The current state of the main sectors of the local economy (administration, small business, commercial fishing, tourism) is briefly explored below.

Administration

- ▶ Governments are *by far* the biggest employers on the island. The 'Namgis First Nation currently employs 126 people full time and 11 in casual positions; the Village of Alert Bay employs 8 people year round; and other government jobs are provided by Island Health, the post office, schools, social services, etc. Although government jobs pay well and are often year-round, it is widely acknowledged that government jobs alone are not enough to sustain an economy.

Small business

A number of small and medium sized businesses exist on the island to serve the local population, tourists, and the wider regional population. The following list of local services is an approximation:

LOCAL SERVICES	'NAMGIS	VILLAGE OF ALERT BAY	TOTAL
Alternative Health Care	2	1	3
Art Gallery	2	1	3
Auto Repair	1	0	1
Artists/Jewelers/Carvers	10	5	15
Bed and Breakfast	0	2	2
Caterers	2	1	3
Consultants	0	10	10
Construction	0	21	21
Ecotourism	4	2	6
Electrician	1	1	2
Food/Grocery	5	1	6
Gifts	2	5	7
Gym	0	1	1
Hair Salon	1	1	2
Hardware	0	1	1
Liquor Store	0	2	2
Motel/Lodge	0	3	3
Pharmacy/Variety Store	0	1	1
Pub/Restaurant/Hotel	0	1	1
Research	0	1	1
Restaurant/Deli	1	3	4
Tug/Barge Service	0	1	1
Taxi	0	1	1
Vehicle Fuel	1	0	1
Video rental + Electronics	0	1	1
TOTAL	32	67	99

Gaps in services that were identified in the Village of Alert Bay Official Community Plan (OCP) and Yalis ('Namgis) Comprehensive Community Plan include a plumber, flower shop, marine fuel and supply and small engine repair, resort, kayak and bike rental. These 'gaps' will be refined throughout the economic development planning process.

Small business owners are currently worried about the closure of the credit union, as this makes it difficult to access banking services and operate efficiently (especially for 'cash heavy' businesses like the liquor store). They are also dealing with skilled labour shortages.

Fishing and aquaculture

- ▶ There are likely less than 50 people employed in commercial fishing in the community (almost all of which are 'Namgis). Past studies indicated that there were 222 people employed on the island in fishing in 1996 (about 40% of employment) but less than 50 people by 2004¹¹.
- ▶ There were 47 commercial vessels licensed out of Alert Bay/Cormorant Island in 2013, which is the same number that were locally licenced in 1995. There were also an additional 13 seine boats licenced elsewhere but operating out of Alert Bay in 1995, bringing the total to 60 locally operating commercial vessels in 1995.
- ▶ Through the Mama'omas Limited Partnership, the 'Namgis First Nation manages a shared pool of commercial fishing licenses worth 4.2 million in current market value, which it leases out to community members. The program supports 30-40 seasonal fishing jobs.
- ▶ The 'Namgis-owned Kuterra land raised salmon aquaculture facility is located off-island but employs one Cormorant Island local full time and two more seasonally. They are doubling capacity soon and expect continued growth.
- ▶ The 'Namgis started a commercial fish and shellfish processing plant in the 1980s, however it is currently not operational (though the facility is still in fine shape, and is currently used for freezing meat and fish).



"Alert Bay Boat" by Arnaud DG, CC-by-sa, flickr.com

Tourism

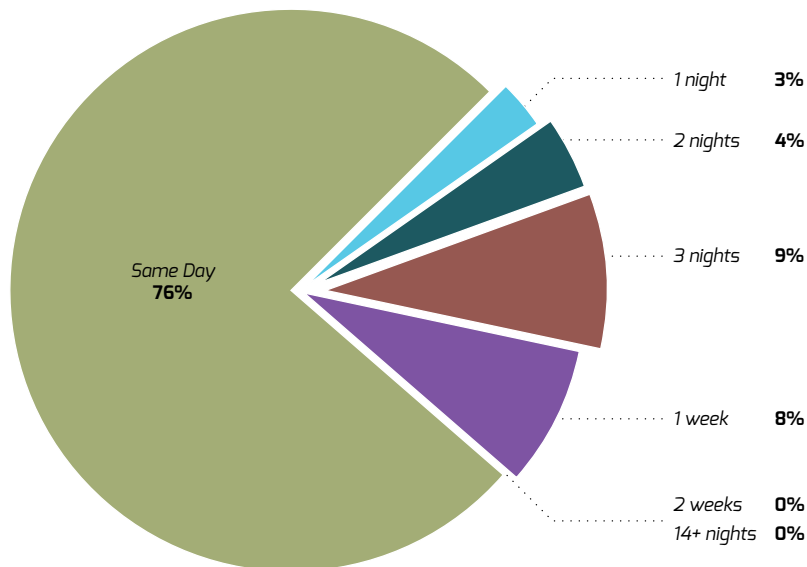
▶ Impact of tourism

It's difficult to know the impact of tourism on the local economy. The tourism season is very short, only 2-3 months, which limits the impact it can have on the economy. Further, there is no definitive data on the number of tourists or the time they spend on the island. North Island Tourism will be completing an in-depth visitor survey in 2015, which may be useful in this regard. Some estimates are listed below:

- There were about 7,500 visitors to the visitor centre in 2013, down about 23% from 2009. Not all visitors stop by the visitor centre, and increasing numbers access information online, so the drop in visitors may not be representative of a drop in total visitors.¹²

- Of the people that visited the Alert Bay Visitor Centre, most people were 'day trippers'.
- The 2014 Village of Alert Bay OCP estimates 20,000 total visitors per year (by all modes of transportation – ferry, air, pleasure boat, cruise ship, etc.).

