

Tahsis Socio-Economic Background



Report 1 of 3

Prepared for:

Village of Tahsis

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1 INTRODUCTION

1.1 Background

In September 2014 the Village of Tahsis issued a Request for Proposal (RFP) for *An Economic Development Strategy and Action Plan for the Village of Tahsis*. The firm of George Penfold Community Planning and Development Consulting in partnership with Lions Gate Consulting was the successful bidder. Work commenced in early November 2014 with an intended completion date of March 2015.

1.2 Purpose

The purpose of this study is to conduct and deliver an Economic Development Strategy that will be the foundation of future local economic planning and policy in accordance with the vision and intent of the 2010 OCP, and in alignment with other Village planning initiatives. The relevant economic development policies in the OCP include:

- Expand the economic base of the community.
- Promote the development of community and tourist related services, home-based businesses, telecommuting opportunities, valued-added wood processing and aqua-marine related industries.
- Promote economic diversification by encouraging the building of strong partnerships between the community, major employers, other levels of government and neighbouring communities.
- Encourage and support the development of new ecologically sustainable economic opportunities and the growth of existing industrial, trade and service establishments, and tourist recreational facilities.
- Promote the Tahsis deep-sea harbour as an opportunity for the development of marine-based activities.
- Work with the provincial government to provide a continued fiber supply to the Nootka Sound Economic Development Corporation.

1.3 Reports

Three key reports will be delivered to the Village as part of this study:

- A Background Report
- The Community Survey Results
- An Economic Development Strategy and Action Plan



This document is the Background Report that will be used to inform the strategic planning process and the creation of the final strategic plan.

1.4 Report Structure

Chapter 2 presents historical community, demographic and labour market information for the Village.

Chapter 3 discusses major trends in the regional economy with a focus on the Strathcona Regional District.

Chapter 4 provides data on infrastructure and resources available for supporting economic activity.

2 COMMUNITY PROFILE

2.1 History

Native settlement of Nootka Sound goes back thousands of years. Contact with English and Spanish explorers in the 1700's eventually led to the introduction of fur trade activity, but this part of British Columbia remained largely unchanged until the early 1900s when logging was introduced.

It was not until the late 1940s that permanent mills were established and provided the foundation for an enduring community in Tahsis. In the 1950s, Tahsis expanded, and a village took shape with two churches, a school and a travelling medical man. The road from Tahsis to Gold River was opened to the public in 1972, attracting more new families. Tahsis also became incorporated in 1970, with the election of the first mayor and council.

By the late 1980s, changes in the forest industry swept through communities across the province, resulting in mill downsizings, consolidations and closures. Provincial employment in the forestry sector (logging and processing) peaked in the 1980s and has been declining consistently since. The coastal forestry industry and forest-dependent communities on Vancouver Island were not immune to these changes and trends, and the population of Tahsis started to decline significantly.

In 1997 the Ministry of Forests granted a community forest licence to the municipalities of Tahsis, Zeballos and Gold River. The Nootka Sound Economic Development Corporation (NSEDC) was formed to manage the licence, which was non-renewable for 40,000 cubic metres annually for 15 years. The licence has since expired. The NSEDC has applied for a Community Forest licence.

In spite of the NSEDC initiative, by 2003 both mills had closed, and the economy of the Village became largely reliant on summer tourism, primarily sport fishing for salmon and halibut, and on other types of outdoor and adventure tourism.

In Tahsis' heyday the population was roughly 2,500. However, shortly after incorporation in 1970, the population had declined to 1,351. With further changes in the forestry economy and the structure of the related businesses, production in Tahsis declined further and by 2001 the population stood at 607. The current permanent population is estimated by BC Stats at 316, while the additional summer population adds an estimated 1,000 including seasonal residents (those who have purchased second homes for summer use, and tourist visitors). The main summer attraction is sport fishing. It supports local lodges, local guides, accommodation providers and restaurants. In addition, almost half of the Village's housing stock is owned by people who used their residences as second home summer cottages.

At present, the ability to expand the tourism economy is uncertain due to the recent closure of both the Maquinna Lodge and the Tahsis Motel, the two key accommodation providers in the Village.

2.2 Demographics

2.2.1 Population

Population between 1971 and 2013 for the Village of Tahsis, Comox-Strathcona Regional District and BC are presented in Table 1. Peak population was reached in the Village in the early 1980s at a time when logging activity and wood processing were operational and running at capacity. The current population estimate of just over 300 is roughly one sixth of what it was in 1981.

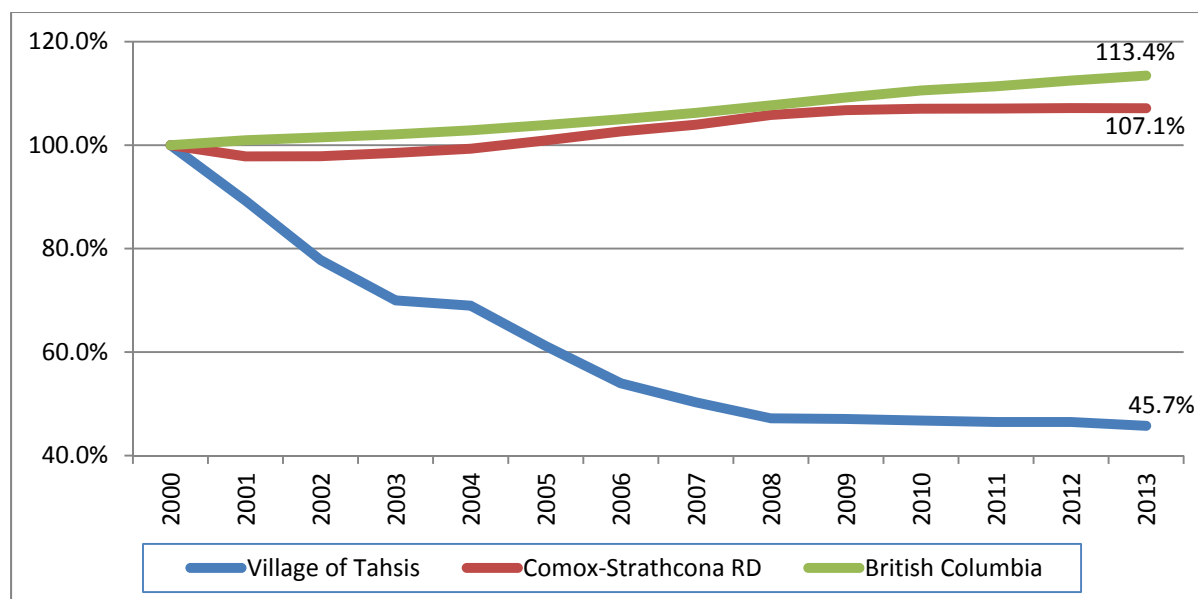
Table 1: Historical Population, 1971-2013

	1971	1981	1991	2001	2011	2013
Village of Tahsis	1,351	1,797	1,085	607	316	311
Comox-Strathcona RD	48,626	70,400	85,054	98,231	107,541	107,580
British Columbia	2,240,470	2,823,930	3,373,399	4,076,881	4,499,139	4,581,978

Source: BC Stats (1997) (1998a) (1998b) (2014a) (2014b)

Figure 1 indicates that the population of the Village declined steadily between 2000 and 2008, but has been holding relatively steady since that time. A similar holding pattern can be seen in the Regional District population. In contrast, the provincial population continues to grow at a healthy rate, 13.4% higher than in 2000.

