

AGENDA
ECONOMIC DEVELOPMENT ADVISORY COMMITTEE

To be held via MS Teams
Tuesday October 14, 2025 at 12:00 PM

The District of Saanich lies within the territories of the ləkʷəŋən peoples represented by the Songhees and Esquimalt Nations and the WSÁNEĆ peoples represented by the Tsartlip, Pauquachin, Tsawout, Tseycum and Malahat Nations.

We are committed to celebrating the rich diversity of people in our community. We are guided by the principle that embracing diversity enriches the lives of all people. We all share the responsibility for creating an equitable and inclusive community and for addressing discrimination in all forms.

A. ADOPTION OF MINUTES

1. September 4, 2025

B. COMMITTEE BUSINESS ITEMS

1. CHAIRS REMARKS

2. SOUTH ISLAND PROSPERITY PARTNERSHIP (SIPP)

5-Year Economic Development Plan for Greater Victoria: <https://ourrisingeconomy.com/>

- Aaron Stone, CEO, SIPP
- Dallas Gislason, Deputy Director, Regional Economic Development, SIPP

C. ADJOURNMENT

Next Meeting: November 06, 2025 at 5:30 PM

In order to ensure a quorum, please contact Legislative Services at (250) 475-1775 or sharon.froud@saanich.ca if you are unable to attend.

MINUTES
ECONOMIC DEVELOPMENT ADVISORY COMMITTEE
Held at Saanich Municipal Hall, Council Chambers and via MS Teams
770 Vernon Avenue
September 4, 2025, at 5:30 PM

ROLL CALL

In Attendance: Councillor Karen Harper (Chair), Jason Arruda, Amber Hockin (via Teams), David Lewis, Rachid Ouache, Ingrid Strauss, and Robert Wickson (via Teams)
Regrets: Tim Petropoulos, Russ Benwell, Richard Michaels, and Raymond Chan
Staff: Mitchell Edgar, Economic Development Manager; Jon Poole, Development Planning Process Manager (via Teams); Sharon Froud, Deputy Corporate Officer, Kirsten Blackstock, Economic Development Coordinator, Alfonso Molina, Committee Clerk Assistant

ADOPTION OF MINUTES

MOVED by J. Arruda and Seconded by I. Strauss: “That the Minutes of the Economic Development Advisory Committee meeting held June 25, 2025, be adopted as circulated.”

RESULT: Carried 7 TO 0

IN FAVOUR: Harper, Arruda, Hockin, Lewis, Ouache, Strauss, Wickson

OPPOSED: None

R. Wickson, who was absent from the previous EDAC meeting, expressed concern that the Tillicum–Burnside Action Plan process appears to duplicate prior work undertaken by the community in 2005–2008 and adopted by Council. The Chair indicated that the concern would be included in the minutes.

COMMITTEE BUSINESS ITEMS

CHAIR’S REMARKS

The Chair noted an addition to the agenda: Item 4: Economic Development Office Update. R. Wickson requested consideration of an additional agenda item –Transportation and Economic Development.

PERMIT APPLICATION MODERNIZATION (PAM)

The Development Planning Process Manager provided a detailed presentation and update on the Permit Application Modernization (PAM) project, noting progress since the June 2024 report to EDAC.

Committee discussion included:

- Clarification on how interdepartmental issues (e.g., Parks vs. Engineering requirements) are resolved; the Development Planning Process Manager confirmed planners coordinate internally and escalate as needed.
- Use of metrics to assess whether historic internal processing timelines remain realistic; data informs achievable performance targets.
- Benefits of data visualization for workload management and staff support.
- Positive feedback on the collaborative approach and transparency for applicants.

SOUTH ISLAND PROSPERITY PARTNERSHIP (SIPP)

Aaron Stone, CEO, and Dallas Gislason, Deputy Director, Regional Economic Development presented the framework for SIPP's forthcoming Five-Year Economic Development Plan and asked EDAC for feedback on the accompanying SWOT analysis deliverable. As the Plan is not yet finalized, SIPP shared the process-to-date and sought early input so EDAC can provide timely feedback when the complete draft is ready. SIPP requested consideration of the following motion:

"That the Saanich Economic Development Committee:

- Review and provide feedback on SIPP's Regional SWOT Analysis
- Endorse the Rising Economy 2030: SIPP 5-Year Regional Economic Development Plan
- Recommend that Saanich Council approve a renewed 5-Year funding agreement with the South Island Prosperity Partnership, effective April 2026."

To allow sufficient time for review and discussion, the Committee agreed to hold a special one-hour meeting in October (via Teams) for focused consideration of the SIPP materials.

MOVED by J. Arruda and Seconded by I. Strauss: "That EDAC hold an one-hour meeting in October to consider the SIPP presentation and related recommendations."

RESULT: Carried 7 TO 0

IN FAVOUR: Harper, Arruda, Hockin, Lewis, Ouache, Strauss, Wickson

OPPOSED: None

ROUND TABLE

Economic Development Office Update: The Chair noted this item would be added to a future meeting agenda.

Transportation and Economic Development Discussion: The Chair noted this item would be added to a future meeting agenda.

ADJOURNMENT

MOVED by D. Lewis and Seconded by J. Arruda: "That the meeting be adjourned at 7:35 p.m."

RESULT: Carried 7 TO 0

IN FAVOUR: Harper, Arruda, Hockin, Lewis, Ouache, Strauss, Wickson

OPPOSED: None

I hereby certify these Minutes are accurate.

DEPUTY CORPORATE OFFICER

DRAFT

Greater Victoria's Changing Landscape: Challenges and Opportunities (SWOT Analysis)

Greater Victoria — the metropolitan region surrounding British Columbia's capital city of Victoria — stands at a strategic crossroads. In the spring and summer of 2025, the South Island Prosperity Partnership conducted a detailed regional Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis using a PESTEL lens (political, economic, social, technological, environmental and legal). The resulting analysis informs a regional economic development strategy based on a data-driven, quantitative and qualitative strategic narrative.

Drawing on current data and reports from government agencies, economic development organizations, academic studies and industry insights, the analysis highlights how global trends intersect with local conditions. It identifies:

- where the region's strengths align with growth
- weaknesses that require mitigation
- emerging opportunities that can be leveraged
- external threats that must be managed.

This comprehensive review is intended for public and elected officials, business leaders and community stakeholders to support evidence-based planning.