LENGTH OF STAY, VISITOR CENTRE VISITORS (2013)



Source: Alert Bay Visitors Centre

- There are an estimated 8,500 visitors taking the ferry to Cormorant Island yearly (i.e., non residents).¹³
- There are about 250 visitors from 2 pocket cruise ships per year (there used to be 5 or 6 prior ships per year to September 11th, 2001, but US tourism dropped sharply following the terrorist attacks, and we have not captured the rebound since then).¹⁴
- There are about 550 'pleasure boats' that stay in Alert Bay annually (typically for 1 or 2 nights).¹⁵



Photo by Adriana Pritchard

► **Tourism Capacity**

There are four hotels in Alert Bay with about 53 hotel beds between them¹⁶, two Bed and Breakfasts with about 8 beds between them, as well as a campground (18 spots), and a number of marine slips that are heavily used in the summer season. Several of the mid to low-priced hotels have gone out of business lately, while higher end businesses are doing fine (this is a trend observed throughout the North Island).



"Bayside Inn and Pub" by David Stanley, CC-by, flickr.com

► **Types of Tourism**

- Alert Bay is located in an area that is a hub for adventure tourism – such as whale watching and kayaking out of Telegraph Cove and Port McNeill. However, at present there are very few locally-based adventure tourism operations (Blackfish Adventures, a kayaking tour operator, is based on the island, and two more companies pick up visitors at Alert Bay upon request).
- Alert Bay is a well-known cultural tourism destination, in large part due to the U'Mista Cultural Centre, the restored big house, and the large number of local artists. Another cultural aspect is the town's fishing history, which is highlighted in the Alert Bay Museum, working fishing vessels in the harbour, and the remains of shipyards and net-lofts along the waterfront.
- The T'sasala Cultural Group regularly performs traditional Kwakwaka'wakw dances for visitors to Cormorant Island. They have performed for Linblad pocket cruises for 10 years, hold private shows, and offer regular performances through the Summer months of July and August. The total 2014 attendance was 1380 persons.
- Interest in aboriginal tourism is increasing across the province (in part due to Aboriginal Tourism BC promotions); however, the majority of tourists see aboriginal tourism activities as an add-on to other experiences (eco-tourism, adventures, etc.). Alert Bay is well positioned to meet these dual needs.

THE INFORMAL ECONOMY

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There are many economic activities that are not captured in formal statistics. Many families on Cormorant Island rely on food and supplies that they catch, gather, grow or trade.

EMPLOYMENT AND LABOUR FORCE

The labour force has shrunk on the island faster than the general population decline (due to a greater number of working age people moving away). This is a major concern for employers on the island who are unable to find employees with the right skills.

Unemployment

- ▶ Unemployment rates in the Village of Alert Bay were very low: about 2%¹⁷ of those who consider themselves in the labour force in 2011.
- ▶ Unemployment rates in the 'Namgis First Nation were about 23% in 2014.¹⁸
- ▶ For comparison, the provincial average is 7.8%.

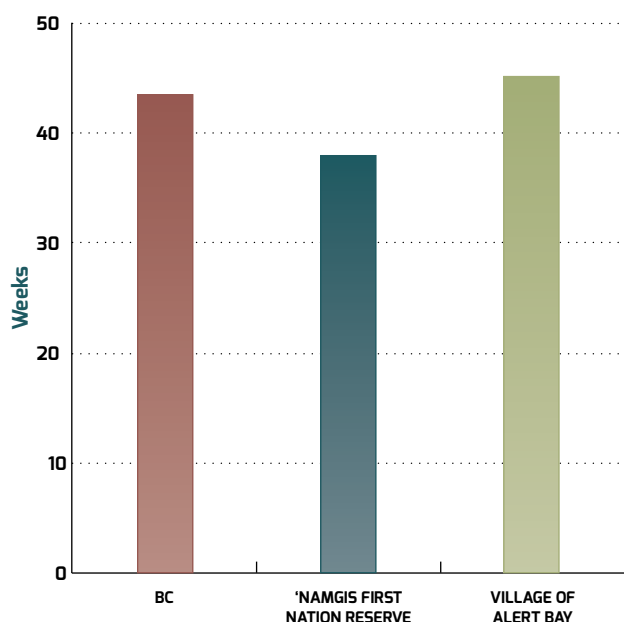
Self employment

Less people in the Village of Alert Bay are self-employed (6.1%) relative to the provincial average (13.4%)¹⁹ and the 'Namgis average (~14%²⁰ due to a high number of carvers, fishermen and artists). Also, there is a lack of younger entrepreneurs interested in starting businesses in the Village²¹. This speaks to an opportunity to promote entrepreneurship and self-employment in the Village. Community Futures has been in discussions with the Cormorant Island Learning Centre to put on entrepreneurship workshops, but this idea is currently on hold.