Figure 1: Percentage Change in Population 2000 to 2013 (200=100%)

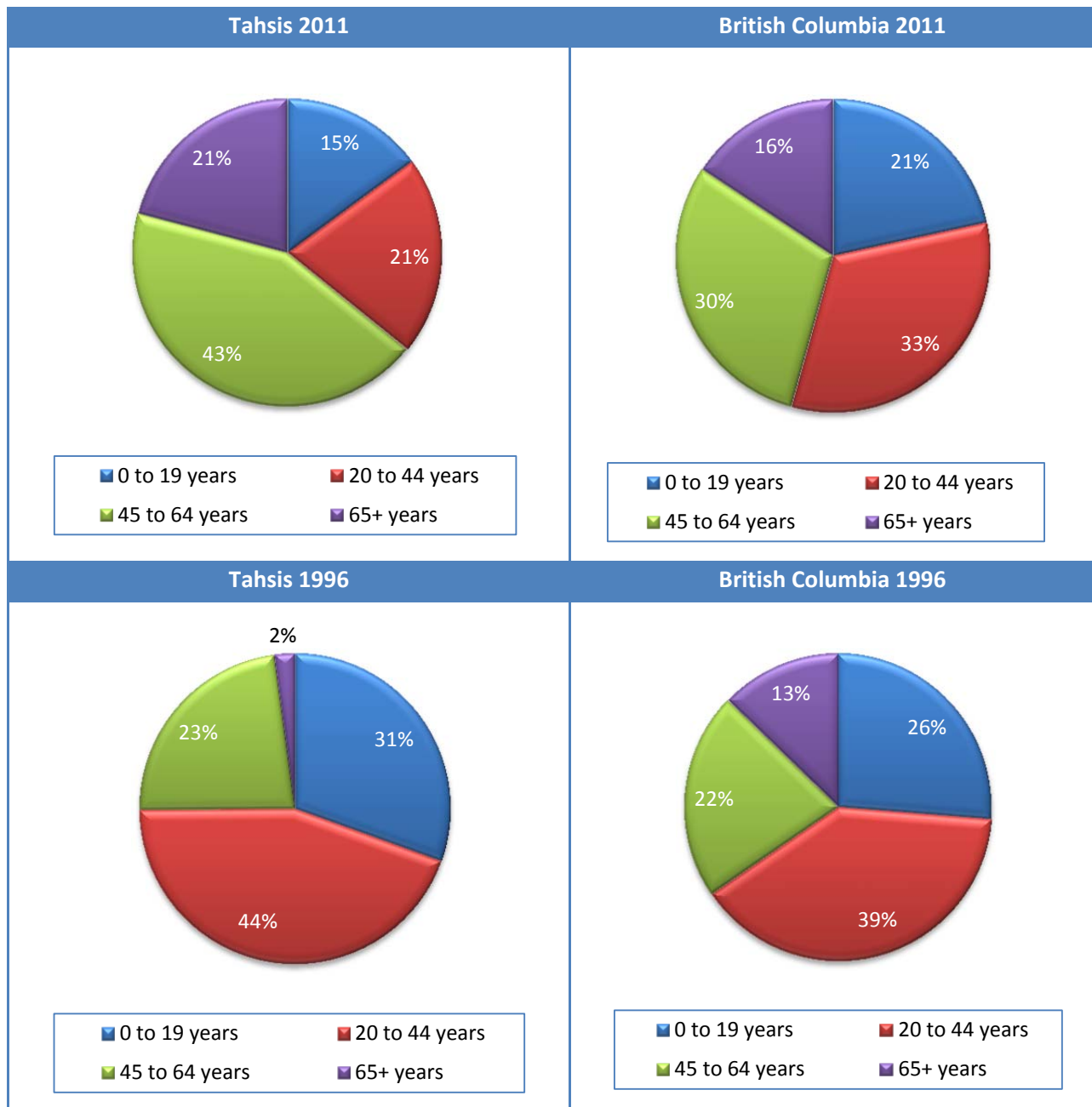


Source: BC Stats (2014a) (2014b)

2.2.2 Age Characteristics

The average age of Village residents has changed markedly over the last two decades, as seen in Figure 2. In 1996, 75% of residents were under 45 years of age, versus 65% for the province. In 2011, that had declined to 36%, versus 54% for the province. Residents 45 years and older now constitute two thirds of the population, considerably higher than the 46% provincial average.

Figure 2: Age Characteristics for Tahsis and British Columbia, 1996 and 2011



Source: Statistics Canada (1996) (2012a) (2012b)

Table 2 highlights the change in median age in the Village of Tahsis and British Columbia between 2001 and 2011. In Tahsis the median age has increased rapidly and reflects the decrease in the share population under the age of 44 years.

Table 2: Median Age for Tahsis and British Columbia, 2001 - 2011

	2001	2006	2011
Tahsis	40.3	48.2	52.9
British Columbia	38.4	40.8	41.9

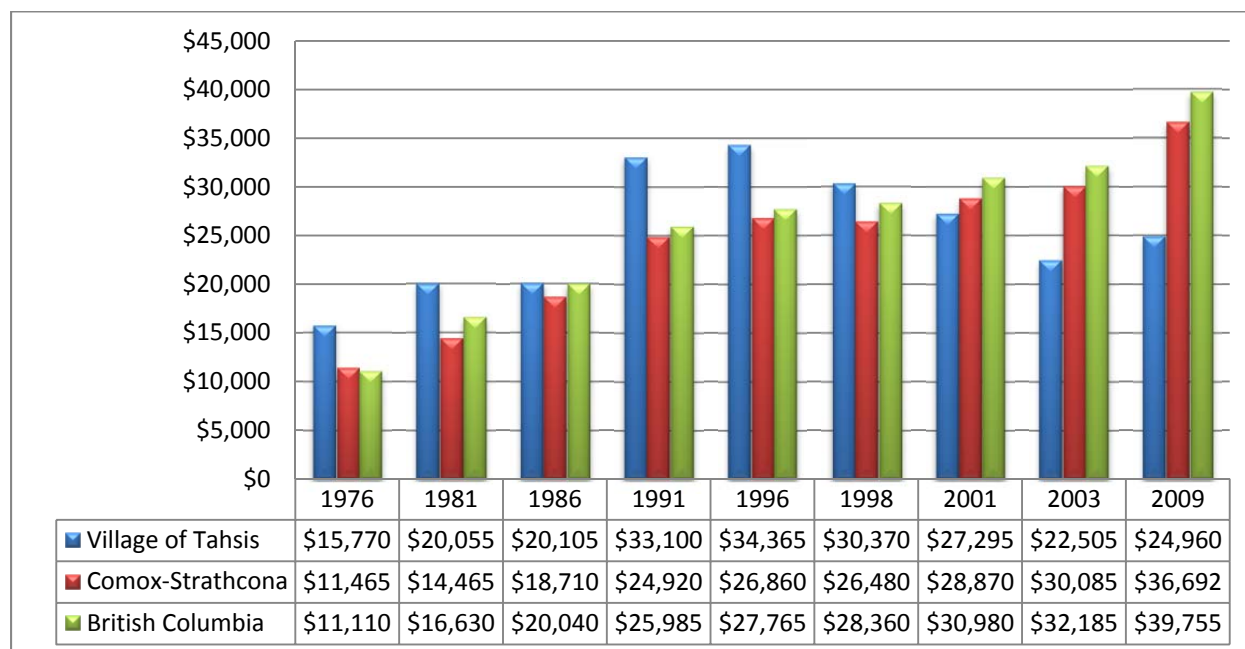
Source: Statistics Canada (2001) (2007) (2012a) (2012b)

2.3 Personal Income

2.3.1 Change in Personal Income

The decline of the forestry employment and its effect on personal incomes in the community can be clearly seen in Figure 3. Up to and including the end of the 1990s, the average personal income in the Village exceeded that of the Regional District and the province. This was likely attributable to low unemployment levels and above-average wages being paid in the forestry and other resource sectors. By 2001, income levels began a downward trend and by 2003 had slipped well below the Regional District and provincial averages. Nominal incomes are now well below what they were in the mid 1990s, while those in other regions and for the province have continued to grow.

