

**LEGISLATIVE REVIEW** of  
the

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**SOUTHERN INTERIOR  
DEVELOPMENT  
INITIATIVE  
TRUST ACT**



urban  
**matters**  
• FEBRUARY 2016 •



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## PREFACE

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The introduction of the Southern Interior Development Initiative Trust Act in 2005 was a conscious decision and purposeful effort by the Government of British Columbia and the Legislature of the day to ensure the long-term strength, vitality and competitiveness of the economy of British Columbia's southern interior. The Act that resulted is by no means an everyday piece of legislation - it is especially focused and straightforward; and it is novel and ambitious.

The initial drafting of the legislation enacted in October 2005 foresaw the importance of ensuring the Act remained relevant, at a macro level with changes in socio-economic circumstance and context; and at a micro level with organizational performance and effectiveness. . And thus in Section 26 there is a formal requirement to review the legislation every five years to ensure that the performance and effectiveness arising pursuant to the Act and its public accountability is as good as it can be today and in going forward. Implied within the review is that the Act may require modification or change.

This is the second Legislative Review of the Southern Interior Development Initiative Trust Act. As with the previous effort this document does not explore nor suggest whether the policy behind the legislation is or was "good" or "bad". The relevance of policy decisions is best left to government and the legislature. Instead what follows accepts the policy decision but scrutinizes the contents of the legislation.

This report was prepared by Urban Matters (UM) in concert with Lochaven Management Consultants Ltd (LMC). The two primary investigators/analysts were Mr. Ted Treller and Mr. Wayne Robert. The overall effort was guided by Ms. Luanne Chore CEO, Southern Interior Development Initiative Trust and Ms. Helen Patterson, Controller, Southern Interior Development Initiative Trust. Intentionally the analysis, outcomes and recommendations contained within this document reflect the measurable and meaningful contributions of the Legislative Review Committee.

The report also benefited from a review of various documents such as the 2011 Legislative Review and recent Southern Interior Development Initiative Trust Annual Reports and Strategic Plans.



# 1

## INTRODUCTION

The establishment of the Southern Interior Development Initiative Trust was formally announced by Hon Colin Hansen, Minister of Finance on October 18, 2005. As recorded in the Official Report of Debates Of The Legislative Assembly he stated ... “[t]he introduction of the Southern Interior Development Initiative Trust Act honours a government commitment that was made to communities of the southern interior region in the same way that Bill 7 lives up to the commitments we made with regard to the north Island and coastal region. The new act delivers on our commitment to create a \$50 million initiative trust for this region, the same as was the case for the north Island–coast. It is to be free of provincial government interference. It is to develop economic growth and create new jobs for communities throughout this region”...

Since inception and for the first five years of operations the organization pursued a very pro-active development agenda. In doing so considerable progress in organizational/operational maturity was achieved and a number of successes by way of contributions to regional growth and prosperity were recorded. These were explored and detailed in legislative and operational assessments completed in 2011<sup>1</sup>.

That said, in part as a legislated requirement and in part as a good corporate practice, the organization has once again initiated a process to clarify and affirm whether it is fully achieving its mandate and its potential.

On October 1, 2015 Urban Matters/Lochaven Management Consultants Ltd. was engaged by the

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1. SIDIT Evaluation. Subsection: Legislative Review Process Southern Interior Development Initiative Trust Act (Bill 8 – 2005). April 2011. Lochaven Management Consultants Ltd. and SIDIT Evaluation. Subsection: Economic Impact Analysis. May 2011. Lochaven Management Consultants Ltd.

Southern Interior Development Initiative Trust to undertake a two phase assignment: (1) a legislative review of the Act (as mandated and defined by the Government of British Columbia); and, (2) a socio-economic impact assessment of the Southern Interior Development Initiative Trust's programming and activities addressing comprehensively both essential social and economic indicators.

By way of background Urban Matters/Lochaven Management Consultants Ltd. have built a global reputation for excellence in a variety of sectoral/business development disciplines notably including business/operational reviews, evaluations and impact assessments. Our diverse clientele encompasses a broad range of public and private sector interests. They include local, provincial (British Columbia and Alberta), national (Canada) and foreign (Indonesia, Russia) governments; individual entrepreneurs and multinational companies; NGO's, Associations (Federation of Canadian Municipalities), and Trusts (Colombia Basin Trust and the Southern Interior Development Initiative Trust); and various international organizations such as the Multilateral Investment Guarantee Agency, the World Bank, the United Nations Development Program (UNDP) and the Organization for Economic Cooperation and Development (OECD).

This report responds to the first assignment, namely the facilitation of a legislative review of all parts of the Southern Interior Development Initiative Trust Act and its regulations. This includes the impact of the Act on organizational effectiveness, efficiency and public accountability.



# PROJECT DEFINITION

With a concern for and emphasis on public accountability Hon Colin Hansen in announcing the establishment of the Southern Interior Development Initiative Trust by the Government of British Columbia on October 18, 2005 noted that: “Accountability tools and measures include the preparation and publication of strategic plans, annual reports and audited financial statements.” [and] “The act will undergo a review and evaluation by an independent committee every five years to provide further public accountability.” As such the requirement for a regular legislative review was encapsulated in Section 26 of the Southern Interior Development Initiative Trust Act:

1. “Subject to section 10 (3), on or before the fifth anniversary of the coming into force of this section, and on or before every fifth anniversary after that [bold added], the directors must, if the Southern Interior Development Initiative Trust has not by that date been dissolved and disestablished under section 23, appoint a committee of qualified individuals to review this Act and evaluate how it is functioning.

By way of further guidance in undertaking the Legislative Review the Act further notes the following:

2. The review committee may consult with business, labour, education providers, government and any other person or organization it considers appropriate.
3. If a review committee is appointed, it must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public.”

From the Provincial Government perspective implied within the requirement to regularly review the Act by an independent review committee serves several key purposes. Specifically it confirms the importance of transparency and openness; it provides a gauge on the effect of the

legislation and the degree of support and opposition that it is generating; and, it identifies issues, including transitional and consequential issues that may not have been previously considered or understood.

Perhaps more importantly the Legislative Review also presents a valuable organizational opportunity for the Southern Interior Development Initiative Trust to step back and objectively assess its effectiveness relative to its mandate. By doing this the organization is better able to fairly consider the context, structure and contributions of existing operational functioning and, where necessary make plans for change or improvement.





# PROJECT CONTEXT

This second Legislative Review takes place at an important juncture. The Southern Interior Development Initiative Trust Act was passed more than 10 years ago and over that time the communities, businesses and individual citizens within British Columbia's southern interior have relied upon a strong, effective, and well-equipped Trust to help them capture and benefit from a variety of economic opportunities and face a multiplicity of economic and financial challenges. The timing of this Review is also crucial because the region is changing dramatically and in moving forward it is important that SIDIT continue to be relevant if its efforts are to continue to be effective.