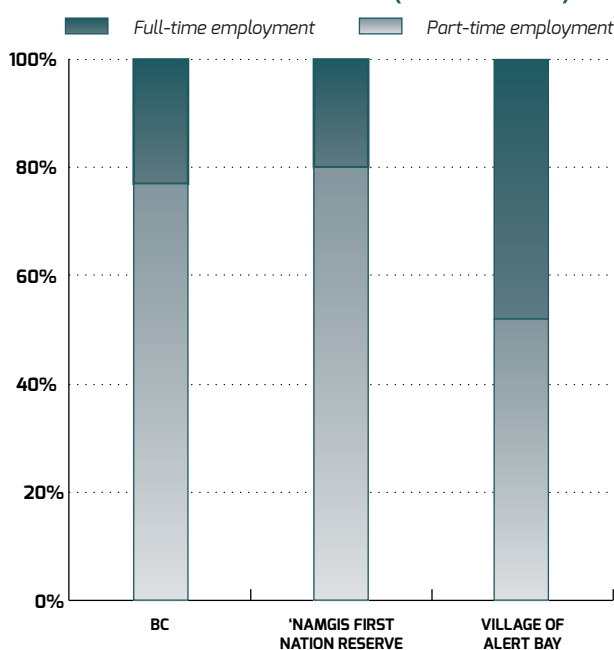
Employment characteristics

The two graphs at right show that employed people from the Village of Alert Bay are more likely to work part-time jobs, and work more weeks per year than the provincial average (which may be from piecing together seasonal resource and tourism jobs). Employed people living on 'Namgis reserves are more likely to have full time jobs and work less weeks per year than the provincial average. This is likely due to the large number of full-time government jobs.

AVERAGE WEEKS WORKED PER YEAR 2010 (Statistics Canada)



FULL VS PART-TIME EMPLOYMENT 2010 (Statistics Canada)



Types of employment

A few of the largest employers on Cormorant Island are:

- ▶ 'Namgis First Nation: 137 people (including 90 'Namgis members) (breakdown by department and job is shown below)
- ▶ BC Ferries: 14 full time employees live on Cormorant Island as well as 5-10 non-permanent employees
- ▶ Village of Alert Bay: 8 full time year round plus 4 summer seasonal positions
- ▶ ShopRite: Approximately 10 full time year round (including hardware store) plus about 4 part time positions
- ▶ RCMP: About 7 full time staff (4 RCMP members plus 3 support staff) plus 3 auxiliary
- ▶ Post office: 1 full time plus about 2 part time (1.5 "full time equivalent")
- ▶ Alert Bay Elementary: 10 full time (including 7 staff and 3 support workers)
- ▶ Drugstore: 3 full time equivalent
- ▶ Liquor store: 1 full time year round plus several auxiliary positions

Off-island employment

Approximately 38 people commute off island for work daily (10 from the Village and 28 from the reserve), and five people work off-island for longer-term in camps.

Employment by industry

The information on the 'Namgis and Village of Alert Bay are collected differently, so they aren't directly comparable. Both are shown below. Some interesting trends include:

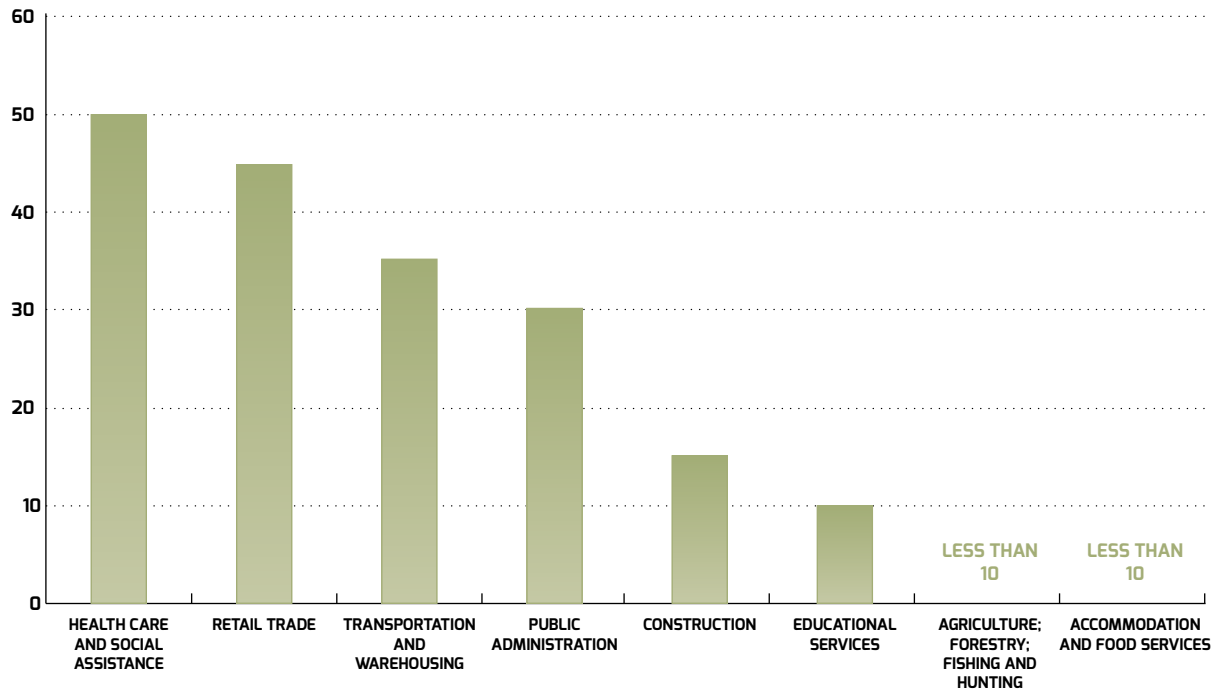
- ▶ Almost no people from the Village of Alert Bay work in primary industries (fishing, forestry, etc.), whereas this is a large source of employment for the 'Namgis First Nation.
- ▶ A large percentage of people in both communities are employed in government services (public administration, health care and social assistance, educational services).