Figure 3: Change in Average Personal Income, 1976-2009

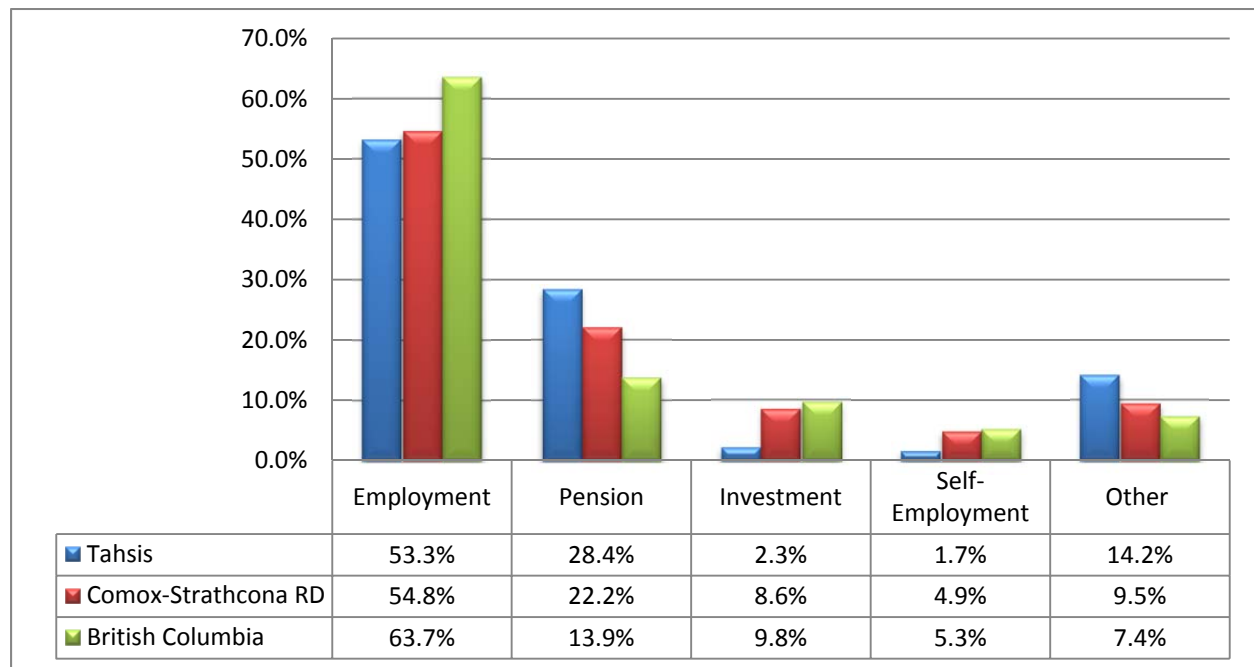


Source: Central Statistics Bureau (nd) (1983); BC Stats (1998c) (2001) (2004) (2007) (2012)

2.3.2 Personal Income by Source

As seen in Figure 4, employment still represents the major income source for residents (53%) but pension and other transfer payments from government are not far behind (43%). Investment and self-employment sources of income make up 4% of the total. The distribution of income by source is more diversified in the Regional District and the province, with greater contributions from employment, investment and self-employment, and less reliance on pension and other transfer payments compared to Tahsis.

Figure 4: Personal Income by Source, 2009



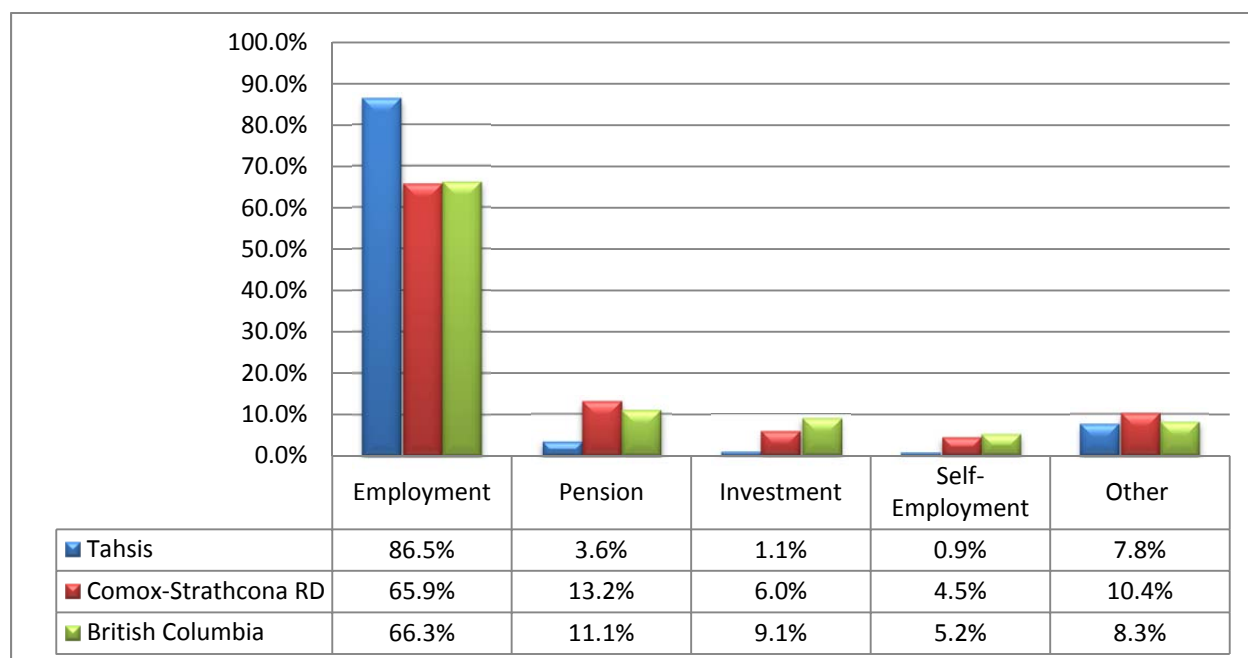
Source: BC Stats (2009).

Income sources in 1996 (



Figure 5) stand in marked contrast to the current period. Back when the mills were running, 87% of incomes were from employment, much higher than either the Regional District or the province.

Figure 5: Personal Income by Source, 1996



Source: BC Stats (1998c).

2.4 Housing Stock

2.4.1 Housing by Type

The distribution of occupied private dwellings in the Village of Tahsis in 2011 is presented in Table 3. Of the 170 dwellings, the majority of the stock is single-detached properties, followed by movable dwellings and one apartment building. Many dwelling types are not available in the community. Note that this dwelling count does not include dwellings owned by non-residents.

Table 3: Occupied Private Dwellings, 2011

	Tahsis		Strathcona RD
Single-detached house	125	73.5%	69.4%
Apartment; building that has five or more storeys	0	0.0%	0.0%
Movable dwelling	35	20.6%	5.8%
Semi-detached house	0	0.0%	4.0%
Row house	0	0.0%	5.6%
Apartment; duplex	0	0.0%	3.8%
Apartment; building - fewer than five storeys	10	5.9%	11.3%
Other single-attached house	0	0.0%	0.1%
Total number of occupied private dwellings	170	100.0%	100.0%

Source: Statistics Canada (2012a)

2.4.2 Representative Housing Value

Housing values for communities in the region (Table 4) clearly show the steep run-up in house prices in the mid 2000s followed by more balanced market conditions, including lower values, over the last five years.