SWOT Overview

Greater Victoria's SWOT analysis (find the long-form report by visiting www.southislandprosperity.ca) paints a picture of a region with exceptional strengths, including a resilient, knowledge-based economy, a high quality of life and growing leadership in technology and sustainability. Yet, it also reveals pressing internal challenges, such as housing unaffordability, infrastructure constraints and a rapidly aging population. External threats — ranging from global economic uncertainty and geopolitical frictions to climate change and technological disruption — pose additional pressures that are beyond local control.

However, the region's collaborative economic development approach and strategic mindset position it well to navigate these challenges. By aligning local strengths with global trends — such as the transition to a clean economy, digital transformation and health innovation — Greater Victoria can capitalize on emerging opportunities while addressing its vulnerabilities. A forward-looking strategy that integrates housing, transportation, inclusion and workforce development with innovation and environmental stewardship is key.

This analysis underscores the importance of bold, coordinated action by public, private, Indigenous and community leaders. If these actors align around shared priorities — particularly in diversifying the economy and improving liveability — Greater Victoria can become a national leader in sustainable and inclusive growth. The region has the assets and ambition to not only weather future disruptions but to shape them to its advantage.

Greater Victoria's Economic Strengths

Greater Victoria boasts a diverse range of strengths across the political, economic, social, technological, environmental and legal spheres. These strengths provide a solid foundation for economic prosperity, aligning the region with global trends in sustainability, innovation and high quality of life.

- **Stable Governance & Strong Collaboration:** As B.C.'s capital region, Greater Victoria benefits from stable public administration and well-established institutions. Regional coordination, led by SIPP and other cross-sectoral alliances, strengthens its ability to attract investment and execute unified economic strategies.
- **Capital City Advantages:** Hosting the provincial government brings high-value, stable employment and opportunities for policy influence. It also positions the region as a hub for

associations, delegations, pilot programs, crown corporations (BCI), BC Assessment, and an institutional presence (Royal BC Museum).

- **Potential for Economic Diversification:** With a mix of government, tech, tourism, education and defence, the region's economy is relatively well buffered against shocks. Recent employment trends and stable unemployment rates reflect its strength across various sectors, which can lead to further spin-offs.
- **Thriving Technology Sector:** Technology has overtaken tourism in GDP contribution, driven by over 1,000 firms and \$5.87 billion in annual revenues. A strong innovation ecosystem — led by VIATEC and nurtured by three post-secondary institutions along with organizations like Alacrity, COAST, SIPP and more — means that startups and scaleups in cleantech, information and communication technology (ICT) and marine technology are well-supported.
- **Robust Tourism Industry:** Over 4 million visitors annually generate \$3.5B in outputs that support over 25,000 jobs. The region's natural appeal and leadership in sustainable tourism make this a globally recognized strength. Strong promotion and advocacy work by Destination Greater Victoria bolsters this sector.
- **Public Sector & Education Anchors:** Major institutions like the University of Victoria (UVic), Royal Roads University and Camosun College, plus Canada's Pacific Navy, the Canadian Coast Guard, BC Ferries and several Crown Corporations, provide year-round economic stability and a skilled talent pipeline. Research infrastructure attracts industry collaboration in tech and ocean sciences.
- **Highly Educated Workforce:** High rates of post-secondary education and specialized training in ocean and data science, health informatics, and engineering create a rich human capital base. Retirees with noteworthy professional backgrounds who gravitate to the region further support knowledge-sharing and mentoring.
- **Exceptional Quality of Life:** The region's scenic beauty, moderate climate, vibrant culture and short (and multi-modal) commutes attract both people and capital. This livability translates directly into talent attraction and retention advantages.
- **Social Cohesion & Safety:** Despite some troubling statistics and challenging narratives, the region boasts a relatively low rate of serious crime. Residents are engaged in solutions and in

their communities, and high volunteerism fosters a strong civic culture. This helps maintain vibrant public spaces and enables rapid community responses during times of crisis.

- **Healthy, Active Population:** Greater Victoria boasts one of the most active populations in Canada and spends the highest amount per capita on sports and recreation activities, according to Statistics Canada. This healthy, active culture not only nurtures our creative and innovative spirit, but it also supports niche industries, including sports tech, wellness tourism and the healthy aging innovations and services.
- **21st Century Economic Orientation:** A 2021 KPMG *Competitiveness* report identified B.C.'s two largest metros (Vancouver and Victoria) as having the highest-ranked "intangible" competitiveness factors in North America among large and medium-sized cities. Known as the "X-factor", these intangibles include ease of doing business, rate of innovation, policies to protect IP, as well as environmental and quality of life factors. These intangibles are essential to 21st-century cities that compete on access to talent and location factors (like creative freedoms, active lifestyles and social progress).
- **Emerging/Niche Life Sciences Innovation:** A vibrant life sciences and health tech sector, led by firms like StarFish Medical and supported by UVic's research leadership (with its large Health Informatics faculty and robust mechanical engineering capabilities). This niche enhances the region's global profile in the medical technology (medtech) and biotechnology (biotech) sectors.
- **Broad Tech Sector & Talent Base:** The tech ecosystem encompasses software, fintech, gaming, e-commerce, cleantech, ocean tech, and defence technologies. Local education pipelines, remote work flexibility, and quality of life help attract and retain top talent, driving mergers and acquisitions (M&A) activity, with many of these M&A companies remaining here long after being acquired by parent firms (AbeBooks, Redlen Technologies, WorkDay, etc.).
- **Strong Research & Development Capacity:** UVic and federal research labs power breakthroughs in clean energy, ocean sciences and AI. The \$83.6 million Accelerating Community Energy Transformation (ACET) initiative, along with institutions like COAST, makes the region a national (and natural) leader in green innovation.
- **Modern Digital Infrastructure:** High-speed internet, smart city investments and early adoption of digital government tools enable tech-based business operations. These factors underpin

innovation and digital inclusion.