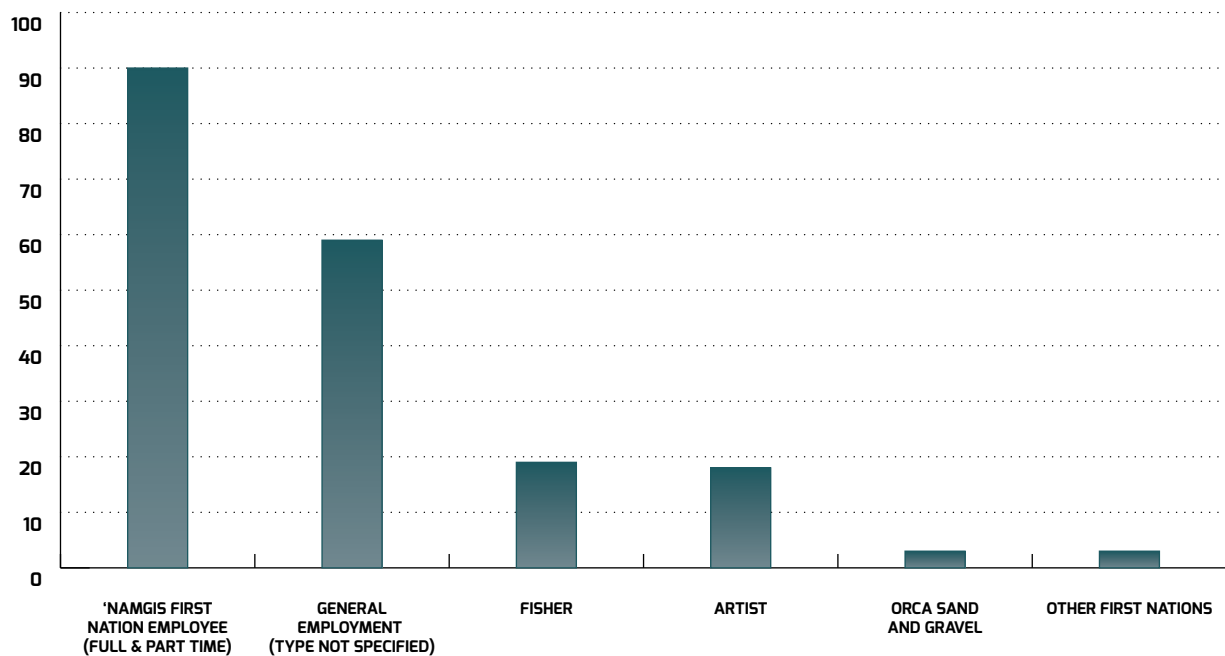
Photo by Adriana Pritchard

- Of the 'Namgis First Nation employees, about half are over 50 (and likely to retire within a decade or two), and none are between 20 and 24 years old. This is a recognized issue and succession planning is underway.

VILLAGE OF ALERT BAY EMPLOYMENT BY INDUSTRY (2011, Statistics Canada)



'NAMGIS CORMORANT ISLAND EMPLOYMENT BY CATEGORY (2014, 'Namgis data)



INCOME

The median after tax individual income is lower on the island than the provincial average.²²

- ▶ **\$24,327** for Cormorant Island²³
- ▶ **\$26,842** for BC

The median income for island residents likely does not paint a 'full' picture, since many people participate in subsistence fishing and shellfish harvesting, as well as trading, which is not reflected in these figures.

THE FLOW OF MONEY

Some of the main 'flows' of money to and from Cormorant Island are shown below. Economic development occurs when you increase the amount of money that enters the local economy and circulates within it, and/or reduce the amount of money that leaves it.

Money coming in:

- Federal and provincial program operation grants for the Village of Alert Bay and 'Namgis First Nation
- Project grants from government and other funders
- Off-island employment
- Retirement income
- Social assistance/welfare/etc.
- Arts and craft sales
- 'Namgis businesses (Orca Sand and Gravel, Kuterra, Atli, etc.)
- U'mista and the Alert Bay Museum
- Tourism (accommodations, food, activities)
- Family members coming to visit and spending money on food, etc.
- Events and festivals
- Commercial fishing

Money leaving:

- People purchasing goods and services off-island (e.g., groceries, medical services)
- BC Ferries and water taxis
- Taxes (business and personal)
- Insurance
- Fuel
- Travel for pleasure
- Travel for medical reasons

Money circulating on the island:

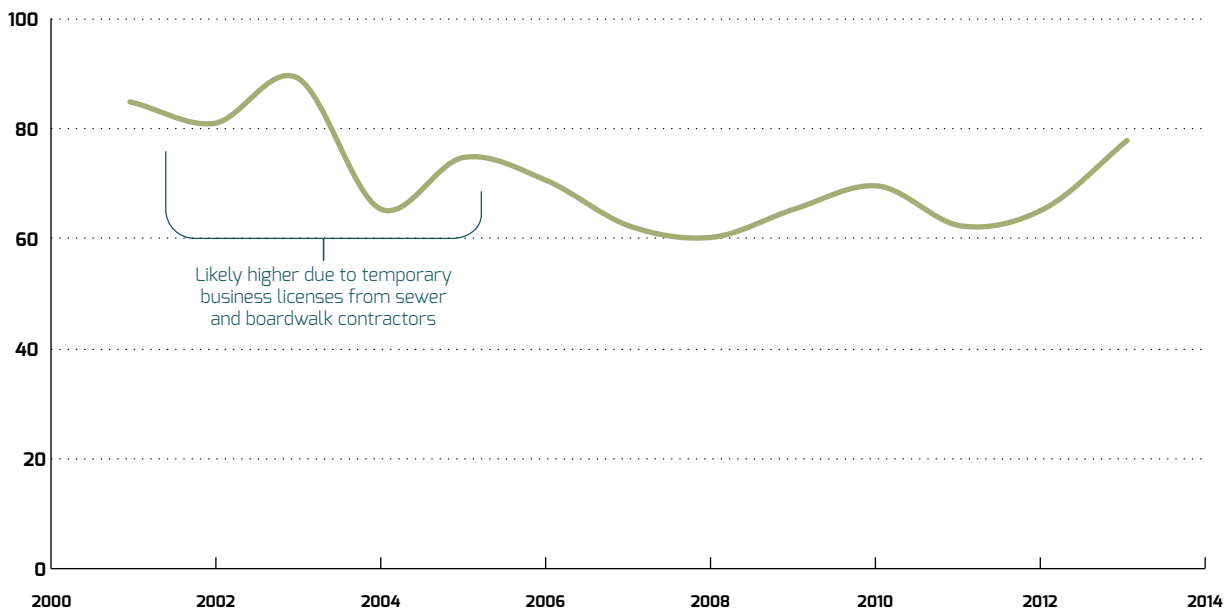
- Purchases at local businesses
- Local wages
- Local sales of art
- Underground economy / barter goods and service

DOING BUSINESS

Starting and growing a business

- ▶ Businesses on Cormorant Island must obtain a business licence from the Village of Alert Bay or get the approval of 'Namgis Council (depending on the location of the business). The number of business licences in the Village is shown below.
- ▶ Starting a business in BC is relatively simple, even from a remote location like Alert Bay: the province has a 'one stop shop' online where all forms can be filled out.
- ▶ Community Futures in Port McNeill provides support and workshops for starting a business – from business plan workshops and marketing seminars to one-on-one counselling.

NUMBER OF BUSINESS LICENSES, VILLAGE OF ALERT BAY (Source: Village of Alert Bay)



Costs of doing business

- ▶ Land is cheaper on Cormorant Island than in some other areas (e.g., Fraser Valley), which may make some kinds of higher end agriculture and/or manufacturing viable despite the transportation costs.
- ▶ Exporting goods to larger population centres (Vancouver, Victoria) is costly.
- ▶ Some Alert Bay business owners have talked about over-regulation (e.g., rules, zoning), and how this imposes costs on them.
- ▶ The current lack of a credit union is imposing costs on business owners who must travel to Port McNeill or find others ways of banking.

Financing

New and growing businesses on Cormorant Island have access to several sources of funding.

- ▶ Community Futures, who provide funding to businesses that may not be able to get bank funding (in addition to offering support services like counselling and business development planning).
- ▶ Banks and credit unions, which offer lines of credit, terms loans, commercial mortgages etc.
- ▶ Investors—most investors look for knowledge-based businesses with high growth and profit potential; investors include venture capitalists such as Business Development Canada and angel investors.
- ▶ Government grants and loans. There are a number of government programs aimed at specific types of entrepreneurs and industries, including Aboriginal individuals, women, youth, agriculture, etc. Community Futures can help with finding and applying for these programs.
- ▶ Additionally, there has been some interest from the 'Namgis First Nation in a lending program for entrepreneurs (i.e. it is referenced in past plans, and has been a discussion topic with financial institutes and Community Futures over the years), but this is not currently available.

LAND AND BUILDINGS

Land use

Currently there are not any land-use shortages. There is a surplus of available space for retail, residential and light commercial use.

Buildings

There are a number of vacant buildings on Cormorant Island, including housing (approximately 10% of housing stock), retail, and a number of vacant waterfront buildings that formerly housed fishing-related businesses.

Zoning

Zoning means that certain areas are designated for certain purposes and with certain criteria. For example, one area of town may be designated as residential, and therefore only residential development is allowed there unless a special permit is applied for and obtained. The Village of Alert Bay has zoning, which was recently updated in their 2014 OCP. 'Namgis has a zoning system that is loosely followed. There have not been any land use conflicts between the two governments, due to proactive communications about land use over time.

Relevant Infrastructure



Cormorant Island has a variety of social and physical infrastructure

assets that are well detailed in the 2014 Village of Alert Bay Official Community Plan and the 2013 Yalis ('Namgis) Comprehensive Community Plan. This report only highlights infrastructure that has a strong relation to economic development on the island.