The following brief narrative is intended to provide context and thus meaning and increased understanding to the thinking that shaped this second Legislative Review and the recommendations arising therefrom. What follows is not intended to be a comprehensive exploration and discussion of the legal, organizational and operational structure, reach and impacts of SIDIT. Neither is what follows intended to be a detailed historical investigation of the organization's performance during varying socio-economic circumstances throughout the target region. Rather what follows is intended to give a flavor to certain key themes, i.e. why was SIDIT created and what was its original purpose and mandate; how has it performed and what impacts has it had; looking into the future, given past experience, how might the organization be best or better positioned to achieve its goals; and, finally how might all of these considerations play out in an objective review of the Southern Interior Development Initiative Trust Act.

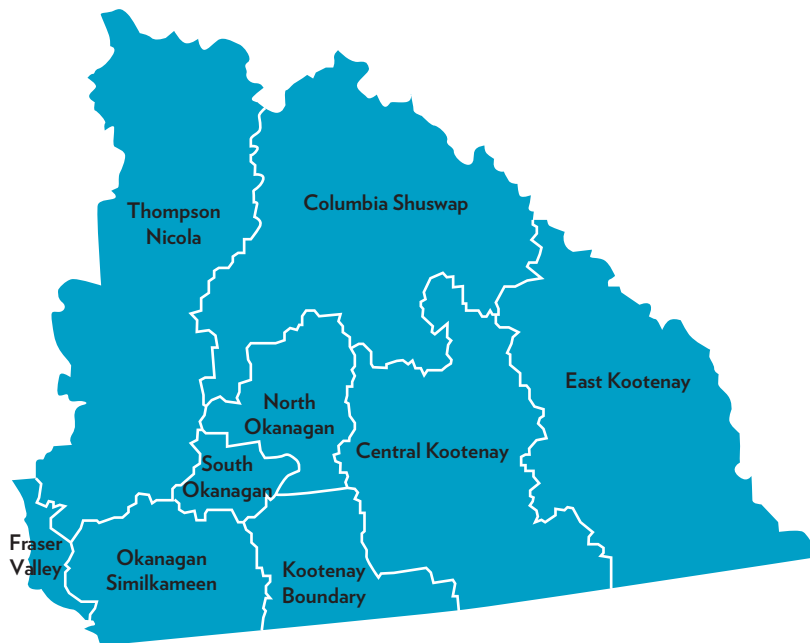
# 3.1 AN OVERVIEW OF CURRENT STRUCTURE, MANDATE AND FOCUS OF THE SOUTHERN INTERIOR DEVELOPMENT INITIATIVE TRUST

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As noted above the Southern Interior Development Initiative Trust was created pursuant to an Act of the BC Legislature (Bill 8-2005).

As defined by the Act and as constituted, SIDIT is governed by a thirteen member Board of Directors. This Board is comprised of eight members appointed by SIDIT's Regional Advisory Committees (Columbia-Kootenay RAC and Thompson-Okanagan RAC) and five members independently appointed by the Provincial Government. All members of the SIDIT Board are from within the SIDIT area. The Board is responsible for identifying the strategic direction of SIDIT, policy decisions, investment decisions in support of a variety of regional economic priorities and other opportunities, which contribute to the economic diversity of the Southern Interior.

The service area of the Southern Interior Development Initiative Trust broadly covers the southern Interior of British Columbia. With a population of 682,604 in 2014, geographically this service region encompasses an area bounded by the US border to the south, the Alberta border to the east, Hope to the west and Blue River to the north. Politically it includes the Regional District Of Columbia Shuswap and the communities of Salmon Arm and Sicamous; the Regional District Of Central Okanagan and the communities of Kelowna, Lake Country, Peachland and West Kelowna; the Fraser Valley Regional District and the community of Hope; the Regional District Of North Okanagan and the communities of Vernon,



*Southern Interior Development Initiative Trust Service Region*

Coldstream, Spallumcheen, Armstrong, Enderby and Lumby; the Regional District Of Okanagan Similkameen and the communities of Penticton, Summerland, Osoyoos, Oliver, Princeton and Keremeos; the Regional District Of Thompson Nicola and the communities of Kamloops, Merritt, Chase, Barriere, Clearwater and Sun Peaks Mountain Resort; the Regional District Of Columbia Shuswap and the communities of Revelstoke and Golden; the Regional District Of East Kootenay and the communities of Cranbrook, Kimberley, Fernie, Sparwood, Invermere, Elkford, Canal Flats and Radium Hot Springs; the Regional District Of Central Kootenay and the communities of Nelson, Castlegar, Creston, Nakusp, Salmo, Kaslo, New Denver, Slocan and Silverton; and, the

Regional District Of Kootenay Boundary and the communities of Trail, Grand Forks, Rossland, Fruitvale, Warfield, Montrose, Greenwood and Midway

Within this service area and in recognition of its mandate, according to the Strategic Plan of the Southern Interior Development Initiative Trust, the organization's vision is:

- “A future where economic opportunities are enabled, providing long-lasting measurable benefits to communities;
- A future where regional investment creates significant positive impacts across the region and smaller communities are given opportunities to remain or become economically sustainable;
- A future where there is a strong and diversified economy in the Southern Interior that supports the development of viable, healthy, vital and sustainable communities throughout.”

Subsequently, and logically, the mission arising from the vision of the Southern Interior Development Initiative Trust is to “support strategic investments in economic development projects that will have long-lasting and measurable benefits in the Southern Interior .”

Finally, in respect to how the organization goes about its business, the Guiding Principals adopted by the Board of the Southern Interior Development Initiative Trust include the following:

- “Sensitive to the cultural uniqueness and diversity of the population of the Southern Interior
- Accountable to the public for all of SIDIT's activities and transparent in all of our processes, decisions and reporting
- Treat everyone with respect and dignity
- Support only those projects that comply with all applicable environmental legislation
- Support projects that add value to the communities and regions of the Southern Interior
- Responsive to the needs and aspirations of the people and communities in the Southern Interior
- Maintain a sustainable Trust that can provide ongoing support for economic initiatives for the Southern Interior
- Encourage investment in the Southern Interior through leveraging and by acting as a catalyst
- Support the creation, preservation and/or enhancement of employment in the Southern Interior
- To the best extent possible, ensure that all regions of the Southern Interior have fair and equitable access to the SIDIT Funds
- Support economic diversification and sustainability within Southern Interior communities
- Support and create sound, economically viable communities.”

In pursuit of its vision and mission and as set out within the Act itself, SIDIT mandates investment in ten areas of the economy. These areas include Energy, Forestry, Mining, Olympic Opportunities, Agriculture, Transportation, Small Business, Tourism, Pine Beetle Recovery, and Economic Development.