Table 4: Representative Housing Value by Community in the Strathcona RD, 2000-2014

	2000	2006	2011	2014
Tahsis	\$31,723	\$60,119	\$104,370	\$75,749
Campbell River	\$124,756	\$214,174	\$280,473	\$272,747
Gold River	\$54,468	\$99,940	\$126,857	\$108,655
Sayward	\$81,795	\$116,976	\$158,867	\$107,827
Zeballos	\$55,980	\$57,083	\$84,183	\$79,381

Source: BCMCSCD (nd.a) (nd.b) (nd.c) (nd.d)

2.4.3 Taxes and Charges on a Representative Household

In 2014, the taxes and charges payable on a representative household in the Village were comparable to other smaller communities in the region, and considerably less than those in Campbell River (Table 5). Village residents pay approximately \$2,000 annually, slightly higher than Zeballos but less than Gold River and Sayward. Campbell River taxes are 78% higher at \$3,610, but more services are also provided by the municipality.

Table 5: Taxes and Charges on a Representative Household by Community, 2014

Municipalities ¹	Total Res. Variable Rate Taxes	Total Res. Parcel Taxes	Total Res. User Fees	Total Res. Property Taxes And Charges
Tahsis	1,514	0	\$515	\$2,028
Campbell River	2,787	76	\$747	\$3,610
Gold River	1,548	0	\$610	\$2,158
Sayward	1,554	169	\$570	\$2,294
Zeballos	1,363	0	\$432	\$1,795

Source: BCMCSCD (nd.d)

3 TRENDS IN THE REGIONAL ECONOMY

The following discussion on regional trends uses Northern Vancouver Island (i.e., Mt. Waddington, Strathcona and Comox Valley regional districts) as a regional economic reference point. It is based mainly on 2011 National Household Survey data, previous censuses, and studies commissioned by the Islands Economic Trust.

- **Regional population growth** – Between 2001 and 2011, the population on Northern Vancouver Island grew a modest 6.5%, however the growth was concentrated in the larger centres like Campbell River and Courtenay. BC Stats is projecting the same rate of growth over the next 10 years so regional economic activity should grow as well, although well below the provincial average. Smaller, rural communities may be able to participate in population growth by appealing to migrants seeking an amenity-driven lifestyle.
- **Structural change in the economy**
The Canadian and BC economies were built on the exploitation of extractive resources whose economic rents allowed companies to prosper, gave workers relatively high wages and helped grow communities and regions. Increased worldwide production, increased business costs, substitution effects and other competitive drivers eventually eliminated those rents and the competitive advantage producers used to benefit from. In Tahsis the loss of the primary timber processing capacity typifies the downsizing, consolidation and closures that have affected the resource economy. For the 15 year period ending in 2011, primary sector employment on North Vancouver Island declined 38% from 8,050 to 4,985, with almost all losses in logging and fisheries occupations.
- **The decline of manufacturing**
The economies of industrialized, western nations continue to experience a transition from goods production to service production due to globalization, competition from developing and emerging markets and the increasing adoption of technology, particularly computer systems and the Internet. Manufacturing capacity has shifted overseas to lower cost jurisdictions, with less onerous environmental regimes and proximity to emerging markets. In 2011 alone, Canada lost 14,000 manufacturing jobs. On North Vancouver Island in 2011 there were 2,415 manufacturing jobs, versus 5,885 in 1996 (a decline of 59%). The effects of employment losses in manufacturing and primary industries are amplified when community income is considered. These industries have above-average wages and salaries and even if job loss can be offset by gains in other industries there will tend to be a decline in total community income.
- **The growth of technology and knowledge-led sectors** - green technology, digital media, life sciences, high technology and health care are expected to lead provincial job growth in the years ahead. These sectors are heavily concentrated in the Lower Mainland and southern Vancouver

Island, and the opportunities for growth in rural communities are limited due to infrastructure and labour constraints. Nanaimo has the closest technology hub with over 300 companies and GDP of close to \$200 million in 2012 (Nordicity 2012). But it is noted that broadband services which have enabled technology growth in central Vancouver Island are severely lacking in Tahsis and Nootka Sound.

- **Growth in services** – In North Vancouver Island, the greatest growth industries in terms of employment have been construction, transportation, education, health and financial services. Retail trade has also grown. A recent study by Island Coastal Economic Trust found that Vancouver Island as a whole was experiencing the same broad trends. Between 2002 and 2012, employment growth was strongest in health care, construction, advanced services, trade, transportation, and information, culture, recreation. This more than offset employment loss in primary industries and manufacturing (Van Struth Consulting Group 2013). For smaller rural communities such as Tahsis, however, gains in service employment have been marginal at best due to population decline.
- **Uncertainty in tourism** – From a labour market viewpoint, there is less accommodation and food service employment now than 10 or 15 years ago. This holds true for Northern Vancouver Island as a whole and most of its communities, rural and urban. The number and quality of tourism experiences is believed to be greater than in the past, but population loss in rural areas, including Tahsis, has brought visitor levels down for a variety of reasons. Importantly, many tourists are visiting friends and relatives so as local populations decline so does visitation. At the same time, many services such as restaurants, gift stores, service stations, rental services and entertainment services that are shared between residents and visitors erode or disappear. Finally, the decline of primary industries has led to less business travel (e.g. utility, construction, and logging crews) which further suppresses demand. While the opportunities for tourism in the region are recognized, it will be difficult to attract the investment capital needed to develop new attractions and experiences without an increase in population. As with the technology sectors, growth is severely limited by infrastructure constraints.
- **Shifting trade relationships** – BC has traditionally relied heavily on trade with the rest of Canada and the United States for the majority of its goods and services. Over the last decade especially trade has shifted noticeably to Asian countries including Japan, China, Korea and India. For rural communities the opportunities to benefit from changing relationships between the province and international markets may not be obvious, but they have been significant for some regions like the North Coast where recent port, energy and tourism developments have been based almost entirely on emerging trade with Asian economies.
- **Potential in traditional industries** – The hollowing out of resource sector employment and incomes in the last two decades may have reached a secular bottom. Many of the resources are still here, although the quality and accessibility are not as they once were. But forestry, fishing and even agriculture have the potential for growth through the adoption of technology and greater focus on niche markets. In forestry, growing Asian and recovering US housing markets

may attract new capital into productive capacity, especially higher value specialty products. In terms of agri-food, the interest in local produce and products, including seafood, can be expected to stimulate activity but generating significant employment gains will be a challenge.

- **Provincial economic development priorities** – the provincial government is now focused on liquefied natural gas (LNG) sector and attracting major project investment. Unfortunately, this policy and program emphasis will bypass many communities in the province that do not have capacity or opportunity for LNG development.