- **Pristine Natural Environment:** Greater Victoria's clean air, mild climate and proximity to nature support both livability and economic sectors like tourism, viticulture and recreation. As climate volatility increases globally, this relative environmental stability is a valuable asset.
- **Culture of Sustainability:** With strong renewable energy use and broad civic support for environmental policies, Greater Victoria aligns with ESG investment trends. The region's green ethos enhances its global brand and attracts eco-conscious businesses.
- **Clean Tech & Renewable Energy Assets:** Homegrown firms are advancing solar, wind and marine energy solutions, supported by research centres like the Pacific Institute for Climate Solutions (PICS) and ACET. Local governments pilot new climate tech and infrastructure, making the region a real-world lab.
- **Biodiversity & Environmental Stewardship:** Marine ecosystems, conservation areas and a culture of citizen science support thriving green and blue economies. These natural assets also attract life sciences research and sustainable tourism.
- **Stable & Transparent Legal System:** Canada's rule of law ensures predictability and low corruption, which benefits businesses in the region. Secure property rights and a fair regulatory environment bolster investor confidence.
- **Supportive Incentives & Economic Alignment:** Tax credits and strategic federal/provincial grants (e.g., for clean energy and tech; or SR&ED for business R&D activities) enhance competitiveness. Local alignment with higher-level economic priorities accelerates approvals and access to funding.
- **Progressive Zoning & Planning Reforms:** New laws supporting density and faster housing approvals address affordability and labour force issues. Protecting industrial land preserves economic capacity and supports future growth.
- **Strong Trade & Labour Frameworks:** Access to global markets via trade agreements and talent via immigration programs (e.g., Start-up Visa) strengthens Greater Victoria's position in innovation-driven sectors. Workplace protections and labour standards ensure a stable, motivated workforce.

- **Diverse Regional Food System:** The Capital Region benefits from a mosaic of food system assets: small and medium-scale farms producing vegetables, livestock and specialty crops; Indigenous food sovereignty initiatives revitalizing traditional harvesting; urban agriculture projects in schools and neighbourhoods; and innovative food processors adding value through local ingredients. This diversity not only provides resilience but also creates opportunities for niche and culturally relevant products.
- **Cultural & Culinary Assets:** Food is a central part of Greater Victoria’s cultural and economic identity. The region is renowned for its vibrant culinary scene, which is rooted in high-quality local ingredients and shaped by diverse cultural traditions. Festivals, markets and culinary tourism programs such as Flavour Trails showcase this vibrancy. Demand for sustainable, culturally diverse and locally-produced foods continues to grow among both residents and visitors.

Greater Victoria’s Economic Opportunities

Amid its strengths and weaknesses, Greater Victoria faces a range of opportunities in the coming years. These opportunities arise from evolving political priorities, economic trends, social changes, technological advancements, environmental shifts and legal frameworks.

By strategically leveraging these opportunities, the region can boost its economic development, foster innovation and enhance resilience. Below, we outline some broad opportunities across various sectors, aligned with values and orders of government. Ultimately, Greater Victoria must position itself to take advantage of them through deliberate strategy and sustained efforts.

- **Regional Collaboration and Shared Services:** Initiatives such as the CRD’s pursuit of a Regional Transportation Service will help streamline services and create a case for a more integrated regional governance model. Even short of amalgamation, greater municipal cooperation (e.g., shared services, harmonized permitting) offers efficiencies and stronger regional coordination on economic development.
- **Alignment with Senior Government Priorities:** BC and federal government priorities—affordable housing, climate action, reconciliation—closely align with regional needs. By proactively aligning with these agendas, Greater Victoria can secure targeted funding for

housing, infrastructure, Indigenous partnerships and green initiatives.

- **International & Pacific Rim Engagement:** As a Pacific gateway & capital city, Greater Victoria can deepen ties with Indo-Pacific partners through trade, tourism and educational exchanges. Federal strategies and programs (like the Indo-Pacific Strategy or the Trans-Pacific Partnership Agreement) support such engagement, potentially expanding markets and raising the region's international profile.
- **Public Sector as Innovation Driver:** Greater Victoria can leverage its public sector presence to pilot 'GovTech' initiatives (improved services through tech applications), attract relocated federal offices and drive procurement-based innovation. Acting as a testbed for public-sector transformation could spark local tech development and attract national investment.
- **Tech & Life Sciences Expansion:** Building on existing strengths in health informatics, biotech and digital health, the region can establish a dedicated life sciences hub. Attracting investment, building infrastructure such as wet labs and scaling successful startups could position the region as a national leader in health and medical technology innovation.
- **Blue Economy & Marine Innovation:** The global rise of ocean industries (the global blue economy is poised to grow to \$3 trillion by 2030, according to the OECD), Pacific Canada and Greater Victoria have many assets that can be better positioned for success. Through COAST and partnerships with Indigenous communities, Greater Victoria can grow marine tech, renewable energy, shipbuilding and repair services, and kelp-based (and other) carbon sequestration industries.
- **Tourism Diversification:** As explored in Destination Greater Victoria's Master Plan (2025-2035), numerous opportunities exist to evolve tourism into high-value sectors, including Indigenous tourism, eco-tourism, medical and educational travel and sustainable conventions. These moves align with global travel trends while enhancing local cultural and economic resilience.
- **Long-Term Tourism & Hospitality:** As a region with a strong visitor brand and sustained post-pandemic recovery, the hotel capacity has reached its near-peak. Despite new projects coming online in the next 2-3 years, there remains a significant opportunity for investments into hotel capacity.
- **Remote Work & Talent Mobility:** Greater Victoria and jurisdictions within the region can attract

remote workers and distributed teams by marketing lifestyle, improving digital infrastructure and supporting co-working and relocation services. This imported income base complements local job creation and can fuel entrepreneurship.

- **Revitalizing Underperforming Sectors:** Opportunities exist to scale niche sectors, such as film and TV, fintech, agritech, and creative industries, by investing in infrastructure (e.g., sound stages, food hubs), promoting innovation, and repurposing downtown spaces to support mixed-use vibrancy.
- **Attracting New Residents:** Greater Victoria's high quality of life can be strategically marketed to attract young professionals, skilled immigrants and international students. Targeted campaigns and supportive services can convert lifestyle seekers into economic contributors and those who can fill essential workforce gaps, such as in healthcare.
- **Harnessing the Silver Economy:** The aging population presents an opportunity to develop products, services, and innovations in seniors' care, health tech, tourism, and lifelong learning. By treating seniors as a growth market, the region can lead nationally in aging-related innovation.
- **Leveraging Diversity & Inclusion:** Cultural and immigrant diversity can create new trade links, expand the workforce and enrich innovation ecosystems. Supporting Indigenous-led initiatives and inclusive entrepreneurship can strengthen economic resilience and reconciliation.
- **Social Enterprise & Community Innovation:** Greater Victoria's strong non-profit and co-op ecosystems can scale up social innovations (e.g., mental health, housing solutions) into exportable models. Social enterprise growth contributes to inclusive economic development and addresses key social challenges.
- **Education & Skills Training Hub:** By expanding vocational and micro-credential programs, the region can become a training hub for trades, tech and clean industries. New institutions or campuses could attract global talent and address labour shortages.
- **AI & Digital Transformation:** There is an opportunity to specialize in AI applications in public sector tech, health informatics and marine data. Local firms and institutions can be early adopters and co-creators of AI tools with broad, international market appeal.

