

THE DARK SHOCKING SIDE OF SKI RESORT ECONOMICS

The developer of the proposed Zincton resort portrays towns near Zincton as impoverished communities whose future depends on his resort to bring tourism wealth and jobs for everyone. This implies that the ski resort will raise the economic status of people who are presently at lower income levels. The developer claims that the proposed resort will turn on the lights in all the houses in our towns — meaning that the problem of vacation homes standing empty will be solved. Readers looking forward to this may be in for a shock, because the opposite of these claims is true. The poverty of ski resort workers, the dark second homes around ski resorts, and communities made so unaffordable that many original residents have to sell their homes or vacate their rented ones, and leave town are well documented.

Not all the influx of people buying or building vacation homes in our region comes from ski resorts. Most of it is attracted by our region's high quality natural amenities. New Denver already has problems with vacation homes standing empty. In some ways, it is a sign that New Denver's past values of maintaining a natural living environment have been successful. But reports on communities with ski resorts and associated housing development show what can happen when this trend is pushed to extremes.

An article entitled, "This Is What the Ski Town Housing Crisis Looks Like" (Michelson, *Powder* magazine, 2017) summarized the situation:

"Take a drive through any ski town, and chances are you'll find a lot of dark houses. Fancy homes where nobody lives, million dollar crash pads where the lights shine just a few times a year ... In Mammoth it's not just ski bums and 20-somethings who can't find places to live. Cops, teachers and nurses are struggling too. According to a recent Mammoth housing study, 52 percent of homes are empty most of the year"

Five BC Resort Towns – Same Pattern

One study looked at Fernie, Golden, Kimberley, Roseland, and Revelstoke ("Resort-induced Changes in Small Mountain Communities in British Columbia", Nepal and Jamal, *BioOne*, 2011). They documented the following pattern:

"All five resort communities have experienced dramatic increases in residential unit and real estate prices ... The growth in resort-induced real estate properties and associated amenities is creating specific challenges. These include a rapid increase in property values affecting housing affordability, changes in land use and the environment, social tensions arising from competing interests in natural and cultural resources ... This has made it difficult for many long-time residents to maintain their property, whereas for newcomers, property is simply unaffordable."

The researchers found the following trends in most or all of the five communities:

- "Significant growth in resort-induced development, primarily to attract second home owners and seasonal tourists."
- "Significant price inflation".
- The new tourism jobs were too low-paying in comparison to costs to make a living.
- "Much resort-fueled growth was not occurring within the municipal boundaries, where the resident population continues to decline...Thus, resorts and related housing and amenity developments have taken place beyond the purview of local municipalities."
- "Economic leakage as a result of external developers working with business owners and construction/trades companies brought in from other areas due to shortages of local skills and labor."
- "Many important local businesses were also being bought by outside interests..."

Unaffordable Communities

The Zincton Formal Proposal contains a graph showing that New Denver has a higher percentage of residents at or below the poverty line than many other towns, for instance Revelstoke. Did Revelstoke Ski Resort raise the income level of its low-income residents? Take a look:

"Food bank usage has increased dramatically in the past few years. Many food bank clients are employed and most live in private rental housing ... Whereas the cost of purchasing ownership housing has stabilized — albeit over 30% higher than prior to the development of Revelstoke Mountain Resort — property taxes continued to increase incrementally. Rental housing prices are the highest in the region, and are up 52% to 150% higher than in 2006 ... the end result is increased inequality between those who can afford to live in the community and those who cannot — but want to."

"Revelstoke Community Poverty Reduction Strategy" (2012)

A UBC report, "A Living Wage for Revelstoke, BC: Economic Impact Assessment Report," (Carlaw et al, 2016) stated:

"While Revelstoke remains one of British Columbia's top places to live, the rising cost of living combined with increasing housing prices and property taxes have reduced the economic security of residents... As a result, a growing number of community members are experiencing social exclusion as they struggle to meet their own basic needs, negatively affecting community cohesion and stagnating the local economy (Zacharias and Brown 2012). In addition to threatening community stability and identity, Revelstoke's increasing unaffordability has made it more difficult to retain residents long-term and attract new ones (Zacharias 2006)."