## 3.2 HIGHLIGHTS OF SIDIT'S PERFORMANCE TO DATE

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Concurrently with its establishment, SIDIT received a “one-time allocation” of \$50 million designated for strategic investments in sustainable economic development. With this initial capitalization and the commitment, expertise and insight of Board and staff the Trust has grown and developed significantly over the past ten years and has made significant contributions to the citizens, businesses and communities of the southern interior.

It is difficult to adequately convey in a fairly concise manner the reach and depth of SIDIT's contributions within its service region since inception or even over the past five years for that matter. And so, the following narrative, bulleted points and tables represent but a summary snapshot of some of the more notable efforts and contributions. Again the intent is to provide some level of understanding to the reader of this report as to the context in which the Legislative Review Committee undertook its deliberations.

The following points, for the most part, have been extracted from SIDIT's most recent Annual Report (Southern Interior Development Initiative Trust Annual Report 2015).

From its original \$50 million, SIDIT has invested \$35.0 million into business ventures in the Southern Interior as well as funded \$9.7 million in non-repayable grants and education awards. Trust assets, originally \$50 million, are currently \$50.5 million as at March 31, 2015. This loan and equity investment has attracted an additional \$88.4 million into the region representing leverage of \$2.34 for every \$1 invested by SIDIT. Further \$15 million in principal and interest has been repaid as at the end of fiscal 2015. \$30.8 million in surplus funds are invested in liquid and market securities to provide for operating capital and create a reserve for future funding and investment opportunities.

Cumulative investment by sector totals: Energy - \$0.310 million; Forestry - \$1.91 million, Mining - \$0.423 million, Olympic Opportunities- \$1.00 million, Agriculture- \$2.396 million, Transportation- \$1.196 million, Small Business- \$28.23 million, Tourism- \$1.97 million, Pine Beetle Recovery- \$0.581 million, and Economic Development- \$6.914 million

- Market investments, cash reserves, loan and equity investments, net of provisions for loss, are 101.6% of the original funds balance after disbursement of \$45 million into economic development initiatives including \$9.7 million in non-repayable grants and education awards.

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“The Southern Interior Development Initiative Trust (SIDIT) has performed well .... All of us who are privileged to serve on the Board of Directors are proud of the results and confident that the Trust will accomplish even more in the years ahead.”

*Grace McGregor, SIDIT Chairman of the Board*

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## LOAN FUNDING MANDATES BY REGION AND PER CAPITA

	Funded Loans	Population	\$ per capita
Fraser Valley	\$500,000	5,969	\$83.77
Thompson Nicola	\$816,018	128,473	\$6.35
Columbia Shuswap-TO	\$435,935	36,055	\$12.09
North Okanagan	\$4,202,589	81,237	\$51.77
Central Okanagan	\$20,676,487	179,839	\$114.97
Okanagan Similkameen	\$2,920,674	80,742	\$36.17
<b>Thompson Okanagan Region</b>	<b>\$29,554,703</b>	<b>512,315</b>	<b>\$57.69</b>
Columbia Shuswap K	\$0.00	14,457	\$0.00
Kootenay Boundary	\$3,637,930	31,138	\$116.83
Central Kootenay	\$310,775	58,441	\$5.32
East Kootenay	\$1,701,600	56,685	\$30.02
<b>Columbia Kootenay Region</b>	<b>\$5,650,305</b>	<b>160,721</b>	<b>\$35.16</b>
<b>Aggregate SIDIT Region</b>	<b>\$35,205,008</b>	<b>673,036</b>	<b>\$52.31</b>

Source: Southern Interior Development Initiative Trust Annual Report 2015

## SIDIT'S CURRENT FUND ALLOCATIONS

Stage of Business	Target Allocation %	Actual \$	Actual Allocation%
Start Up Phase	5%	\$766,114.30	3%
Early Stage	15%	\$4,517,564.12	17%
Growth/Expansion Stage	50%	\$13,339,676.19	49%
Later/Mature Stage	30%	\$8,346,919.42	31%
		<b>\$26,346,919.42</b>	

- \$680,000 has been funded in support of community economic initiatives in 2015 and cumulatively \$4.6 million has been funded as at fiscal year-end 2015. This represents 77% of SIDIT's

annual target and 65% of its cumulative target. Importantly SIDIT has a conscious policy to invest in initiatives that: have regional economic impact; support the creation, preservation or enhancement of employment; support economic diversification and sustainability within Southern Interior communities; tap into and take advantage of the expertise of people who live in the Southern Interior; build on the region's tourism sector; capitalize on the innovation and entrepreneurship of Southern Interior communities and businesses; and/or build on the industrial strength of the Southern Interior.

## GRANT FUNDING BY REGION AND PER CAPITA

	Total Grants	Population	\$ per capita
Fraser Valley	\$2,545	5,969	\$0.43
Thompson Nicola	\$874,277	128,473	\$6.81
Columbia Shuswap-TO	\$165,375	36,055	\$4.59
North Okanagan	\$379,464	81,237	\$4.67
Central Okanagan	\$685,166	179,839	\$3.81
Okanagan Similkameen	\$425,714	80,742	\$5.27
<b>Thompson Okanagan Region</b>	<b>\$2,532,541</b>	<b>512,315</b>	<b>\$4.94</b>
Columbia Shuswap K	\$156,165	14,457	\$10.80
Kootenay Boundary	\$720,993	31,138	\$23.15
Central Kootenay	\$568,009	58,441	\$9.72
East Kootenay	\$574,578	56,685	\$10.14
<b>Columbia Kootenay Region</b>	<b>\$2,019,745</b>	<b>160,721</b>	<b>\$12.57</b>
<b>Aggregate SIDIT Region</b>	<b>\$4,552,286</b>	<b>673,036</b>	<b>\$6.76</b>

Source: Southern Interior Development Initiative Trust Annual Report 2015

- Within the context of Accelerate Okanagan 91% of SIDIT supported companies created jobs and/or revenue and/or investment. By way of illustration in FY2014/15, of the 34 out of 35 active companies that submitted performance reports: 56% created 74 new jobs; 76% generated \$5.4m in new revenue; 32% attracted \$3.1m in new private investment; and, 65% attracted \$1.4m in other new investment.
- Within the context of the Kootenay Association for Science and Technology 75% of SIDIT supported companies created jobs and/or revenue and/or investment. By way of illustration in FY2014/15, of the 16 out of 17 active companies that submitted performance reports: 44%

created 16 new jobs; 56% generated \$3.0m in new revenue; and, 44% attracted \$385K in other new investment.