- **CivicTech & Smart Infrastructure:** Greater Victoria's scale makes it an ideal testing ground for smart grids, mobility tech, Internet-of-Things (IoT) systems and e-government services. Successes can lead to scalable innovations exported to other cities and regions.
- **BlueTech & CleanTech Growth:** Ocean technology, renewable energy, and clean-tech solutions (i.e., through initiatives like ACET and COAST) offer opportunities for startup creation, global investment, and climate adaptation exports.
- **Broadband & Digital Inclusion:** Expanding high-speed connectivity across the region supports digital equity and remote work. Municipal broadband and rural fibre could also open new economic activity in outlying areas.
- **Tech Talent Pipeline:** Enhanced co-op programs, coding boot camps, and retraining initiatives can help boost the tech workforce. Retention strategies and inclusive training models will secure long-term human capital.
- **Climate Adaptation as an Economic Strategy:** Victoria can become a living laboratory for nature-based infrastructure, low-carbon buildings, and community-level climate planning. Exporting knowledge and technology in adaptation offers economic returns.
- **Ecotourism & Conservation Economy:** Expanding eco-experiences, citizen science tourism and agri-tourism connect economic growth with environmental stewardship. Investing in sustainable tourism infrastructure and education-based attractions can diversify revenues.
- **First Nations Environmental Leadership:** Partnering with Indigenous communities on land and marine management offers sustainable development opportunities. These collaborations can yield environmental restoration jobs, unique tourism products and strengthen cultural resiliency.
- **Circular Economy & Waste Innovation:** Resource recovery from waste (e.g., biosolids, building retrofits, zero-waste retail) opens up new local industries. Circular economy efforts, such as those led by the Synergy Foundation, generate jobs and reduce environmental impact.
- **Housing Policy Reform:** Provincial legal changes to zoning and development approvals open the door to faster housing supply. Acting quickly on these reforms, alongside federal and provincial government infrastructure investments, can address affordability and support population and

workforce growth.

- **Export Market Access via Trade Agreements:** CPTPP and CETA offer Victoria-based SMEs tariff-free access to major global markets. Targeted support can help firms scale and globalize their customer base.
- **Immigration Policy Leverage:** Legal pathways, such as the Start-up Visa, BC PNP, and potential digital nomad visas, can bring skilled workers and entrepreneurs to the region - although recent federal policy has diminished their impact. Advocacy for structured strategies to fill essential workers' gaps alongside strong settlement support can amplify impact.
- **Regulatory Sandboxes for Innovation:** Greater Victoria can volunteer to host test regulations for emerging tech (e.g., marine drones, fintech, health tech), accelerating sector growth. Government partnerships, such as through the National Research Council, could establish the city as a policy and innovation pilot site.
- **Technology-Enhanced AgriFood:** Artificial intelligence can support agriculture by enhancing small business operations, facilitating predictive crop planning, soil monitoring, pest and disease detection, and climate adaptation modelling. In food businesses, AI can optimize logistics, reduce food waste and connect producers more efficiently with markets. Investing in workforce reskilling and digital literacy for the agricultural sector will be essential to unlock these benefits.
- **Land Access Reforms for Farmers:** Innovative financing models — including digital currencies and tokenization of land or food production — could provide new pathways to community-driven investment. Tokenized systems enable residents, consumers, and local investors to directly support the acquisition of farmland, cooperative ownership, and processing infrastructure. These models could reduce barriers for new farmers and entrepreneurs while fostering community wealth-building.
- **Climate-Smart & Regenerative Agriculture:** Investing in regenerative practices, such as soil restoration, agroforestry, water-efficient irrigation, and carbon sequestration, will increase resilience and sustainability. These practices also open pathways to access climate finance and impact investment, positioning Greater Victoria as a leader in low-carbon, climate-smart agriculture.

- **Value-Added Food Processing:** Facilities such as regional food hubs and programs like Kitchen Connect and the South Island FarmHub increase regional processing, storage and distribution capacity. This infrastructure is crucial for scaling local supply, supporting institutional procurement, and capturing more economic value locally. Expansion of these hubs would strengthen the region's food security and economic diversity.

Greater Victoria's Economic Weaknesses

Despite its many strengths, Greater Victoria faces several internal weaknesses that could impede its economic potential if unaddressed. These weaknesses span governance challenges, economic and infrastructure constraints, social and demographic issues, gaps in the technology ecosystem, environmental limitations and regulatory hurdles. Identifying these weaknesses is crucial for crafting strategies to overcome them and ensure sustainability and prosperity.

- **Fragmented Regional Governance:** With 13 municipalities plus nine First Nations jurisdictions, Greater Victoria struggles with regional coordination, leading to service duplication, inconsistent policies and slow decision-making on key infrastructure and economic initiatives.
- **Limited Federal Advocacy Clout:** Despite being the provincial capital, the region lacks the population size and political representation in any one community to wield significant influence at the federal level, often missing out on large infrastructure or economic development investments.
- **Underdeveloped First Nations Economic Integration:** Although relations are improving, the region has yet to fully integrate Indigenous economic plans and land-use goals into broader development strategies, sometimes missing collaborative opportunities or delaying projects due to jurisdictional misalignment.
- **NIMBYism & Political Risk Aversion:** A culture of resistance to change — especially around densification, transit and bold public projects — often leads to delayed decision-making and hampers efforts to respond quickly to housing and infrastructure needs.
- **Housing Affordability Crisis:** With home prices among Canada's highest and rents that have not yet given way to upward pressure, the region faces serious challenges in attracting and retaining workers, fueling labour shortages and prompting out-migration to more affordable city regions.