Anonymous sources have told VWS that the problems have worsened due to bidding wars over the sale price of houses. There are reports from both Golden and Revelstoke of tourism businesses losing major income because of labour shortages. Local businesses and the Revelstoke Chamber of Commerce told a reporter that finding people to do low-wage work in an expensive resort town is becoming harder. (*Revelstoke Mountaineer*, July 13, 2021).

One worker at Fernie Ski Resort says he makes minimum wage working, sometimes 12 hours a day, making artificial snow. He sleeps in his car and cooks meals on the tailgate. A young woman pays \$750/month for a bunk bed that she shares with someone else. A realtor says that the average price for a single-family home has increased by 19% in one year, 48% in four years. A resident says the problem is that people from Calgary are buying all the houses. (CBC News website, Nov. 11.)

Young people are attracted to ski resort work because they want to ski and have a good time with other skiers. But this makes them vulnerable to exploitation. Whistler is

in the advanced stages of this economic inequality while presenting a false front of community wealth. In 2018 the *Vancouver Sun* reported that Whistler bylaw officers had issued 731 tickets to people living in their vehicles. During the month of January 2021 there were 547 confirmed Covid cases in Whistler. A contributing factor cited in media was: "cramped living quarters" in houses where some use closets and crawl spaces for sleeping (*Global News*, Feb. 10, 2021). There are reports of as many as ten people packed into a house.

Some people won't work under these conditions. To handle the labour shortage, Whistler, Fernie, Big White and other ski resorts hire up to 35% of their workers from foreign workers on two-year work-vacation permits. (*Nelson Star*, Nov. 11, 2021). Some resorts build housing for staff, and Zincton plans include on-site staff housing, but none of it addresses the problem of what happens in nearby communities when houses are snapped up at exorbitant prices and used for short-term rentals or left empty most of the year.

A Valuable Niche in the Sustainable Tourism Market? We Already Have It.

Communities near Zincton have long known that we have world-class natural surroundings, and can offer tourists something that is absent from much of the world: a truly natural experience in great nature. Our communities have carefully cultivated small-scale, low-impact tourism for decades, the BC and federal governments have invested funding, and we have no shortage of visitors. It is based on two large lakes, three wilderness parks, several back-country cabins and ski lodges, and non-commercial hiking, skiing, mountain biking, wildlife viewing, and fishing.

Keeping development minimal to appeal to nature-based and wilderness-based tourism is widely recognized as a profitable niche in the tourism market. It is recommended by economists as sustainable, because it does not progressively degrade its resource base. It also allows the residents to set the tone and spirit of their community rather than being overwhelmed by the people who visit.

One of the worst shocks about this situation is the government giving its Mountain Resorts Branch a mandate to "remove barriers" to new resorts without an environmental or socioeconomic impact assessment. It knows very well the scandalous income inequality and social disruption generated by BC ski resorts, does nothing about it, and promotes their spread. Most shameful is the relentless promotion of the developments as a cure for "poverty". What is actually occurring is a disguised way to market BC's high natural amenity areas to investment corporations, regardless of what efforts communities have made towards a more balanced and sustainable future. Lower income people can go somewhere else, wherever the evicted grizzly bears go.

The Valhalla Wilderness Society urges complete and immediate rejection of the Zincton proposal by the government lest, in the name of high-level profits for a few, community and ecological life is sacrificed, meaning that life as we have known it here will be destroyed.

COMMENT DEADLINE NOV. 22, 2021

<https://comment.nrs.gov.bc.ca/applications>
or send a letter to:
Mountain Resorts Branch/510-175 2nd Ave/
Kamloops, BC V2C 5W1

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Box 329, New Denver, BC, <https://www.vws.org>