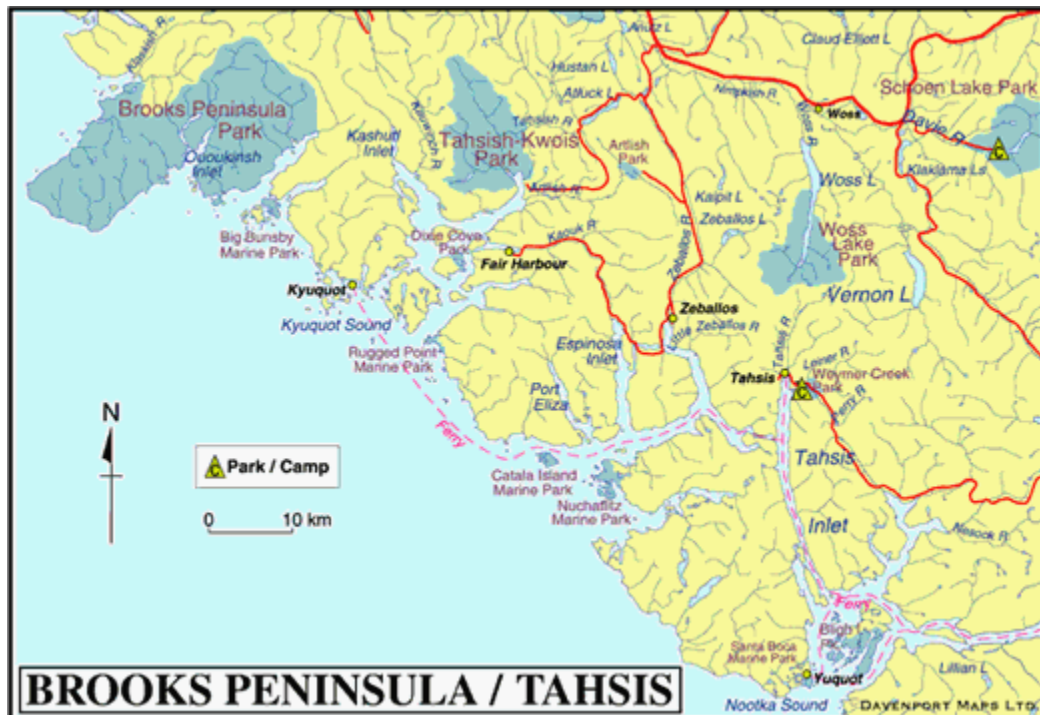


4 COMMUNITY INFRASTRUCTURE AND RESOURCES

4.1 Location

The Village of Tahsis is located on the west coast of Vancouver Island, at the northerly end of Tahsis Inlet in the heart of Nootka Sound.

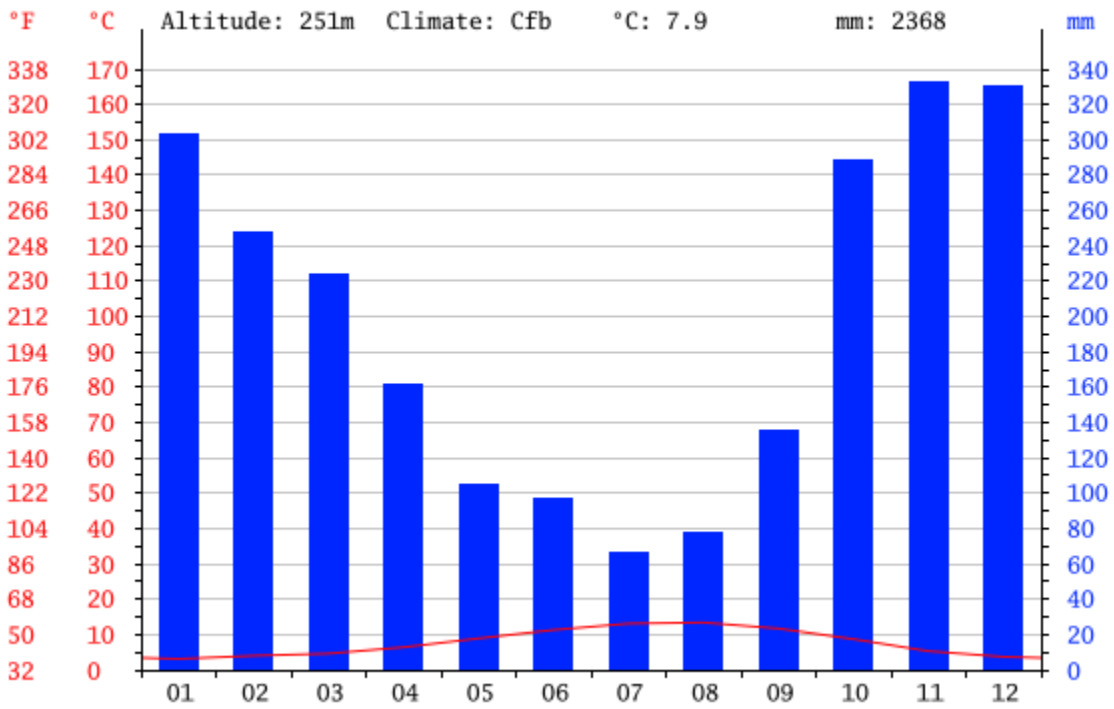
Figure 6: Tahsis Location Map



4.2 Climate

The climate is mild, and generally warm and temperate. Tahsis is a community with a significant rainfall. Even in the driest month there is a lot of rain. The Köppen-Geiger climate classification is Cfb (Maritime temperate climates or Oceanic climates). The average annual temperature is 7.9 °C in Tahsis. The average annual rainfall is 2368 mm.

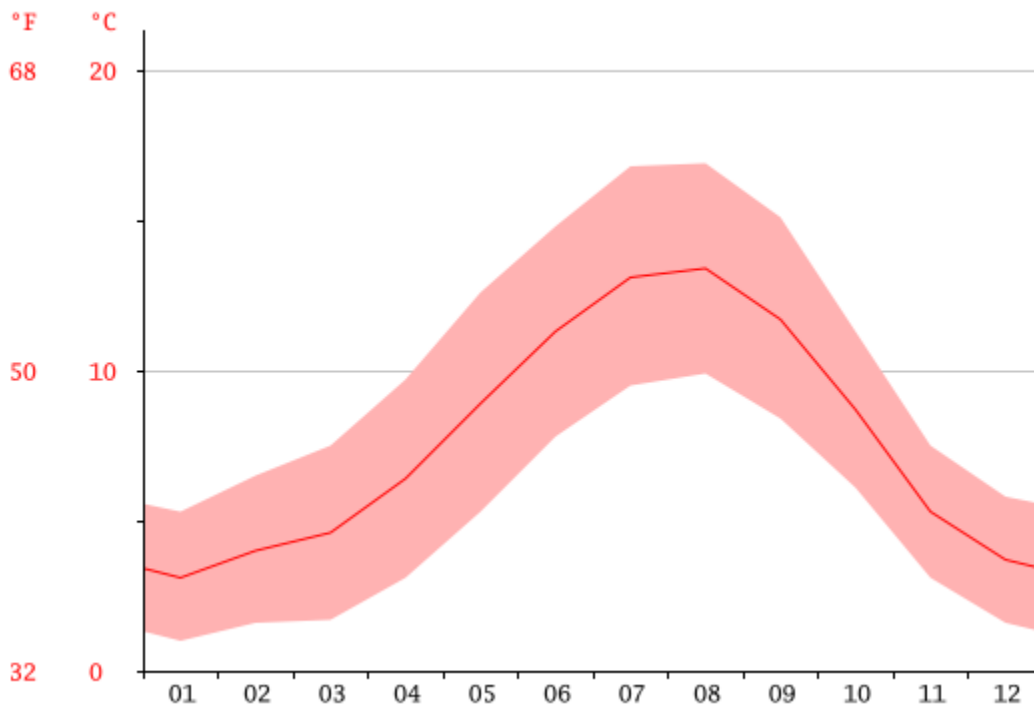
Figure 7: Climate Graph



Precipitation is the lowest in July, with an average of 66 mm. Most of the precipitation here falls in November, averaging 333 mm.



Figure 8: Temperature Graph



At an average temperature of 13.4 °C, August is the hottest month of the year. January is the coldest month, with temperatures averaging 3.1 °C. Between the driest and wettest months, the difference in precipitation is 267 mm. Throughout the year, temperatures vary by 10.3 °C. (<http://en.climate-data.org/location/12313/>)

4.3 Access

The Head Bay Forest Road (Tahsis Road) is a 62 km, mostly gravel, route that serves as the only road link for the residents of Tahsis to the outside world. Originally constructed by the forest company to access timber, there was little attention to grades or alignment. As a result grades of up to 19 % exist in areas where the road traverses two different mountain passes. The route continues to serve and is economically essential to logging operations. As a consequence, heavy industrial traffic (100 to 150 tonne) is permitted to use this route for hauling logs and heavy equipment to different dryland sorts. In 1991 the MoT agreed to undertake maintenance responsibilities for this route due to the high percentage of public use, and inherited the perennial washboard, pothole and dust complaints from the local road users and tourists. Road improvements have been made (striving for a 9 metre width) and stabilization of some of the steeper sections and approaches. Although it is generally well maintained as a FSR, it is perceived to be a dangerous logging road for general traffic.