- **Transportation Constraints & Island Isolation:** An island economy has its pros and cons, the latter of which include the challenges of connectivity, supply-chain issues due to port infrastructure or weather delays and the cost of ferry infrastructure and operations. On the island, despite having a population of only 900,000, traffic congestion has not been mitigated by adequate investment in multimodal options, nor are investments coordinated to maximize impact or efficiency.
- **Scarce Industrial Land & Limited Manufacturing Base:** Real estate costs have restricted industrial activity due to the tendency to replace waterfront lands with condos (over time). A limited availability of industrial lands has resulted in some manufacturing facilities (such as de Havilland) expanding off-island. A more robust manufacturing sector could generate meaningful jobs and a more robust local product selection.
- **Over-Reliance on Key Sectors:** A heavy dependence on government and tourism creates exposure to sector-specific downturns (as witnessed during the pandemic). Aside from a few Crown Corporations, the absence of major corporate HQs limits high-level decision-making and philanthropic influence in the region.
- **Workforce Shortages & Skill Gaps:** Full employment conditions and housing challenges have led to labour shortages in the construction, healthcare, and hospitality sectors. At the same time, some tech and life sciences firms struggle to find experienced talent and seasoned leadership for scale-ups.
- **Infrastructure Deficits:** Aging stormwater systems, limited conference facilities, constrained airport capacity and patchy neighbourhood-level capacity for water/sewer pipes that enabled growth threaten the region's long-term competitiveness and prevent downward pressure on housing affordability, among other fiscal challenges.
- **Aging Population & Youth Deficit:** With one of Canada's oldest populations, Greater Victoria faces declining labour force participation and succession challenges in business and civic leadership. Attracting younger residents is becoming increasingly difficult due to high costs.
- **Homelessness & Housing Insecurity:** A visible and growing homelessness crisis, exacerbated by mental health and opioid issues, burdens social systems and negatively affects community wellbeing and the city's public image.

- **Income Inequality & Social Exclusion:** Disparities are widening, particularly for service workers, Indigenous peoples and low-income households. Social exclusion reduces economic participation and increases demand on public services.
- **Education & Training Mismatches:** Despite a highly educated population in general, many graduates move away due to a misalignment of their skills and the available job opportunities, especially at early-career levels. Greater Victoria's economy is not yet dynamic enough to absorb the full range of graduates from post-secondary institutions (primarily UVic and RRU, since Camosun College is more aligned with trades and healthcare needs).
- **Reliance on In-Migration for Growth:** Due to an aging population and low birthrate, the region's population and labour force growth depend heavily on attracting newcomers, which is threatened by rising housing costs and intensified by national and global competition for talent - especially in healthcare occupations.
- **Lack of Local Capital:** Early-stage ventures often struggle to find sufficient local venture capital and must look to Vancouver, Toronto, or, most often, U.S. markets, risking relocation or premature exits due to funding constraints.
- **Commercialization Gaps:** Despite strong research at UVic and a growing startup scene, the region lacks sufficient infrastructure (e.g., wet labs and advanced prototyping facilities) along with senior business talent to turn R&D into scalable ventures.
- **Digital Infrastructure Gaps:** Parts of the region, particularly rural or edge communities, lack reliable high-speed broadband and/or cellular coverage. Some remote areas on Vancouver Island raise concerns about internet redundancy and the resilience of tech infrastructure.
- **Risk-Averse Business Culture:** A lingering conservative mindset and small-town insularity can inhibit bold entrepreneurship, innovation adoption and inclusivity in business leadership. Some sectors lag in tech adoption and digital transformation.
- **Geographic Isolation & Small Market Size:** Being on an island in a region with a population of approximately 440,000 limits economies of scale, raises logistics costs and reduces access to specialized services, creating economic leakage and barriers to scaling, especially for businesses selling tangible products.

- **Seismic & Climate Risks:** The region is highly exposed to earthquake risk due to its location near the Cascadia fault. Rising sea levels, flooding and wildfire smoke from other parts of B.C. also present growing environmental and economic threats.
- **Limited Land for Expansion:** Geographic and policy constraints (e.g., ALR, protected green space) limit available land for new development, increasing costs and limiting flexibility for large-scale industrial and institutional investments. In-fill development is the preferred model, but it remains vastly more expensive.
- **High Environmental Compliance Costs:** Strict environmental standards and public expectations can impose high compliance costs and delays, deterring certain business and industrial activities.
- **Fragmented Regulatory Environment:** Businesses operating across the region's multiple municipalities must navigate distinct permitting, licensing and taxation regimes, which reduces efficiency and adds cost and complexity to regional operations.
- **Tax Fairness Ratio Needs Balance:** The tax rate ratio is defined as the difference between the tax rate paid by businesses and residents. In contrast, the tax fairness ratio is defined as the difference between the share of property taxes paid by businesses and their share of property assessment. A 2024 report by CFIB identified that the most fair cities are all on the mainland, whereas two of the worst performers (Nanaimo and Saanich) were island-based.
- **Barriers to Innovation in Regulation:** Slow-moving municipal, provincial and federal regulatory systems struggle to keep up with emerging tech (e.g., autonomous marine vehicles, biotech trials), limiting the region's potential as a testbed for innovation.
- **Legal Ambiguity in Land & Marine Use:** Overlapping jurisdictions between federal, provincial and Indigenous governments create approval complexity, especially for marine and energy projects. Unresolved treaty issues continue to introduce uncertainty in land development.
- **Food Insecurity:** As housing, transportation and basic living costs rise, many households are forced to compromise on food quality and quantity. This disproportionately affects equity-denied groups, youth and newcomers, while also eroding the customer base for local producers. Without affordable access to nutritious food, health outcomes tend to decline over the long term.

- **Limits on Agricultural Land Access:** High land values and limited farmland availability constrain new and emerging farmers. Many cannot compete with development pressures or the cost of ownership, leading to reliance on insecure leases. Rising input costs (fertilizer, feed, energy, labour) further challenge farm viability and reduce competitiveness.

Greater Victoria's Economic Threats

Greater Victoria faces significant external threats that could hinder its future economic prosperity. Using a PESTEL lens (Political, Economic, Social, Technological, Environmental, Legal), these are largely macro-level forces beyond local control — from international and global geopolitical rifts to global climate emergencies. Below, we outline the examples of external threats and their local implications taken from the more comprehensive SWOT analysis.