- Within the context of the Kootenay Rockies Innovation Council 60% of SIDIT supported companies created jobs and/or revenue and/or investment. By way of illustration in FY2014/15, of the 5 active companies that submitted performance reports: 20% created 2 new jobs; 20% generated \$60K in new revenue; and, 60% attracted \$196K in other new investment.
- SIDIT has engaged five post-secondary institutions as delivery partners including: College of the Rockies, Selkirk College, Okanagan College, University of British Columbia Okanagan and Thompson Rivers University. The successful results of these partnerships are evident in the following table:

### EDUCATION FUNDING BY REGION

	Total	Population	\$ per capita
Thompson Okanagan	\$3,595,750	512,315	\$7.02
Columbia Kootenay	\$1,590,500	160,721	\$9.90
	\$5,186,250	673,036	\$7.71

## 3.3 REGIONAL ECONOMIC CIRCUMSTANCE AND PROSPECTS

Arguably in economic terms these past ten years have been tumultuous globally, nationally and regionally, with a rather healthy economic landscape in the early 2000's suddenly collapsing with the global financial crisis in 2008, then rebounding strongly with near record GDP growth in 2012-2013 only to be followed two years later with, at best, the early signs of a prolonged slow down in economic growth. While many of the current global and national gyrations are premised on weak commodity prices (particularly oil) exacerbated by economic weaknesses in many of the BRIC countries particularly China, it would be wrong to assume the region will be immune on the one hand or that the region will be catastrophically impacted on the other.

Importantly from an economic and demographic perspective the region itself is not at all homogeneous and as such there is a rather significant variability of economic impacts as they trickle down to individual communities and sub-regions. Because of this it is difficult to properly assess how certain national and global phenomena may hurt or aid growth and development prospects within the region generally. That said the following narrative provides some level understanding within which the Legislative Review Committee undertook its task (as highlighted in the Demographic & Economic Profile of The Southern Interior Development Initiative Trust Region, February 2015, prepared by Urban Futures), remembering of course that despite the economic gyrations of the past ten years, SIDIT has maintained a very healthy track record of success:

Throughout the early 2000's the SIDIT region's population growth averaged in the order of 2.0%. Despite some moderate decrease in population growth in the two years immediately following the global financial crisis (2008) positive population growth returned in 2010 and has continued

through 2014/2015, though at a more modest pace. Continued growth in population is expected into the foreseeable future with some of the more optimistic forecasts suggesting the region will grow by 24% by 2041. That said the demographic profile of the area remains relatively older than the Province and Canada.

- Regional employment peaked in 2012 at 331,500 jobs, but has since fallen in 2013 and 2014. Despite recording in the order of 10% in aggregate employment growth since 2004 the region has lagged behind that of the Province.
- There were 142,926 business locations throughout the SIDIT region in December 2013; the majority were engaged in retail and wholesale trade (15.9%), health care/social assistance (14.3%) and accommodation and food services (9.1%). Of all business locations, 78 percent were located in the Thompson- Okanagan development region (111,438), with the remaining 22 percent being located in the Kootenay development region (31,488). Further, 80% of all business locations in the SIDIT region had an indeterminate number of employees (“An employment size category defined as establishments that do not maintain an employee payroll, but may have a workforce which consists of contracted workers, family members or business owners. They also include employers who did not have employees in the last 12 months”). Business locations with fewer than 20 employees comprised 18 percent of the region’s business establishments and businesses with 20 employees or more accounted for the remaining 2.2 percent of business locations in the SIDIT region.
- Since 2006, the annual number of business incorporations in both BC and in the SIDIT region has declined. That said, the number of business incorporations has increased since 2009, albeit faster provincially than regionally.

Looking down the road, the economic outlook for the communities, businesses and citizens of the SIDIT region, at least in the immediate term, is somewhat uncertain. That said there are a number of positive signals suggesting that employment and the demand for workers will once again accelerate as the economy pulls back from the recessionary edge; Provincial GDP growth will begin to accelerate in 2017/2018; a strong US recovery coupled with a continuing lower valued Canadian dollar will fuel local opportunities, especially in export oriented sectors; and a firming up of commodity prices will strengthen the platform for ongoing growth and development throughout the region.

## 3.4 FINDINGS AND RECOMMENDATIONS FROM THE 2011 LEGISLATIVE REVIEW

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The First Legislative Review of the Southern Interior Development Initiative Trust Act took place in 2011. A number of opinions/comments were collected from the Legislative Review Committee and provided for review consideration. It is unclear at this point the outcome of these recommendations, as noted below.

### CONSENSUS VIEW/OPINION ON THE ACT

Without exception all members of the Legislative Review Committee felt that the Act as written facilitated/contributed to the success of the Southern Interior Development Initiative Trust by giv-



ing the Organization, the Board and the staff broad flexibility to design and implement programs and initiatives relevant to the region's economic needs and interests. While some individuals felt that it would benefit by some fine tuning, overall the LRC held to the position that "if it ain't broke, don't fix it."

## **CONSENSUS VIEW/OPINION ON SPECIFIC CLAUSES WITHIN THE ACT**

Within the context of evaluating each clause within the Act, there was only one recommended change that garnered a consensus opinion.

### **RESPECTING: DEFINITIONS**

It was the view of the LRC that clause1 (c) be amended to read "an employee of the government of British Columbia" so as not to preclude the valued participation of representatives of municipal and federal government agencies and authorities where the organization (SIDIT) might benefit by their participation.

### **RESPECTING: OPERATING EXPENSES AND REMUNERATION AND SPECIFICALLY CLAUSES 13(1) AND (2)**

It was the view of the LRC that this clause unduly discriminated against proposed and actual Board Members and/or Directors located in the more rural or far reaching parts of the SIDIT region versus those located closer by compensating only travel costs and not taking into consideration the time lost due to travel. As such it was recommended that some daily fee of up to \$200/day be claimable by all Board and RAC members for travel to and from meeting venues but that as presently structured no fee be allowable for the actual attendance at meetings.

## **GENERAL COMMENTS/CONCERNS ON SPECIFIC ASPECTS OF THE ACT**

Notwithstanding the general view that there should be no substantive changes to the Act, there were several issues that arose in discussions and were voiced as concerns by in some cases several individuals. That being said no consensus was achieved in respect to these perceived issues and concerns.

The following list of concerns is presented in order of those with the highest level of near consensus to those with the least.

1. Given the purpose of the Southern Interior Development Initiative Trust to support economic development within the region there is insufficient importance afforded the representation of business or the private sector on the various RAC's and on the Board.
2. Provincial appointments as Directors (approximately 40% of the total membership) is inordinately high and there is a lack of transparency in their selection.
3. In terms of Clause 20 (1) Purpose of Regional Account the identification of categories of supportive investments lacks consistency in categorization. This in turn can lead to misreporting
4. It seems at best inconvenient and at worse misleading to undertake a Legislative Review (Evaluation) without having a proper performance evaluation at the same time.