Tahsis is also accessible by boat and has several marinas and docking options. There is no scheduled passenger service by sea to Tahsis, but the M.V. Uchuck does visit Tahsis as part of the Esperanza Adventure Cruise when that tour option runs.

There are several locations where float planes can moor in Tahsis, but there are no scheduled flights. There are two helipads in Tahsis, but no scheduled services.

4.4 Community Infrastructure

Municipal and Public Services and Infrastructure

Tahsis has an infrastructure base that can accommodate a significantly greater capacity relative to its current population. Municipal water, sewer, recreation, library and school facilities were all developed to accommodate the former population of Tahsis (2,500) with reserve capacity. Electrical supply is also at a scale that used to support two sawmills. In general, service capacity is not a barrier to economic development in Tahsis. Housing stock also is oversupplied relative to the permanent and non-resident population.

However, there are longer term issues related to the age of the infrastructure and community services. Concerns that were raised as part of the community consultation included:

- Water lines have capacity to support up to 2,500 people- so a lot of access capacity; however, lines are aged and reaching the end of their life cycle. There are a lot of leaks in the system and it is costing people for water that is lost (paying to pump water into the ground).
- Sewage treatment plant (capacity 4000 population) is also getting near the end of its life and needs to be upgraded.
- Much of the housing stock is from the 1970s with many units requiring maintenance. There are no foundations on many of these homes or no formal concrete slabs for many homes.
- A portion of the town site (and homes) built on hog fuel from the mill and is now starting to sink. Causing issues with infrastructure and buildings.
- The recreation facility complete has four 5-pin bowling lanes, pool tables, Internet access, swimming pool and sauna, climbing wall, weight room, and gymnasium. The Recreation Centre is open 7 days a week and is also available for rentals. The cost of running the recreation centre is perceived to be burden on residents – costs \$225,000 annually.
- Existing retail building infrastructure is in disrepair – no real opportunity for retail expansion.
- Communication services are limited. For example there is no cell service in the community.
- Many basic community services are lacking including:
 - Simple care repairs such as oil change service (currently need to go to Campbell River)
 - Tow truck service
 - Car wash
 - Plumber
 - Electrician
 - Bakery (closed in 2005)

The Village is currently in the process of developing a capital plan to address longer term municipal infrastructure upgrades and replacement.

Policing: Services (RCMP) are provided from the Nootka Sound Detachment in Gold River. There is not a permanent police presence in Tahsis.

Ambulance: The B.C. Ambulance Service Station #133 was created in 1974. All ambulance attendants are volunteers, trained by the B.C. Ambulance Service. The ambulance service has an office and one ambulance in Tahsis. In case of an emergency, the Ambulance crew is paged. They take the patient to the Tahsis Health Centre Emergency Department, which has one Remote Certified Practice nurse on 24 hour call, plus a doctor available 24 hours a day by phone.

Fire Protection: The Tahsis Volunteer Fire Department was established in 1962. The fully equipped fire station has two fire trucks and a full complement of trained volunteer firefighters. The Fire Department also assists with community events such as the Halloween Fireworks, Christmastime Tree Lighting, Parades and Bazaars. Volunteers are always wanted. If this interests you, please stop by the Fire Hall or the Village Office to obtain an application package. Training nights are Wednesdays at 6 p.m.

Health Care: The Tahsis Health Centre provides the following services:

- **Urgent Care Centre:** Open Monday to Friday, 9:00 a.m. to 4:30 p.m. to treat medical health issues due to injury or illness. There is no overnight admittance; they will arrange a transfer to a larger centre if needed.
- **Family Practice Medical Care:** Open Tuesday and Thursday, 9:30 a.m. to 3:00 p.m. by appointment to provide primary health care, which includes care for illness and injury, chronic disease management, palliative care, and preventative care. A physician and/or nurse practitioner provides care.
- **Laboratory Services:** include specimen collection, ECGs, 24 hour heart monitors and some lab results. Referrals are made by a health care practitioner.
- **Child Health Clinics:** include Infant immunization and assessment, family coaching, support groups, prenatal teaching, and school immunizations provided by a Remote Certified Registered Nurse. Services are available Monday to Friday between 9:00 a.m. and 4:30 p.m.
- **Communicable Disease Control Programs** include treatment and management of diseases such as tuberculosis and sexually transmitted infections. A Remote Certified Registered Nurse provides services under appropriate medical direction. You can refer yourself or get a referral from a health care practitioner. Services are available Monday to Friday between 9:00 a.m. and 4:30 p.m.
- **Limited Home Care Nursing:** includes in home wound care, help with medications, teaching, palliative care as well as assessment and referral to other services by

registered nurses. We accept referrals from individuals, family members or health professionals. We are open Monday to Friday, 9:00 a.m. to 4:30 p.m.

- **Home Support** for eligible Home and Community Care clients. Contact [Home and Community Care](#) to access.
- **Youth under 19 and their families**, the Youth and Family Substance Use Services program provides support for dealing with issues related to drug and alcohol use. Services are voluntary and available by appointment. Contact [MHAS Intake in Campbell River](#) to access.
- **Adult Mental Health and Addiction Services:** include assessments, screening, short-term follow up and referrals to community resources. Services are available by appointment. Contact MHAS Intake in Campbell River to access.
- For urgent mental health situations, call the 24 hour Crisis Line at 1-888-494-3888. (VIHA 2015)

Education

Captain Meares Elementary Secondary School provided educational services from grades K to 12 and also offers adult learning opportunities. The school has a student capacity of 400 FTE and the current student population is 37 FTE (S.D. 84, 2015).

4.5 Property Ownership

The majority of assessed land parcels in the Village are currently owned by non-residents. Based on the address for mailing of tax notices, the following table (Table 6) summarized the location of non-resident property owners.

Table 6: Location of Tahsis Property Owners

Location	Number of Properties
Tahsis	255
Crown/utilities	22
International	6
USA	93
Vancouver Island	80
Other BC	60
Other Canada	52
	313

For residential properties, the location of owners is shown in Table 7.

Table 7: Location of Residential Property Owners

RESIDENTIAL TYPE	Total Number	Resident	Vancouver Island	Other BC	Other Canada	USA	International
SINGLE FAMILY DWELLING	230	129	19	36	23	18	5
STRATA LOT RESIDENCE	60	4	4	10	7	34	1
GARDEN APARTMENT ROW HOUSING	1	1					
SFD WITH BASEMENT SUITE	16	10	2	2	2		
MANUFACTURED HOME (NOT IN MANUFACTURED HOME PARK)	31	16	3	5	3	4	
MANUFACTURED HOME (IN MANUFACTURED HOME PARK)	24	22	1	1			
TOTAL	362	182	29	54	35	56	6



4.6 Resources

4.6.1 Tourism

4.6.1.1 Background

Nootka Sound as a tourism area is defined here as including the towns of Gold River, Tahsis and Zeballos, Nootka Island itself, and the intervening terrestrial and marine components. In geographic terms, it can be considered isolated rather than remote due to limited highway access and the challenges of navigating the mountain-fiord geography. Conventional tourism has only existed in Nootka Sound since the development of the post-war forest industry, which created the road access and infrastructure necessary to support visitors. Yuquot (Friendly Cove) and Nootka Island have great historical significance for First Nations and Canada. As the summer home of Chief Maquinna and the Mowachaht/Muchalaht (Nuu-chah-nulth) people for generations, Yuquot was the site of Captain Cook's first landing on Canada's Pacific Coast, and played a central role in the Nootka Incident and several Nootka Conventions signed between England and Spain in the late 1700s.