- **Geopolitical Tensions with China:** Deteriorating Canada–China relations threaten local tourism, education and export sectors. Chinese tourist and student numbers remain far below pre-pandemic levels, and new Chinese tariffs (e.g., 25% on seafood) have directly harmed Vancouver Island's fisheries and agri-food exporters.
- **Trade Disruptions with the U.S.:** Greater Victoria is highly exposed to U.S. protectionism. Proposed blanket tariffs and increasing lumber duties (up to 35.19% from an already high 14.4%) highlight how quickly political developments can impact regional exporters, supply chains and input costs. Tensions with the U.S. also create a climate of reluctance for investment and lower business confidence.
- **Federal Immigration Policy Tightening:** Ottawa's decision to reduce immigrant admissions poses a major demographic threat. Greater Victoria, which relies on newcomers to offset its aging population and labour shortages, could see its talent pipeline shrink dramatically (up to 40% by 2030, according to Statistics Canada's own data).
- **Temporary Labour Shortages:** Farmers and food processors struggle to recruit and retain workers. Federal immigration policy changes and uncertainty in the Temporary Foreign Worker Program create instability for employers who depend on migrant labour, making it harder to plan for consistent staffing and production cycles.
- **Global Slowdown & Inflation:** International downturns or inflationary spikes impact local

tourism, trade and investment. High interest rates, rising input costs and faltering consumer confidence could stall Greater Victoria's post-pandemic recovery, especially in housing, hospitality and real estate.

- **Housing Cost Pressures:** While partially a local issue, housing affordability is also shaped by global financial trends. Mortgage rates and regulations, as well as investor-driven demand, have created a persistent cost-of-living crisis that threatens the attraction and retention of essential workers, reduces economic inclusion, and erodes regional competitiveness.
- **Sectoral Over-Reliance on Public Sector & Tourism:** External shocks — such as fiscal austerity, pandemics, or natural disasters — could disproportionately hurt government-driven employment and tourism, both of which are foundational pillars of Greater Victoria's economy.
- **Aging Demographic Structure:** The aging Baby Boomer generation is rapidly exiting the workforce, creating succession challenges for small businesses and threatening service availability. Without a strong focus on immigration or youth retention, Greater Victoria faces long-term labour shortages and economic contraction.
- **Changing Consumer & Work Patterns:** Remote work and digital disruption have vacated office space and reduced foot traffic in downtown cores, threatening retail and hospitality businesses. E-commerce, virtual services and changing travel preferences could further erode demand for local offerings.
- **Public Health & Substance Abuse Crises:** External health threats — from pandemics to opioid-driven addiction crises — strain downtown vitality and the perception of public safety. These macro-level health issues, although rooted outside the region, have a profound impact on local economic confidence and perceptions of the tourism industry.
- **Automation & AI Disruption:** Rapid advances in automation and AI threaten job displacement across sectors, including white-collar occupations (e.g., government services, tech and software development), especially among early-career professionals. Without local upskilling and innovation leadership, the region risks falling behind more agile tech hubs.
- **Cybersecurity Vulnerabilities:** As home to provincial and federal institutions, Greater Victoria could be an attractive target for cyberattacks by foreign state actors or criminal networks. A successful cyber breach could disrupt essential services and erode trust in both business and

public sectors.

- **Lagging Tech Infrastructure:** Global competition is driving cities to upgrade to 5G, smart systems, and advanced R&D capabilities. If Greater Victoria falls behind in digital infrastructure and tech adoption, it could struggle to attract or retain innovative firms and talent.
- **Climate Change & Extreme Weather:** Greater Victoria faces increasing wildfire smoke, floods, heatwaves and storm risks linked to climate change. These events already deter tourists, damage infrastructure and strain public finances and will likely intensify without global emissions reductions.
- **Climate Pressures on Food Security:** Shifting weather patterns, droughts and water constraints threaten yields and increase uncertainty for producers. Adaptation requires investment in resilient infrastructure and new growing methods. There is a growing urgency to invest in adaptive seeds, plant varieties, and climate-resilient growing methods that can withstand drought, flooding, and other extreme conditions.
- **Earthquake Risk (Cascadia Subduction Zone):** The ever-present threat of a major earthquake poses potentially catastrophic consequences. A magnitude 9.0 event could destroy up to 40% of downtown buildings, causing widespread economic devastation, infrastructure collapse and long-term recovery challenges.
- **Regulatory & Consolidated Ownership:** Farmers and fishers alike face complex regulatory barriers — from land-use bylaws to food safety requirements and fisheries licensing. These barriers can slow innovation and create disproportionate burdens on small-scale operators. In the fisheries sector, consolidation and foreign ownership of licenses erode local control and reduce opportunities for younger, independent harvesters. Similar trends in farmland speculation and consolidation pose a threat to community-based food security and long-term economic sustainability.

Where are we now?

Greater Victoria Metropolitan Area Profile

Location

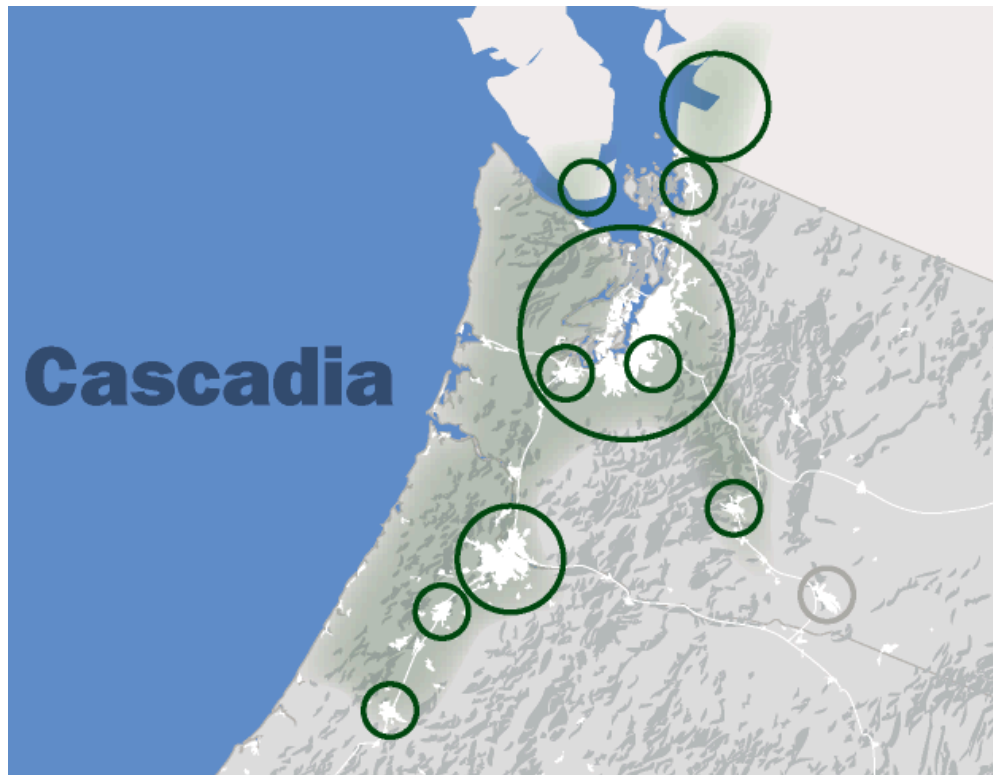
The “South Island” region refers to the 13 municipalities, nine First Nations (and parts of the Juan de Fuca Electoral Area) that fall within the Statistics Canada-defined Victoria Census Metropolitan Area (CMA) or “Greater Victoria.” Greater Victoria is a diverse metropolitan area of 696 km² (Statistics Canada) located entirely within the territories of several Coast Salish First Nations (expanded upon in the First Nations section below).