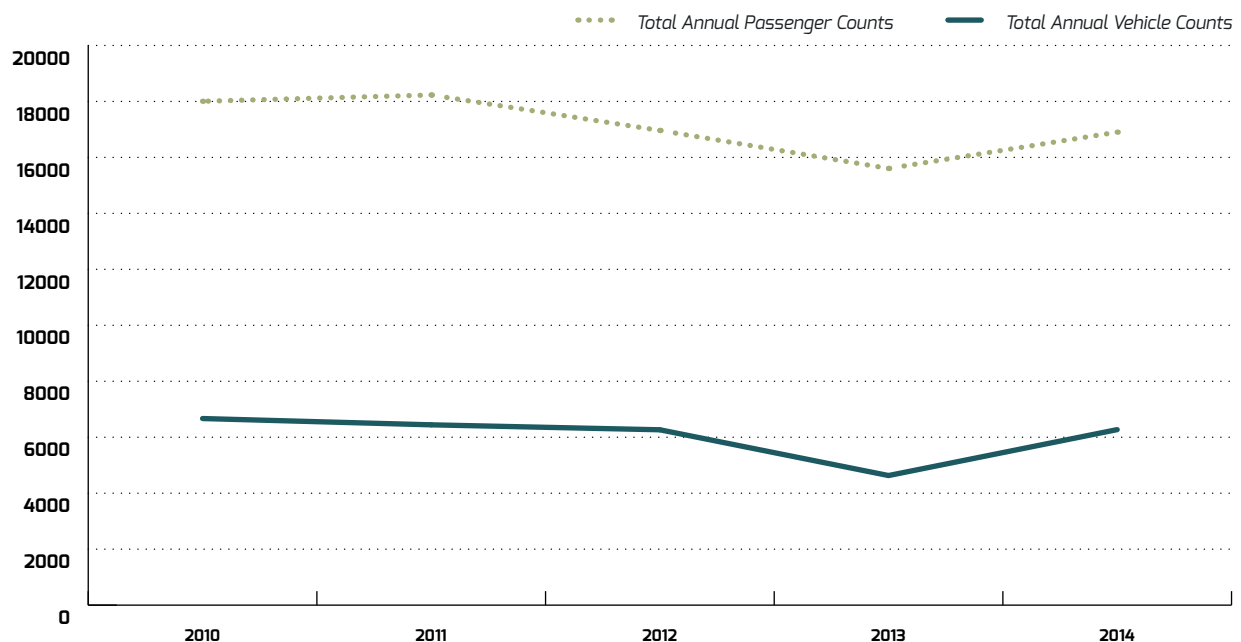
TRANSPORTATION

Cormorant Island has a variety of transportation options. Our remote location means that it is relatively expensive to move goods and people to and from our island. There are several areas where transportation availability may be limiting economic development, and where there may be opportunities for improvement.

Water

- ▶ BC Ferry service from Cormorant Island to Port McNeil runs six times a day at roughly three-hour intervals. The earliest ferry service departs at 6:40am on weekdays, allowing people to commute to and arrive at work on time.²⁴
- ▶ The price of the ferries is a concern for residents and tourists. Currently at \$38.45 for a car and driver, the price has been going up at about 4% per year for the past 6 years.
- ▶ BC Ferries traffic statistics indicate an increase in total annual passenger and vehicle trips from Cormorant Island between June 2013 and June 2014.²⁵

FIVE YEAR TREND IN BC FERRIES CORMORANT ISLAND COUNTS



- ▶ There are several private water taxis that can be hired to bring people or goods to Alert Bay, however, these options can be expensive. There is a recognized need for a smaller, locally based water taxi operation, which could bring tourists from Telegraph Cove and other locations.



Photo by Adriana Pritchard

- ▶ There are several docks and harbours in Alert Bay:
 - The Alert Bay Small Boat Harbour provides year round service and amenities (e.g. electricity, parking, moorage, wharf, floats, storage, derrick, water, waste disposal) for residents and visitors.²⁶
 - In addition to the 550 or so tourist vessels that came through in 2013 (average stay, 1-2 days), there were 6 live-a-board vessels, 27 pleasure crafts that are mainly based out of Alert Bay, and 47 commercial vessels based in Alert Bay.
 - There is an urgent need for more capacity at the harbour, especially for recreational vessels, which often get crowded out by fishing vessels.
 - The Government Wharf (owned, operated and maintained by the Village of Alert Bay) is used for commercial fish boat off-loading and temporary moorage, pocket cruise ship moorage, netloft, commercial barge moorage and recreational fishing.
 - The 'Namgis dock has recently been condemned and is not in use.

Air

- ▶ Cormorant Island is served by two airports on the island. It is **widely accepted that the airports are underused** and could be a more important asset for tourism and other economic activities.
 - The H.J. Pickup Airport is a 2,900 foot paved airstrip owned and maintained by the Village of Alert Bay. An estimated 1460 private and Medivac return flights use this airport yearly,
 - The Alert Bay floatplane dock is used by several charter operators and available for private use. It is operated by the Village of Alert Bay.
- ▶ Regularly scheduled flights to Vancouver and other destinations are available from the Port Hardy Airport.

HOUSING

Without affordable, quality housing (for rent and purchase), it is difficult to attract and retain residents and temporary workers. Our housing stock is mainly large, aging and in need of repairs, but it is costly to renovate or rebuild due to our remote location and often the lack of availability of tradespeople. Repairs and renovation currently provide work for one larger contractor (with multiple employees), and six one-person contractors.

Availability

- ▶ There are approximately 420 'dwellings' on Cormorant Island, roughly equally split between the Village and 'Namgis.

- ▶ The majority of homes on the island are large (3 or more bedrooms).^{27, 28}
- ▶ In the Village of Alert Bay, there are a number of houses sitting empty (estimated at about 24²⁹) and an increasing number of part-time or absentee owners (estimated 10%³⁰). Part-time or absentee owners can be important drivers of housing sales and economic development, but they can also 'hollow out' neighborhoods and drive up the prices of homes (beyond the range that would be accessible at local wages).