4.6.1.2 Current

The regional economy is oriented toward resource extraction activities, with forestry the dominant industry. Tourism has typically contributed between five and seven percent of total community income, which represents a significant and growing share in consideration of the ongoing decline in forestry and commercial fish harvesting.

The blend of remoteness, history, and outdoor activities, notably fresh and saltwater fishing, has defined Nootka Sound as a West Coast destination. There is some business travel linked to work crews, while the leisure travel component is highly seasonal, often compressed into a six-week period where the villages are "at capacity". Business operators have been historically challenged to attract leisure travellers outside of summer. Provincial parks, forest recreation sites and trails provide opportunities for nature-based tourism. Caving, hiking, mountain biking, wildlife viewing and off-highway touring are all viable; while water-based activities include scuba diving, kayaking, surfing, rafting, wildlife viewing and fishing. Major fishing lodges include Nootka Marine Adventures (consisting of Moutcha Bay, Nootka Sound and Newton Cove resorts), Nootka Island Lodge, Bligh Island Fishing Lodge, Nootka Sound Sports Fishing, and Nootka Sound Salmon Lodge (Rodgers).

There is extensive promotion and explanation of Nootka Sound on a variety of websites, including websites focused on the lodges, villages, MV Uchuck, Air Nootka, real estate companies and Tourism Campbell River, and Tourism Vancouver Island.

Ongoing challenges include transportation linkages between the communities in the Sound, availability of suitable “off season” facilities and activities for visitors, and a viable framework for encouraging regional marketing and tourism development.



4.6.2 Forestry Sector

4.6.2.1 History

The Village of Tahsis dates from the establishment of a small lumber mill in the area in 1947 (ARA Consulting Group Inc. 1995). In 1954 the Tahsis Company Ltd. was issued the original Forest Management License no 19 which became Tree Farm License (TFL) 19 in 1982 (Western Forest Products.2011). The Tahsis sawmill processed a hemlock/balsam-fir mix and in 1995 employed 335 workers, which was the largest employer in town. In addition, the second largest employment source in the community at the time was contract logging and road building, with several independent contractors being based in the community including: Russell and Lilly, Tinga and Hollinger, Onion Lake, Kent, and Gurney Contracting. Collectively 80 employees of the contractors’ workforce resided in Tahsis (ARA Consulting Group Inc. 1995). At the time the mill closed permanently in 2001, approximately half the volume from TFL 19 was processed at the Tahsis sawmill in Tahsis (Historica Canada.2014; BC Ministry of Forests.2001).

4.6.2.2 Current

Today, the forest lands around Tahsis are part of Nootka Forest Stewardship Plan which includes TFL 19 and portions of the Strathcona Timber Supply Area (TSA) (See Table below). The largest component of the Nootka Sound Stewardship Plan area is Western Forest Product’s TFL 19 which covers 190,000 hectares and currently has an Allowable Annual Cut (AAC) of 730,000 m³/year. According to Western Forest Products, the TFL provides direct employment for Gold River, Tahsis and Zeballos residents. (Western Forest Products. 2014.)

Table 8: Nootka Forest Stewardship Plan Licensees, Licenses and Management Units, 2011

Licensee	Licences	Management Unit
Western Forest Products Inc.	TFL 19	TFL
	FLA 19231; TO716; TO849;TO853; TO862; TO866; TO892	TSA
Nootka Sound Economic Development Corporation	FLA53746	TSA
Dorman Timber Ltd.	TO844	TSA

Source: Western Forest Products (2011)

Figure 6 outlines the location of TFL 19 with the Nootka Island area and the land located immediately west of Tahsis falling within the Strathcona TSA.

Today, processing in Tahsis is confined to two small value-added facilities that operate periodically in the community and create some local employment. These include Bill Van Solkema's mill that does local milling, and Raj Sharma who leases the former cedar mill site (Chapman. 2015. pers.comm.)

A small number of local residents also continue to be employed in timber harvesting and road maintenance activities associated with the local forestry activity. The majority of the workforce involved in the local harvest within the Nootka Forest Stewardship plan area does not reside in Tahsis.

4.6.3 Mining Sector

4.6.3.1 History

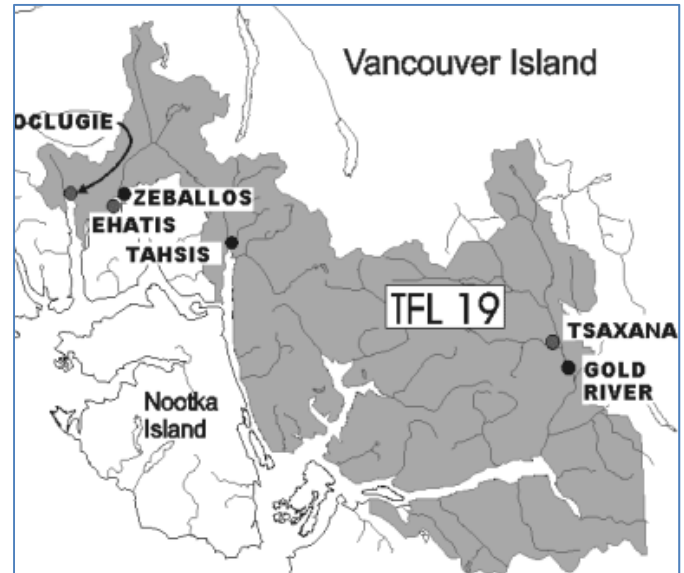
There has been no history of commercial mining in the immediate area of Tahsis. However, in the nearby community of Zeballos, gold was discovered in the 1930s in the surrounding hills. Several gold mining companies soon emerged including the Privateer Mine which was known for the richest ore ever to be received by the Tacoma Smelters. The Privateer produced 30 to 40 ounces of gold to the ton of ore. However, in 1939 many of the miners left to fight in the armed forces and the mines began to close. By 1942 they were all shut down. When the war ended in 1945, the fixed price of gold of \$35.00 an ounce wasn't enough to operate the mines profitably and they never reopened.

In 1962 an iron mine was opened, with this operation lasting for seven years before closing in 1969. Several attempts were made to make the larger of the gold mines profitable, one in the 1970s and another in the mid-80s, but they were unsuccessful. (Village of Zeballos.2015)