Though the South Island Prosperity Partnership’s mandate applies predominantly to the CMA, the Capital Regional District (CRD) region covers a larger portion of the South Island, including the Southern Gulf Islands, Electoral Areas and Pacheedaht Nation, which is located outside the metropolitan area.

With a 2021 census population of 397,237 (and an estimated population of 441,491 in 2025 ([Statistics Canada](#))), Greater Victoria represents the second most-populated metropolitan area in B.C. and the 16th in Canada.

Cascadia Megaregion

Greater Victoria is on the very southern tip of Vancouver Island, the largest island on North America’s west coast and the 43rd largest globally. The region is also integrated within the “Cascadia” bioregion that transcends the international border between Canada and the U.S. This mega-region — which runs from Vancouver and Victoria through Seattle and Portland to Eugene, Oregon — has grown significantly in recent decades. Now home to nearly 10 million people and with an annual GDP exceeding \$600B (USD), the Cascadia region represents a large peripheral trading area that supports Greater Victoria’s economy, from tourism to tech ([source](#)).



(image source: [Cascadia Innovation Corridor](#))

The popularity of Cascadia — and the cities within it — as a place to live and work has come with corresponding challenges; as a result, the way of life and natural beauty that define the mega-region are under threat. Some of these include: the need for affordable housing, increasing pressures on healthcare, unacceptable greenhouse gas emissions (GHGs) due to auto-centric urban and suburban settlement patterns, a widening wealth divide (and a range of social issues that have gotten worse in recent years), plus declining air quality each summer due to intensifying fires.

Population

According to the 2021 Census, the CMA population was 397,237, representing a growth rate of 8% over its 2016 population of 367,770. This compares to a provincial growth rate of 7.6% and a national growth rate of 5.2%. The region's 2021 growth rate also exceeded its previous 2016 growth rate of 6.7% (over the 2011 census year) and its 2011 rate of 4.4% (over the 2006 census year).

The average age of the region's population is 45.2 (up from 44.1 in the 2016 census), which is older than both Canadian and B.C. averages. This is largely due to the percentage of the region's population aged

65+, which increased to 23.4% of the population in 2021 (up from 21.1% in 2016). This compares to 18.0% for the country as a whole. The percentage of children aged 0 to 14 in the region also declined to 12.7% in the 2021 census (down from 13.1% in the 2016 census).

Immigrants in Greater Victoria made up 18.9% of the population in 2021. This is only slightly higher than in previous census years (18.3% in 2016 and 17.9% in 2011), which implies that this is not a significant source of growth compared to other cities in Canada. Looking at recent immigration, the Philippines represented the most significant source of immigrants to the region, followed by India and China.

Workforce

The shortage of available labour has been a constraining factor for many South Island sectors. The region has trended toward full employment (defined as a rate of less than 5% unemployment) across many sectors, creating acute shortages in some essential areas, such as healthcare and construction. This is not ideal in a region with an aging population, and it highlights the need to continue efforts to diversify the economy so that spousal opportunities can be less of a barrier to recruiting healthcare and other essential workers.

The region's total workforce was 214,820 in 2021, with 200,055 of those employed (unemployment rate of 6.9%). This is higher than normal but likely attributable to the COVID-19 pandemic's impact on the data. The largest employment in the region in 2021 remained in the healthcare sector (29,750), followed by public administration (27,780), retail trade (22,540), professional, scientific and technical services (19,655), education (16,435), construction (15,370) and accommodation and food services (13,160).

At 39% of the population, Greater Victoria has a higher completion rate of advanced university degrees than the provincial rate of 35% and the rate of 32.9% for Canada as a whole. The region also has a lower percentage of the population with no post-secondary completion, at just 6.2% (compared to 8.1% in BC and 9.9% in Canada).

Economy

Relative to most other city-regions across Canada, the Greater Victoria region has a fairly stable economy, as measured by low unemployment and less drastic swings in unemployment. The economy is buoyed by being the seat of the provincial government and by the presence of several provincial crown corporations, which have situated their headquarters here. The region is also the home to Canada's

Pacific Navy Base (CFB Esquimalt), along with major marine employers like BC Ferries and a large presence of Seaspan and the Canadian Coast Guard. The healthcare and education sectors round out the region's stability factors.

Greater Victoria's estimated annual GDP is \$21B (2024, in 2012 chained dollars; source: *Conference Board of Canada*) and experienced a slow growth rate of 0.9% in 2023 and 1.4% in 2024 despite retaining its staple low unemployment in a post-pandemic environment (*Conference Board of Canada*). The region has a slightly higher household income per capita (\$62,200) compared to B.C. (\$58,900) and Canada (\$56,600), likely due to being a provincial capital.

Over the last two decades, the South Island has been slowly diversifying its economy with notable gains in the technology sector. However, the region's dependency on the public sector for incomes has actually increased because public-sector job growth has exceeded private-sector growth in recent years. More diversification is needed, especially within sectors of strength that also offer high multipliers, such as the ocean and marine space, life sciences and advanced manufacturing. The Conference Board of Canada calculates Greater Victoria's economic diversity coefficient as 0.68, with Canada's diversified economy set as the 1.00 benchmark. This means we lack sufficient economic diversity relative to the country as a whole (for comparison purposes, Greater Vancouver has a diversity coefficient of 0.93).

Social Fabric

The region is known for its active, civically engaged, and socially progressive population. This is evident in its high household expenditures on sports and recreation (Statistics Canada), a voter participation rate that significantly exceeds the national average—70.3% in the last federal election compared with 66% across the country (*Elections Canada*)—and other indicators of its open culture, such as Greater Victoria having the highest proportion of LGBTQ+ couples in Canada and the 3rd-highest proportion of gay cisgender couples, behind only Montreal and Toronto.