Photo by Adriana Pritchard

- ▶ The 'Namgis First Nation has a housing shortage, with over 150 people on the housing wait-list, and only 205 houses on their reserves on the Island.³¹ This limits the ability of some 'Namgis members to move to (or remain on) Cormorant Island.

Affordability

- ▶ Single-family homes are affordable relative to other locations in BC, but not relative to our local income level.³²
- ▶ There is a lack of affordable housing options for single people and seniors with low incomes.³³
- ▶ Affordable rental accommodation is in short supply.³⁴ About 33% of housing in the Village is rental (and 7% on 'Namgis land).³⁵

Aging housing stock

- ▶ The local housing stock is aging (especially in the Village of Alert Bay).
- ▶ About 16% of houses on the island are in need of major repairs (7% in the Village and 26% of 'Namgis houses').³⁶
- ▶ There are limited new sites for homes and the costs for new construction (and renovations) are high due to transportation costs.³⁷

Housing/jobs mismatch

- ▶ Although residents can commute into Vancouver Island, it makes for a very long day, and the mismatch between local (Alert Bay) jobs and housing is an ongoing concern³⁸ ('Nanogis is discussing options for housing on Vancouver Island to alleviate this concern).

TELECOMMUNICATIONS

Telecommunications are a prerequisite for economic development. Internet connectivity can enable local businesses and artists to reach wider audiences, and improve quality of life for residents. High speed internet means that increasing numbers of people can work 'from anywhere', and live in rural places of their choosing.

- ▶ Internet connectivity on the island is functional. The speed and the monthly limit on downloads (25GB) are a concern. It is doubtful that people could work remotely from Cormorant Island without difficulty at this time.
- ▶ Cormorant Island has a reliable mobile phone service network and landline telephone service. The data available on phones is often faster than through the internet.

Services



Residents and Visitors of Cormorant Island have a number of services and amenities available to them—much more than might be expected for a community of this size. These community services bode well for attracting and retaining residents.

- ▶ Social and health services: RCMP detachment with four officers, Women's Centers, the Amlilas Daycare Centre, the 'Namgis Community Health Centre, the 'Namgis Dental Clinic, the Cormorant Island Community Health Care Centre, the K'wak'walat'si Child and Family Services, and the 'Namgis Treatment Centre.
- ▶ Cultural amenities: The Alert Bay Library Museum, Alert Bay Visitor Centre and Art Gallery, the Gukwdzi (Big House), and the U'mista Cultural Centre.
- ▶ Recreational amenities: Alert Bay Boat Harbour and fishing pier, the Lawrence Ambers Recreational Centre, the Alert Bay Community Hall (comprised of a bowling alley, gymnasium and theatre stage as well as facilities for soccer, floor hockey, basketball, badminton, volleyball, tennis, and softball), 16 kilometers of hiking trails, and three playgrounds.
- ▶ At the time of writing, the Coastal Community Credit Union had just closed their Alert Bay location, but 'Namgis and others are in talks about replacements or alternatives.³⁹
- ▶ There is a gasoline station for vehicles, but not marine fuel station (the last marine fuel station closed in 2005).

It is important that these services are maintained and improved upon.



"Alert Bay" by Arnaud DG, CC-by-sa, flickr.com

Appendix



The 2012 Alert Bay Accord

Whereas the 'Namgis First Nation is an indigenous Kwakwaka'wakw government that has maintained aboriginal rights and title from time immemorial over a 2,600 square kilometer territory that includes Cormorant Island;

And Whereas Alert Bay, the oldest incorporated municipal government in the North Vancouver Island region, was first settled on Cormorant Island in 1871;

And Whereas the Village of Alert Bay and the 'Namgis First Nation have historically worked together to promote a high standard of cultural, economic and environmental quality of life for the benefit of all residents of Cormorant Island.

Therefore Be It Resolved that the 'Namgis First Nation and Village of Alert Bay herewith agree to consult with and coordinate their efforts in areas of mutual interest for the long-term sustainable stewardship of Cormorant Island. The principal objectives of this agreement will be:

- To maintain close and open lines of communication related to all matters of mutual interest and concern;
- To maintain a regular schedule of formal and informal meetings where ideas and opportunities will be openly explored;
- To jointly consult with Cormorant Island residents regarding collaborative actions in a timely and transparent manner;
- To organize, promote and obtain community support as well as Regional, Provincial and Federal government assistance for the priorities and initiatives proposed under this Accord, and;
- To preserve, enhance and celebrate the multi-cultural heritage and other unique social and environmental qualities of Cormorant Island which are essential to the well-being of all of its inhabitants.

And Therefore Be It Further Resolved that the principle objectives of this agreement will be realized through the implementation of projects including:

1. Initiatives designed to maintain and enhance vital core services required to sustain Cormorant Island community life. These services include BC Ferries, Canada Post, RCMP Police, BC Ambulance, Alert Bay Elementary and T'lisalagilakw Schools, Alert Bay and 'Namgis Boat Harbours, 'Namgis Health Centre, Cormorant Island Health Centre, Alert Bay Volunteer Fire Department, Cormorant Island Community Learning Centre, and related essential services.
2. Initiatives designed to increase investment and employment in the community, particularly including efforts to harness Cormorant Island's significant tourism and regional service centre potential. Emphasis will be placed on construction and maintenance of public infrastructure projects that support successful private-sector economic activities on Cormorant Island.
3. Initiatives designed to restore, protect and enhance land and marine wilderness environments on, and adjacent to, Cormorant Island. These measures will include implementation of ecosystem-based approaches to planning and management that support, for example, restoration of wild salmon populations to historic levels, and community-based stewardship of North Vancouver Island natural resources.
4. Initiatives designed to provide Cormorant Island residents of all ages with a range of high quality cultural facilities and services including health care, education, social welfare, housing, recreation, libraries, museums, and protective services.
5. Joint operation of the 'Historic Alert Bay Development Corporation' with powers enabling it to borrow monies and enter into agreements, contracts and partnerships with public agencies and private entities to expedite construction and maintenance of key infrastructure projects that support implementation of the above initiatives.