5. The approach/operations adopted by the Southern Interior Development Initiative Trust is one of ensuring that the fund is sustained in the long term yet the importance of building a legacy through long-term sustainability is not built into the Act.



# EVALUATION FRAMEWORK AND LEGISLATIVE REVIEW COMMITTEE - 2015

As noted above, the purpose of the Legislative Review was to review the Act and evaluate how it was and is functioning. This requirement is set out specifically in Section 26 of the Southern Interior Development Initiative Trust Act. To this end in the latter part of November 2015 an independent Legislative Review Committee of “qualified individuals” was organized<sup>1</sup>. and afforded the following broad responsibilities:

- Review and make recommendations in respect to the performance evaluation framework (i.e. how best to evaluate the functioning of the Act);
- Assist with the recruitment of qualified candidates for the Legislative Review Committee (LRC);
- Familiarize themselves with the mandate and offerings of SIDIT;
- Attend a day long focus group and make themselves available for supplementary one on one inter-

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1: The Southern Interior Development Initiative Trust Act defines a “qualified individual” as an individual who is not: (a) an elected official of a municipality or a regional district, (b) a Member of the Legislative Assembly, (c) an employee of the government, (d) a member of the board of directors of the Southern Interior Development Initiative Trust, (e) a member of a regional advisory committee, or (f) a person who is: (i) the spouse, parent or child of any individual referred to in paragraph (d) or (e), or (ii) any other relative residing with that individual.

views if required to provide their input as to the Legislative Review; and,

- Assist the Consultant to make recommendations to the Board regarding the Act and its functioning.

The following individuals participated in the Legislative Review Committee deliberations:

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**MR. RON CANNAN** Past Member Of Parliament

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**MR. WAYNE LIPPERT** Past Mayor, City of Vernon

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**MR. LEIGH HEWER** Loans Audit Consultant, SIDIT

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**MS. ALISON YESILCIMEN** Business Advisory Consultant

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**MS. PILAR PORTELA** Past CEO, Business Accelerator

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**MS. LAURA THURNHERR** Chair Of UBCO Business Department And Past President Of Kelowna Chamber Of Commerce

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**MS. LUANNE CHORE** CEO, Southern Interior Development Initiative Trust

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**MS. HELEN PATTERSON** Controller, Southern Interior Development Initiative Trust

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As with the Review undertaken in 2011 in terms of guiding the performance evaluation, each member individually and the committee collectively sought to address the following questions in their deliberations:

1. How does the ACT contribute to or support SIDIT's efficiency and effectiveness?
2. What particular parts of the Act are especially enabling relative to values and guiding principles; outputs and impacts; cost; access and awareness; and, governance?
3. What particular parts of the Act are especially disabling relative to values and guiding principles; outputs and impacts; cost; access and awareness; and, governance?
4. How might the Act be improved/amended to enhance SIDIT's performance relative to values and guiding principles; outputs and impacts; cost; access and awareness; and, governance?

Where, by way of definition:

Values and guiding principles might include such considerations as: accountability, objectivity, environmental sensitivity, responsiveness, integrity, cultural sensitivity, commitment, respect and so forth.

Outputs and impacts might include such considerations as aggregate investments/grants, breadth and depth of programming, sustainability of impacts, partnerships/collaborations, incrementality of impacts, consistency of impacts and so forth.

Cost might include such considerations as: value for money, portfolio balance/risk, leverage; and so forth.

Access and Awareness might include such considerations as: inclusiveness, public support, collaborative, equitable and so forth.

Governance might include such considerations as: decision making, transparency, program design/delivery, programming approach & balance and so forth.

It was the Consultant's (Urban Matters/Lochaven Management Consultants Ltd) responsibility that:

1. The review was undertaken independently to ensure impartiality in its findings , analysis and conclusions.
2. The review was transparent to ensure that in perception and reality a reasonable person would see the review to be rigorous, objective and impartial.
3. The review clearly indicated accountability and in so being was based on evidence based conclusions.



# **OBSERVATIONS AND RECOMMENDATIONS ARISING FROM THE LEGISLATIVE REVIEW OF THE SIDIT ACT - 2015**

## **CONSENSUS VIEW/OPINION ON THE ACT**

The Act as it currently stands is, for all intents and purposes, fair and well structured. It has served the Southern Interior Development Initiative Trust well over the past ten years and especially so during start-up. That said, much has been learned and as the organization moves forward it requires more enabling legislation that will allow it to respond more effectively to a diversity of essential economic development needs within the region; build on its achievements to date; extend its reach; and enhance its impacts.

In terms of where the Act fits in moving forward, a good portion of the existing narrative focuses on facilitating the operations/organization of SIDIT in its formative years. These statements/clauses while lacking relevance in moving forward are nonetheless an essential historical perspective to the organization and should remain unchanged, i.e. 2.2.a; 2.3, 2.4 and 2.5. Certain others, however are more debilitating and it is generally felt by the membership of the Legislative Review Committee must be removed or amended.

## CONSENSUS VIEW/OPINION ON SPECIFIC CLAUSES WITHIN THE ACT

**IN RESPECT TO: PART 1** – Interpretation - Definitions - “Southern Interior one-time development allocation” means any money paid by the government to the Southern Interior Development Initiative Trust;

- » **RECOMMENDATION:** the term “one-time” within this clause should be removed or amended. The new clause should read as follows: “Southern Interior development allocation” means any money paid by the government to the Southern Interior Development Initiative Trust;”

**IN RESPECT TO: PART 2** – Southern Interior Development Initiative Trust - Proceedings of directors - 10. (2) Subject to section 22, the directors of the Southern Interior Development Initiative Trust may invest any or all of the Southern Interior one-time development allocation.

- » **RECOMMENDATION:** the term “one-time” within this clause should be removed or amended. The new clause should read as follows: “10. (2) Subject to section 22, the directors of the Southern Interior Development Initiative Trust may invest any or all of the Southern Interior development allocation.”

**IN RESPECT TO: PART 2** – Southern Interior Development Initiative Trust - Operating expenses and remuneration - 13 (2) A director of the Southern Interior Development Initiative Trust must not accept remuneration from that corporation other than for reasonable travelling and out of pocket expenses necessarily incurred by the director in discharging his or her duties.

- » **RECOMMENDATION:** the clause should be amended to remove “must not accept remuneration..” to “may accept remuneration...”. The new clause should read as follows: “13 (2) A director of the Southern Interior Development Initiative Trust may accept remuneration from that corporation including that for reasonable travelling and out of pocket expenses necessarily incurred by the director in discharging his or her duties.”