4.6.3.2 Current

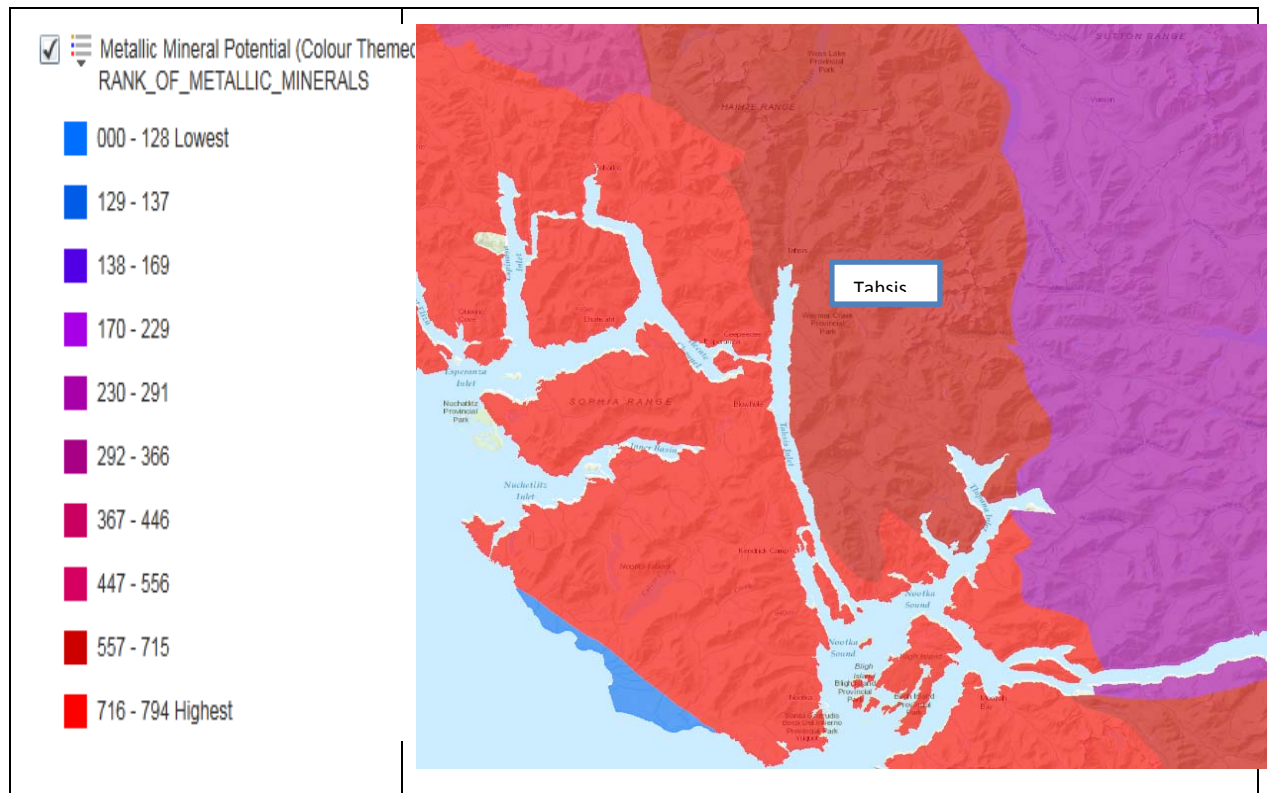
The Mineral Potential project was initiated in 1992 to meet the need for current regional mineral potential information in regional and sub-regional land-use planning. To provide readily useable mineral resource information to this process, the land within each region was ranked with respect to its mineral potential using quantitative analysis. (See BC Ministry of Energy and Mines [Mineral Potential Project Overview](#)) As illustrated in Figure 7, this mapping shows the area surrounding Tahsis to have some of the highest metallic mineral potential on Vancouver Island.

Figure 6: Map of Tree Farm License 19



Source: Western Forest Products (2014)

Figure 7: Metallic Mineral Potential surrounding Tahsis



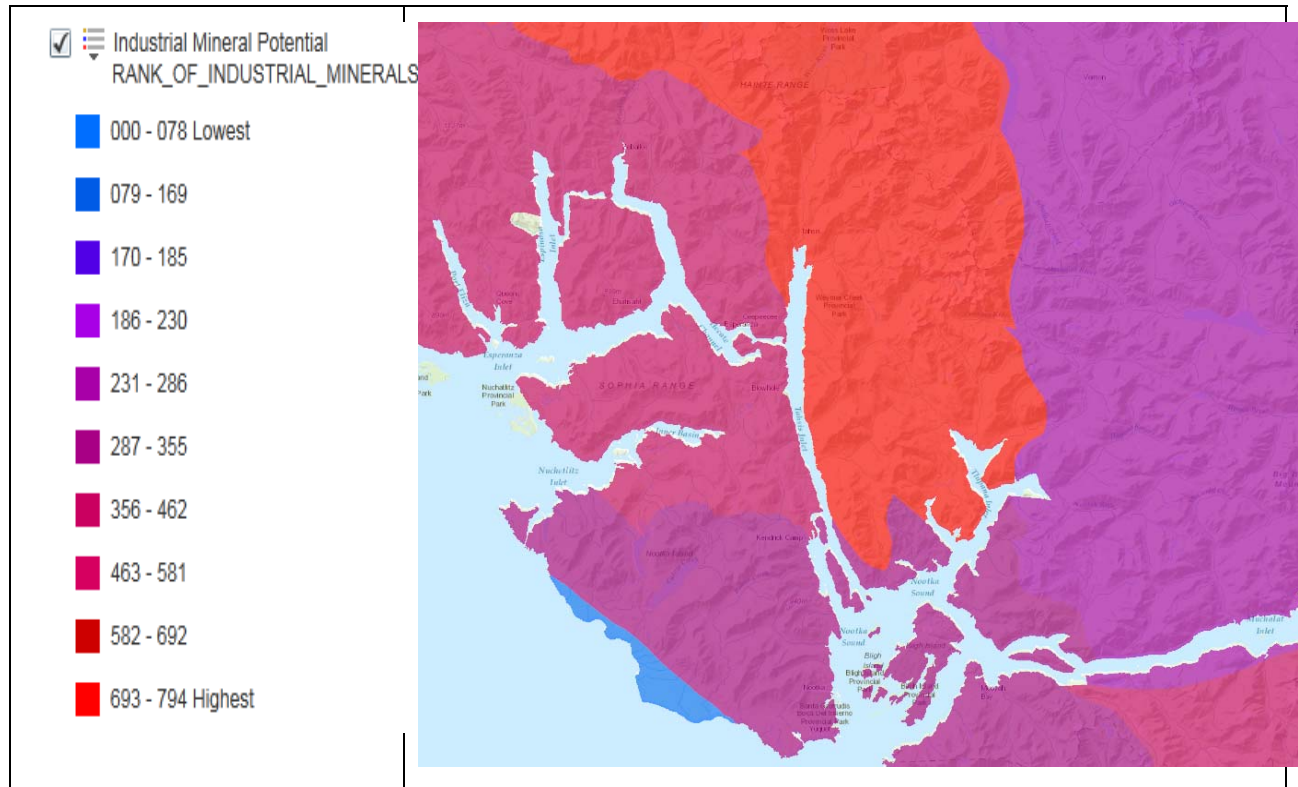
Source: BC Ministry of Jobs, Tourism and Skills Training (2015)

Using the same methodology for Industrial minerals, and as outlined in Figure 8, Tahsis was also identified as having some of the very highest industrial mineral potential on Vancouver Island.

Specific exploration projects in the area include Hisnet Inlet, near Tahsis, which is the location of a skarn deposit with significant early indications of traditional Copper, Zinc, Lead, Silver and Gold. In addition, this property has a large deposit of White and Blue Marble on the margins of the skarn deposit. This is one of four properties RCR Mining LLP has claims to on Vancouver Island and that is being actively explored by RCR Mining. RCR Mining LLP is a privately owned junior mining company which incorporated in 2011. (RCR Mining LLP. 2015)

Further, in 2013 Qualitas Holdings Corp. reported geochemical work on their 10,358 hectare Tahsis property located southeast of Zeballos. This 2013 work expand and the geological anomaly reported in an exploration program undertaken in 2011. At the site, anomalous gold stream sediment geochemistry is associated with the intrusive contacts. The exploration program in recent years has included \$109,000 in exploration spending in 2013 to support earlier spending of \$115,500 undertaken at the site in 2011. (BC Ministry of Energy and Mines. Nd.)

Figure 8: Industrial Mineral Potential surrounding Tahsis



Source: BC Ministry of Jobs, Tourism and Skills Training (2015)

Finally, the New Privateer gold mining project operated by Newmex Minerals Inc. near Zeballos is undertaking in a feasibility study to reopen this historical mine and is considering including concentrating and milling activities at the site (BC Ministry of Skills, Training and Labour. 2015). The original Privateer Mine that operated in the 1930s and 1940s was one of the first and richest mines in Zeballos.

4.6.4 Energy

There are two independent power producer projects proposed in the area around Tahsis, including Barr Creek's 4 MW run-of-the-river clean energy project near Zeballos Inlet completed in 2012 by Barr Creek Ltd. Partnership, and the McKelvie Creek 5.2 MW run-of-the-river clean energy project proposed by Synex Energy located just out of Tahsis. (BC Ministry of Skills, Training and Labour, 2015)

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