The region's social fabric is under threat as growing affordability concerns pose a risk of creating a widening wealth divide or forcing essential workers and new graduates to leave the region. The cost of shelter was the most significant factor in driving the region's Living Wage up by 5.4% in 2024, 4.6% in 2023 and 20% in 2022 (source: *Community Social Planning Council*). The increase in 2022 was drastic due to post-pandemic inflation, and 2023 was lower than it could have been due to government investments in childcare.

Homelessness remains a serious issue in Greater Victoria — 1,665 people identified as homeless in the region (Greater Victoria Point-in-Time Count, 2023), up from 1,523 in the 2020 survey. Only 10% of these people have lived in the region for less than one year, suggesting that the issue is locally systemic and not a matter of people flocking to the region to receive support services, which is a common narrative (source: *Community Social Planning Council*).

First Nations Territories & Indigenous Cultures

There are more than 630 First Nations recognized across Canada, over 200 of which are within the West Coast area. Across the Vancouver Island region, there are 53 First Nations.

The entire Victoria CMA exists within the Coast Salish territories, comprising nine First Nations (with the broader CRD region also intersecting with Penelakut and Pacheedaht Nations). On and off-reserve, 19,455 people — or 5% of the region's population — identified as Indigenous in the 2021 census (compared to 17,245 in 2016). Of those, 55.4% (or 10,795 people) identified as First Nations, 39.4% (or 7,665 people) identified as Métis and 0.7% (or 140 people) identified as Inuit. The average age of Indigenous peoples in the region is 34.6, much younger than the regional population as a whole (45.2). The unemployment rate for Indigenous peoples in the 2016 census was 9.9%, compared to 5.6% for non-Indigenous peoples. (source: *Statistics Canada*).

In recent years, municipal, provincial and federal governments have emphasized the importance of the reconciliation process. Some progress has been made — including the 2019 passage of British Columbia's Declaration on the Rights of Indigenous Peoples Act (DRIPA), which adopted the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as the framework for reconciliation and mandates the provincial government to align its laws with UNDRIP. This process remains ongoing. Other local initiatives include the addition of First Nations representatives to Capital Regional District committees and a number of municipal-level, non-profit and private sector efforts to better engage with First Nations to find areas of shared interest and opportunity.

Municipalities

The Victoria CMA region comprises 13 municipalities within a relatively condensed geography, with a highly integrated economy and commuter shed. Municipalities capture community values and priorities through their Official Community Plans (OCP). In recent OCPs (many of which are now being updated by

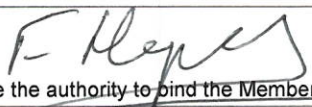

the end of 2025), municipalities identify common themes related to environmental sustainability, intended settlement patterns, and agriculture and food security. Many also list priority sectors such as sports and recreation, education, tourism, arts and culture, oceans and marine and health and wellness.

Municipal economic development functions vary. Six municipalities have formal committees and varying levels of staff support, while others have no specific economic development function. There are five Chambers of Commerce throughout the region, advocating for the needs of their respective business members. Several industry associations active in the region (e.g., Victoria Innovation Advanced Technology and Entrepreneurship Council (VIATEC), Vancouver Island Life Sciences Association (VILS) and the Association of British Columbia Marine Industries (ABCMI) are among the most active examples) along with several Business Improvement Areas (BIA) organizations representing specifically defined commercial areas at the municipal level, focussed primarily on “mainstreet” businesses.

The *Regional Growth Strategy* (RGS), adopted and implemented by the CRD, captures the region’s long-term vision. This document guides decisions around transportation, population growth and settlement boundaries. In March 2018, the CRD board adopted the RGS Bylaw No. 4017 (with amended population projections in 2021 as Bylaw 4328). Several of SIPP’s key initiatives align with RGS priorities (on pages 35-36 of the strategy).

SOUTH ISLAND PROSPERITY PARTNERSHIP MEMBERSHIP AGREEMENT

Thank you for joining us as a member of the YYJ Prosperity Association doing business as the South Island Prosperity Partnership ("SIPP").

MEMBER INFORMATION (THE "MEMBER")		
Organization Name: District of Saanich		
Address: 770 Vernon Ave		
City: Victoria	Province: British Columbia	Postal Code: V8X 2W7
Phone Number: (250) 475-1775		E-mail: mayor@saanich.ca
MEMBERSHIP FEES		
\$179,562 (April 2021 – March 2022). \$44,890.50 quarterly payments - see invoice attached		
\$184,051 (April 2022 – March 2023)		
\$188,652 (April 2023 – March 2024)		
\$193,368 (April 2024 – March 2025)		
\$198,202 (April 2025 – March 2026)		
SIGNATURES AND AGREEMENT		
By signing below, I hereby agree to enter into this Membership Agreement with the YYJ Prosperity Association doing business as the South Island Prosperity Partnership ("SIPP") on the terms and conditions set out in this Agreement.		
Signature: 	Date: 13 th April 2020	
I represent that I have the authority to bind the Member.		
Name (Please Print): Fred Haynes	 Angila Bains Municipal Clerk	

Terms and Conditions of Membership

The following Terms and Conditions form a part of your Membership Agreement with SIPP (the "**Agreement**"). Please read them carefully and sign above to indicate your agreement on behalf of your organization.

1. **General** - As a member of SIPP, the Member agrees to abide by the terms of this Agreement SIPP's Bylaws along with any regulations, rules, policies or procedures established SIPP. The Member agrees that SIPP may amend this Agreement or its regulations, rules, policies or procedures from time to time. The Member's continued membership will constitute acceptance of the amended Agreement or regulations, rules, policies or procedures.
2. **Term** - The term of this membership is two (2) years, which term will commence on the date of admission of the Member and which will expire at the close of the second annual general meeting (AGM) after the date of such admission.
3. **Fees** – The Member shall pay promptly to SIPP all fees set out in this Agreement or as otherwise agreed to between the Member and SIPP.
4. **Member Benefits**
 - (a) Recognition as a SIPP member in full standing
 - (b) Logo and website link on the SIPP website
 - (c) Voting rights as a member of the Funder Council
 - (d) Authority over bylaws and the election of Board members
 - (e) Participation in members-only events, dialogues, *ad hoc* committees, and strategy sessions (e.g. thought leadership series, lead investors breakfasts, etc.)
 - (f) First access to data: economic trends, national, provincial and local economy trends, business development trends, research