And Be It Further Resolved that the 'Namgis First Nation and Village of Alert Bay herewith pledge to apply their best efforts to the attainment of these objectives and initiatives while acknowledging that their respective financial and other resources are limited, and that this Accord does not impose a financial commitment or liability on either party.

This affirmation of the 2012 Alert Bay Accord is hereby signed on the 31st day of March, 2012 in recognition of the vision and purpose of the Original Alert Bay Accord that was enacted January 10, 1999 by Mayor Gilbert Popovich and Chief William Cranmer. The Original Accord remains as the foundation of the evolving cooperative agreement between the 'Namgis First Nation and the Village of Alert Bay.

Chief William Cranmer
'Namgis First Nation

Mayor Michael Berry
Village of Alert Bay

Notes

1. Statistics Canada 2011 (Census)
2. 'Namgis community members and staff convened with a map to count the number of people living in each house on reserve (September 2014). Data provided by Doug Aberly, Namgis Treaty Coordinator.
3. Vodden, K. (2006). *Adapting to Uncertain Futures: Alert Bay Community Background Report*. Retrieved from page 6 <http://http-server.carleton.ca/~mbrklac/Background%20Reports/Alert%20Bay%20Background%20Report.pdf>
4. 'Namgis 2014 data (from 'Namgis draft community profile background information); VOAB 2011 Canada Census
5. Statistics Canada 2011 (Census)
6. 'Namgis 2014 data (from 'Namgis draft community profile background information)
7. Statistics Canada 2011 (Census)
8. Vodden, K. (2006). *Adapting to Uncertain Futures: Alert Bay Community Background Report*. Retrieved from page 6 <http://http-server.carleton.ca/~mbrklac/Background%20Reports/Alert%20Bay%20Background%20Report.pdf>
9. Mount Waddington Literacy Now Committee (2012). *Mount Waddington Regional District and Vancouver Island North School District No. 85 Literacy Plan*. Retrieved from <http://www.sd85.bc.ca/sd85.bc.ca/new/Lori/District/Literacy%20Plan%20Report%202014%20FINAL.pdf>
10. Statistics Canada. (2011). *National Household Survey: Alert Bay IRI*. Retrieved from <http://www12.statcan.gc.ca/nhs-enm/2011/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=5943837&Data=Count&SearchText=Alert%20Bay&SearchType=Begins&SearchPR=01&A1=All&B1=All&GeoLevel=PR&GeoCode=5943837&TABID=1>
11. Referenced in "Adapting to Uncertain Futures: Alert Bay Community Background Report" 2006, Author unknown.
12. Data downloaded from BC Tourism website.
13. 'Namgis First Nation Tourism Development Study 2013. This figure was arrived at by subtracting the average monthly usage from winter months (assuming that no tourists were coming in the winter) and seeing what was above and beyond this average for the remainder of the year.
14. 'Namgis First Nation Tourism Development Study 2013
15. 'Namgis First Nation Tourism Development Study 2013
16. North Island Tourism providing figures for hotels with over 4 beds (45 beds total) plus an online scan reveals approximately 8 beds in bed and breakfasts.
17. The actual number is below ten individuals out of 245 in the labour force, but the actual figure is unknown (due to Statistics Canada reporting methods).
18. 'Namgis 2014 data (from 'Namgis draft community profile background information)
19. Statistics Canada 2011
20. 'Namgis 2014 data (from 'Namgis draft community profile background information)
21. From an anecdotal discussion with Steering Committee members.

22. Statistics Canada. (2011). *National Household Survey*
23. Income from Statistics Canada (2011) National Household Survey. Weighted average calculated using population figures from Namgis and Statistics Canada (for Alert Bay).
24. BC Ferries. (2014). Schedules: *Port McNeil - Alert Bay - Sointula* (Vancouver Island - Cormorant island - Malcolm Island). Retrieved from <http://www.bcferries.com/schedules/northern/pmab-current.php>
25. BC Ferries. (2014). Traffic Statistics. Retrieved from http://www.bcferries.com/files/AboutBCF/traffic_stats/June_2014_Traffic_Stats.pdf
26. Harbour Authority Association of British Columbia (HAABC). (2009). Alert Bay. Retrieved from <http://www.haa.bc.ca/harbour/alert-bay>
27. Statistics Canada. (2011). *National Household Survey*
28. Nash, V. & Koch, A. (2013). *Mount Waddington Regional District: Housing and Homeless Community Needs Assessment*. Retrieved from Page 15 and 29 http://www.mountwaddingtonhealthnetwork.com/pdf/housing/2013_HsgandHmlss_NeedsAssessment_MWHN.pdf
29. Discussions with Village of Alert Bay Mayor
30. Discussions with Village of Alert Bay Mayor
31. Yalis Community Comprehensive Plan DRAFT
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39. The Village of Alert Bay. (2014). *Businesses and Services*. Retrieved from <http://www.alertbay.ca/buis.htm#service>

