

Livelihood/Commerce Work Group Core

Notes of Meeting of October 11, 2006, 4:00 pm, Mansion House

Present - Members: John Abrams (Chair), Sherm Goldstein, Phil Hale, Pat Gregory, Sean Welch, Sandy Ray, Linda Sibley, Steve Bernier

Present – MVC Staff: Mark London, Christine Flynn

Present – Others: Holly Stevenson

1. Upcoming Meetings

Core – Wednesday, October 25, 4:00 pm upstairs at Cronigs, Down-Island

Core – Wednesday, November 8, 4:00 pm upstairs at Cronigs, Down-Island

Full Work Group – November 15, 5:30 pm, location to be determined

Future Core meetings to be alternate Wednesdays at 4 pm, scheduled to not conflict with Energy/Waste also meeting at that time. [Note: Energy/Waste is meeting the first and third Wednesday of each month so we could take the second and fourth Wednesdays]

2. What Do We Need to Know?

- Leakage and Balance of Payments: What happens to expenditures on the Island? How much of various categories of spending are spent on- and off Island (Internet/mail order, off-Island stores). For on-Island businesses, how much stays in the Vineyard economy (e.g. wages paid on-Island versus profits taken off-Island by business owners whose primary residence is elsewhere)? How does this vary by type of resident (year-round residents, seasonal residents, short-term visitors) and by sector of spending (tourism, construction, etc.)? For example, what is the impact of retirees having earned money off-Island and spending it here.
- Role of Various Economic Sectors: What part of the economy is made up of various sectors such as construction and retail? Note that we have the numbers of enterprises and jobs by sector. Can we get income-tax information for self-employed people? [Note: We have the payroll by town and sector from the Department of Workforce Development and non-employer figures by industry sectors from the Census/ BEA by industry]
- Role of Various Population Sectors: How much of the economy is attributable to short-term tourism (day-trippers, various lengths of stay), to seasonal residents, to permanent residents? What is the source of the money for each of these categories?
- Development: How much of the construction industry is attributable to seasonal vs. year-round houses; how much to renovations, to replacements of tear-downs, to new construction on virgin land?
- Creative Economy: What is the strength, impact, and future of the creative economy (arts, consultants, etc.)? Is this a sector that helps the balance of payments (money earned off-Island spent here).
- Underground Economy: There are other aspects of the economy that are not readily quantifiable because what is reported does not factor in undocumented workers, unreported wages, or bartering. Some felt that it will be difficult obtaining this information and we should prioritize the "reported" part of the economy. Others felt that, even if it were impossible to get accurate information, it would be useful to get a ballpark idea. Is there a standard percentage that is used to estimate the underground economy? [Note: The number of

undocumented immigrants in the US is often estimated as 14 million out of 300 million people or just under 5%. On the Vineyard, the number of 3,000 has been put forward, out of 15,000 or 20%.]

- Transient Workers: How transient is the workforce? It was noted that, during the last construction “bust”, many workers who had not been here for a long time, coming from other parts of the US, simply moved on. Might the same thing happen again?
- Cost of Living: What is a living wage on the Vineyard? What is the cost of living in various sectors, compared to other locations and averages?
- Competitiveness: What are the special attractions of the Vineyard? What is the impact of the fact that we are an Island (e.g. higher transportation and other, limited workforce access, higher wages).
- Commuting: Who is taking the SSA? How many workers commute to the Island? (e.g. teachers, hospital middle management and medical personnel), and vice-versa? Who is riding the VTA buses?
- Retirement: What will the impact be of an aging population? Of a growing retirement community?

For many of these questions, it would be useful to establish a methodology that allows us to track this information in an ongoing way.

We should look at other similar communities that have faced similar economic issues. What about other places that were so beautiful that they destroyed themselves (e.g. Annapolis)? Aspen is an example of a community that took certain aspects of its economic future in hand. John will look into this.

To obtain the above information, the MVC staff should identify what is readily available. We should seek the input from the whole Working Group as to additional information needed and possible information sources. We will likely have to get an economic study done; this might require additional funding and might require some limited fund-raising.

3. Goals and Targets

The overall goal that had been discussed at the first forum this summer was “Promote a vital, balanced, and more diversified year-round economy, while preserving the Vineyard’s distinct character and environment.”

We need to discuss whether there is a consensus about various components of this goal such as: the need for and meaning of more diversification, as well as the desirability of a more year-round economy. We also should analyze how important growth is to the economy.

One member felt that the economy might have changed more in the past five years than in previous decades.

The main aim of the Island Plan is to clarify where the Vineyard is today and to project where we will likely be in the future if current trends continue. Then, we should see what we could do now to end up in a better place in the future. Some people felt that, when it comes to the economy, we could only have a limited impact on the future. It was argued that the same could have been said five years ago about affordable housing, yet now, a huge amount has been done. We should focus on a limited number of concrete actions, and get them done.

Some members felt that it was unrealistic to try to look 50 years onto the future and that we should focus on short-term actions. Others felt it was important to take the long view.

The aim is not to produce a study that goes on the shelf. The aim is to create a living process that will continue to push us in the direction we want to go, with no guarantee of success. Just having better understanding of where we are and where we are heading will be of enormous benefit to business people and the whole community.

Next Meeting: Wednesday, October 25, 4:00 pm upstairs at Cronigs Down-Island. Topic: preparing for the meeting of the full Work Group.