**IN RESPECT TO: PART 3** – Public Accountability - Annual reports - 15 (1) (b) prepare, in accordance with generally accepted accounting principles, financial statements for the Southern Interior Development Initiative Trust for that fiscal year and have those financial statements audited in accordance with section 16.

- » **RECOMMENDATION:** the clause should be amended to remove “generally accepted accounting principles” and substitute with “generally accepted auditing standards”. The new clause should read as follows: “15 (1) (b) prepare, in accordance with generally accepted auditing standards, financial statements for the Southern Interior Development Initiative Trust for that fiscal year and have those financial statements audited in accordance with section 16.”

**IN RESPECT TO: PART 4** – Allocations - Limit on the Southern Interior one-time development allocation - 17 Despite any other enactment, if the government makes Southern Interior one-time development allocation payments to the Southern Interior Development Initiative Trust, the total of those payments must not exceed \$50 million.

- » **RECOMMENDATION:** the clause should be amended to remove “one-time” and replace with “initial”. The new clause should read as follows: “17 Despite any other enactment, if the government makes Southern Interior initial development allocation payments to the Southern Interior Development Initiative Trust, the total of those payments must not exceed \$50 million.”

**IN RESPECT TO: PART 4** — Allocations - Purpose of Regional Account - 20 (1) The purpose of the Regional Account is to support investment in the following in the Southern Interior area: (a) forestry; (b) pine beetle recovery; (c) transportation; (d) tourism; (e) mining; (f) Olympic opportunities; (g) small business; (h) economic development; (i) energy; (j) agriculture.

- » **RECOMMENDATION:** the clause should be amended to remove (g) small business and replace with “SME”; and add “(k) innovation”. The new clause should read as follows: “20 (1) The purpose of the Regional Account is to support investment in the following in the Southern Interior area: (a) forestry; (b) pine beetle recovery; (c) transportation; (d) tourism; (e) mining; (f) Olympic opportunities; (g) small and medium enterprises; (h) economic development; (i) energy; (j) agriculture; (k) innovation.”

**IN RESPECT TO: PART 4** — Allocations - Investments - 22 The Southern Interior Development Initiative Trust must invest the Southern Interior one-time development allocation, and any other money in the Regional Account, only as permitted under the provisions of the Trustee Act respecting the investment of trust property by a trustee.

- » **RECOMMENDATION:** the clause should be amended to remove “one-time” and “allocation” should be amended to “allocations”. The new clause should read as follows: “22 The Southern Interior Development Initiative Trust must invest the Southern Interior development allocations, and any other money in the Regional Account, only as permitted under the provisions of the Trustee Act respecting the investment of trust property by a trustee.”



APPENDIX A - SOUTHERN INTERIOR  
DEVELOPMENT INITIATIVE TRUST ACT

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This Act is Current to April 6, 2011

# **SOUTHERN INTERIOR DEVELOPMENT INITIATIVE TRUST ACT**

## **[SBC 2005] CHAPTER 39**

*Assented to November 24, 2005*

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## **Part 1 – Interpretation**

### **Definitions**

**1** In this Act:

**"Columbia-Kootenay region"** has the meaning prescribed by regulation;

**"qualified individual"** means an individual who is not

- (a) an elected official of a municipality or a regional district,
- (b) a Member of the Legislative Assembly,
- (c) an employee of the government,
- (d) a member of the board of directors of the Southern Interior Development Initiative Trust,
- (e) a member of a regional advisory committee, or
- (f) a person who is
  - (i) the spouse, parent or child of any individual referred to in paragraph (d) or (e), or
  - (ii) any other relative residing with that individual;

**"region"** means the Columbia-Kootenay region or the Thompson-Okanagan region;

**"Regional Account"** means the account established under section 7 (2) (a);

**"regional advisory committee"** means a regional advisory committee established under this Act;

**"Southern Interior area"** means that area of British Columbia comprising the Columbia-Kootenay region and the Thompson-Okanagan region;

**"Southern Interior Development Initiative Trust"** means the Southern Interior Development Initiative Trust established under section 5 (1);

**"Southern Interior one-time development allocation"** means any money paid by the government to the Southern Interior Development Initiative Trust;

**"Thompson-Okanagan region"** has the meaning prescribed by regulation.

## **Part 2 — Southern Interior Development Initiative Trust**

### **Division 1 — Regional Advisory Committees**

#### **Establishment of regional advisory committees**

- 2 (1) There is established, for each region, a regional advisory committee comprising the following:
- (a) the mayors of each of the municipalities that
    - (i) is within the region, and
    - (ii) on the coming into force of this Act, has a population greater than 500;
  - (b) the chairs of each regional district that is, in whole or in part, within the region;
  - (c) the Members of the Legislative Assembly who have been elected, in whole or in part, by electors from the region.
- (2) The term of membership on a regional advisory committee for each individual referred to in subsection (1) expires on the earlier of
- (a) the date that is 6 months after the coming into force of this Act, and
  - (b) the date on which he or she ceases to hold the position referred to in subsection (1).
- (3) Within 6 months after the coming into force of this Act, each of the regional advisory committees must
- (a) appoint 4 directors of the Southern Interior Development Initiative Trust in accordance with sections 6 (2) (a) and 8 (1), and
  - (b) subject to section 3,
    - (i) determine the size of, and the manner of appointing members to, the regional advisory committee, and
    - (ii) determine the role of, and the manner of appointing, the chair of the regional advisory committee.
- (4) On the coming into force of this Act, the following persons are the first chairs of the regional advisory committees:

(a) for the regional advisory committee for the Columbia-Kootenay region, the mayor of Nelson;

(b) for the regional advisory committee for the Thompson-Okanagan region, the mayor of Kamloops.

(5) The first chair of a regional advisory committee must call and chair the meeting or meetings necessary to allow that regional advisory committee to perform its obligations under subsection (3).

### **Composition of regional advisory committees**

3 A regional advisory committee, whether under section 2 (3) (b) or otherwise, may from time to time determine the size of, and the manner of appointing members to, the regional advisory committee and the role of, and the manner of appointing, the chair of the regional advisory committee, but in doing so the members of the regional advisory committee must

(a) ensure that the only persons who are eligible to become members of the regional advisory committee are

(i) elected officials of municipalities or regional districts that are, in whole or in part, within the region, or

(ii) Members of the Legislative Assembly who have been elected, in whole or in part, by electors from the region,

(b) provide an opportunity for municipalities or regional districts within the region that have populations of less than 500 to be represented on the regional advisory committee,

(c) establish the terms of office for members of the regional advisory committee, and

(d) ensure that if a member of the regional advisory committee ceases to meet the qualifications for membership set out under paragraph (a), that individual immediately ceases to be a member of the regional advisory committee.

### **Procedures**

4 The members of a regional advisory committee must appoint one of their number as chair and may, subject to section 3, otherwise establish their own procedures.

## **Division 2 – Establishment and Structure of the Southern Interior Development Initiative Trust**

### **Southern Interior Development Initiative Trust established**

5 (1) There is established a corporation known as the Southern Interior Development Initiative Trust consisting of the directors referred to in section 6.

(2) The Southern Interior Development Initiative Trust has the powers and capacity of an individual of full capacity.

(3) The Southern Interior Development Initiative Trust is not an agent of the government.

### **Directors of the Southern Interior Development Initiative Trust**

6 (1) Directors of the Southern Interior Development Initiative Trust must be appointed in accordance with this Division.

(2) Subject to section 7 and to subsection (8) of this section, the board of directors of the Southern Interior Development Initiative Trust is to consist of 13 individuals of whom

(a) 8 are to be appointed by the regional advisory committees, with each of the 2 regional advisory committees appointing 4 of their number as directors, and

(b) 5 are to be appointed by the Lieutenant Governor in Council.

(3) Subject to section 7 (3), the term of office of a director of the Southern Interior Development Initiative Trust is,

(a) if the director is appointed under subsection (2) (a) of this section, 2 years from the expiry of the term of the retiring director that he or she replaces, and

(b) if the director is appointed under subsection (2) (b) of this section, 3 years from the expiry of the term of the retiring director whom he or she replaces.

(4) Nothing in this Act prevents

(a) a regional advisory committee from removing and replacing, in accordance with any procedures it has established for that purpose, any individual the regional advisory committee has appointed as a director of the Southern Interior Development Initiative Trust, and

(b) the Lieutenant Governor in Council from removing and replacing any individual the Lieutenant Governor in Council has appointed as a director of the Southern Interior Development Initiative Trust.

(5) If a director is removed and replaced under subsection (4),

(a) the regional advisory committee or the Lieutenant Governor in Council, as the case may be, must promptly notify the directors of the Southern Interior Development Initiative Trust of the replacement appointment, and

(b) the term of office of the replacement director is the remainder of the term of the director he or she replaces.

(6) A director of the Southern Interior Development Initiative Trust is removed

as, and ceases to be, a director of the Southern Interior Development Initiative Trust on the passing of a resolution to that effect by all of the remaining directors.

(7) An act or proceeding of the directors of the Southern Interior Development Initiative Trust is not invalid merely because fewer than the number of directors required by subsection (2) are in office or in attendance.

(8) An individual who is a Member of the Legislative Assembly must not be appointed as a director of the Southern Interior Development Initiative Trust.

### **First directors of the Southern Interior Development Initiative Trust**

- 7 (1) On the coming into force of this Act, the first directors of the Southern Interior Development Initiative Trust are
- (a) from the regions, the following persons:
    - (i) from the Columbia-Kootenay region, the mayors of Cranbrook, Trail, Golden and Grand Forks;
    - (ii) from the Thompson-Okanagan region, the mayors of Kelowna, Vernon, Princeton and Salmon Arm, and
  - (b) 5 individuals appointed as directors by the Lieutenant Governor in Council.
- (2) The first directors of the Southern Interior Development Initiative Trust
- (a) must establish a Regional Account,
  - (b) must receive the Southern Interior one-time development allocation and deposit it into the Regional Account,
  - (c) subject to section 22, may invest any or all of the Southern Interior one-time development allocation and any other money in the Regional Account, and
  - (d) subject to paragraphs (b) and (c) of this subsection and to section 20 (2), must not make any use of the Southern Interior one-time development allocation.
- (3) The term of office of the first directors of the Southern Interior Development Initiative Trust expires 6 months after the date of the coming into force of this Act.

### **Subsequent directors**

- 8 (1) On or before the expiry of the term of any directors it appoints under section 6 (2) (a) and on or before the expiry of the term of the directors from its region referred to in section 7 (1) (a), a regional advisory committee must appoint 4 of their number as directors to replace the retiring directors, and must promptly notify the directors of the Southern Interior Development Initiative Trust of those replacement appointments.

(2) On or before the expiry of the term of directors appointed under section 6 (2) (b) or 7 (1) (b), the Lieutenant Governor in Council must appoint 5 individuals to replace those directors, and must promptly notify the directors of the Southern Interior Development Initiative Trust of those appointments.

### **Vacancies among the directors**

9 (1) A director of the Southern Interior Development Initiative Trust ceases to hold office when

(a) the director's term of office expires,

(b) the director ceases to be a member of the regional advisory committee by which he or she was appointed, or

(c) the director dies, resigns or is removed from office.

(2) If one of the directors of the Southern Interior Development Initiative Trust ceases to hold office, a replacement for that director must be appointed in the same manner as that director was appointed.

(3) A replacement director appointed under subsection (2) holds office until the end of the term of the director he or she replaces.

### **Proceedings of directors**

10 (1) The directors of the Southern Interior Development Initiative Trust

(a) must appoint one of their number as chair, and

(b) may, subject to this Division, otherwise establish their own procedures.

(2) Subject to section 22, the directors of the Southern Interior Development Initiative Trust may invest any or all of the Southern Interior one-time development allocation.

(3) In appointing a chief executive officer and a chief financial officer under section 11 (1) and a review committee under section 26 (1), the directors are to be guided by the guidelines set out in the following as amended or replaced from time to time:

(a) the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations* published by the British Columbia Board Resourcing and Development Office;

(b) the *Review of the Governance Framework for Canada's Crown Corporations — Meeting the Expectations of Canadians* published by the Treasury Board of Canada Secretariat.

### **Appointment of chief executive officer and chief financial officer**

11 (1) Subject to section 10 (3), the directors must appoint a qualified individual



as the chief executive officer of the Southern Interior Development Initiative Trust, and the same or a different qualified individual as the chief financial officer of the Southern Interior Development Initiative Trust, to carry out

- (a) the functions and duties of the chief executive officer and chief financial officer, respectively, under this Act, and
- (b) the functions and duties that the directors specify.

(2) The directors may set the remuneration of the chief executive officer and chief financial officer.

### **Officers and employees**

**12** (1) The chief executive officer, to the extent authorized by the directors, may do one or more of the following:

- (a) enter into contracts on behalf of the Southern Interior Development Initiative Trust to carry out any of its purposes;
- (b) appoint other officers and employees considered necessary to carry out the operations of the Southern Interior Development Initiative Trust;
- (c) define the duties and set the remuneration of the individuals appointed under paragraph (b);
- (d) provide a system of organization to establish responsibility and promote efficiency.

(2) *The Public Service Act, the Public Service Benefit Plan Act, the Public Sector Pension Plans Act and the Public Service Labour Relations Act do not apply to the Southern Interior Development Initiative Trust, the chief executive officer, the chief financial officer or a director, officer or employee of the Southern Interior Development Initiative Trust.*

### **Operating expenses and remuneration**

**13** (1) The directors may use money from the Regional Account to satisfy those expenses that are reasonably and necessarily incurred in order to allow the directors and officers to perform their obligations under this Act.

(2) A director of the Southern Interior Development Initiative Trust must not accept remuneration from that corporation other than for reasonable travelling and out of pocket expenses necessarily incurred by the director in discharging his or her duties.

## **Part 3 — Public Accountability**

### **Strategic plans**

**14** (1) For the purposes of public accountability, the directors must prepare strategic plans in accordance with this section.

(2) The directors must

(a) each year establish a 3 year strategic plan for the Southern Interior Development Initiative Trust including goals for each year of the strategic plan relating to the fulfillment of the purposes identified in section 20 in relation to the Regional Account,

(b) provide a copy of each strategic plan prepared under this section to each of the regional advisory committees, and

(c) publish each strategic plan prepared under this section in a manner that can reasonably be expected to bring the plan to the attention of the public.

(3) The directors must prepare

(a) the first strategic plan required under subsection (1) on or before the earlier of

(i) the date on which the Southern Interior Development Initiative Trust makes any of the payments contemplated by section 20, and

(ii) the first anniversary of the coming into force of this section, and

(b) after that, a strategic plan before the first day of each fiscal year of the Southern Interior Development Initiative Trust.

## **Annual reports**

**15** (1) Within 4 months after the end of each fiscal year of the Southern Interior Development Initiative Trust, the directors must

(a) prepare an annual report that complies with subsection (2) (a), and

(b) prepare, in accordance with generally accepted accounting principles, financial statements for the Southern Interior Development Initiative Trust for that fiscal year and have those financial statements audited in accordance with section 16.

(2) The directors must,

(a) in each annual report referred to in subsection (1) of this section,

(i) report on the goals set by the directors for the preceding fiscal year under section 14 (2), indicate how, if at all, those goals have been met and detail how those achievements met the intent of the purposes identified in section 20 in relation to the Regional Account,

- (ii) compare actual results for the preceding fiscal year with the expected results identified in the strategic plan for that fiscal year, and
  - (iii) include the audited financial statements referred to in subsection (1) (b),
- (b) provide a copy of that annual report to each of the regional advisory committees, and
- (c) publish each annual report in a manner that can reasonably be expected to bring the annual report to the attention of the public.

## **Audit**

- 16** (1) The Southern Interior Development Initiative Trust must, on or before the end of each fiscal year, appoint, as auditor for the Southern Interior Development Initiative Trust, an individual who is authorized to be an auditor of a company under section 205 of the *Business Corporations Act* to audit the accounts, transactions and financial statements of the Southern Interior Development Initiative Trust for the following fiscal year.
- (2) The accounts, transactions and financial statements of the Southern Interior Development Initiative Trust must, at least once in every year, be audited and reported on by the auditor and the costs of the audit must be paid by the Southern Interior Development Initiative Trust.
- (3) An oral or written statement or report made under this Act by the auditor or a former auditor of the Southern Interior Development Initiative Trust has qualified privilege.

## **Part 4 – Allocations**

### **Limit on the Southern Interior one-time development allocation**

- 17** Despite any other enactment, if the government makes Southern Interior one-time development allocation payments to the Southern Interior Development Initiative Trust, the total of those payments must not exceed \$50 million.

### **Management of Regional Account**

- 18** (1) The Southern Interior Development Initiative Trust must manage the Regional Account.
- (2) If any donation is made to the Southern Interior Development Initiative Trust, the directors of the Southern Interior Development Initiative Trust must deposit that money into the Regional Account.

## **Interest and other income on invested money**

- 19 The interest or other income earned in relation to the Regional Account must be paid into that account.

## **Purpose of Regional Account**

- 20 (1) The purpose of the Regional Account is to support investment in the following in the Southern Interior area:

- (a) forestry;
- (b) pine beetle recovery;
- (c) transportation;
- (d) tourism;
- (e) mining;
- (f) Olympic opportunities;
- (g) small business;
- (h) economic development;
- (i) energy;
- (j) agriculture.

(2) Without limiting section 18 (1), money may be paid out of the Regional Account for any of the purposes referred to in subsection (1) or section 13, including, without limitation, any payments required under sections 11 (2) and 12 (1) (c).

## **Regional advisory committees may advise on projects**

- 21 (1) Each regional advisory committee may identify, for the directors of the Southern Interior Development Initiative Trust, projects that the regional advisory committee considers are appropriate for application of the money in the Regional Account.

(2) The directors of the Southern Interior Development Initiative Trust may reject any recommendation made to them by a regional advisory committee under subsection (1).

## **Investments**

- 22 The Southern Interior Development Initiative Trust must invest the Southern Interior one-time development allocation, and any other money in the Regional Account, only as permitted under the provisions of the *Trustee Act* respecting the investment of trust property by a trustee.

## Part 5 – General

### Winding up

- 23 (1) Promptly after the Regional Account has been reduced to a nil balance, the directors must
- (a) in accordance with the direction of the regional advisory committees, distribute the remaining assets of the Southern Interior Development Initiative Trust, if any,
    - (i) firstly in satisfaction of any outstanding liabilities of the Southern Interior Development Initiative Trust, and
    - (ii) after that, to the municipalities and regional districts in the Southern Interior area, or to any of them, in the proportions or amounts the regional advisory committee may direct,
  - (b) close the account, and
  - (c) publish notice of the closing of the account, and the consequent dissolution of the Southern Interior Development Initiative Trust, in a manner that can reasonably be expected to bring those matters to the attention of the public.
- (2) On the closing of the Regional Account,
- (a) the Southern Interior Development Initiative Trust is dissolved and disestablished,
  - (b) the appointment of each member of the board of directors of the Southern Interior Development Initiative Trust is rescinded, and
  - (c) the regional advisory committees are dissolved and disestablished.

### Offence Act

- 24 Section 5 of the *Offence Act* does not apply to this Act.

### Power to make regulations

- 25 The Lieutenant Governor in Council may make regulations referred to in section 41 of the *Interpretation Act*.

### Review of this Act

- 26 (1) Subject to section 10 (3), on or before the fifth anniversary of the coming into force of this section, and on or before every fifth anniversary after that, the directors must, if the Southern Interior Development Initiative Trust has not by that date been dissolved and disestablished under section 23, appoint a committee of qualified individuals to review this Act and evaluate how it is

functioning.

(2) The review committee may consult with business, labour, education providers, government and any other person or organization it considers appropriate.

(3) If a review committee is appointed, it must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public.

### **Commencement**

**27** This Act comes into force by regulation of the Lieutenant Governor in Council.