# Regional Economic Shifts in British Columbia: Speculation from Recent Demographic Evidence

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#### Introduction

The regional economy of British Columbia (BC) has been a dynamic and changing landscape for more than the past century. Since the Second World War, the organization of command and control functions has reinforced a core-periphery, or heartland-hinterland, organization of the province's space economy. After 1980, however, changes in resource commodity markets, public policy shifts, and social, political, and economic restructuring accelerated the pace and scope of change. In this paper, we use recent census data to suggest ways in which BC's regional economies may be shifting.

The paper begins with an historical overview of BC's heartland-hinterland geographic construction and the key role which resource industries played in the development of the provincial hinterland. This includes the organization of political and regulatory power within the provincial framework. Within this context, we examine recent shifts in population and highlight that components of BC's non-metropolitan hinterland may be changing relative to one another. Rather than the ubiquitous resource hinterland that has been previously described in the literature, the results suggest that BC's non-metropolitan territory is diverging into a set of distinct socio-economic regions, each with their own growth trajectories and drivers. The evidence in this paper suggests at least three distinct regions. The

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implications of these changing trajectories need to be more carefully delineated so that public policy decisions do not exacerbate already crucial challenges. The need for further research is bolstered by the fact that our theoretical literature is outdated and most of our public policy tools are urban centric. The paper concludes with an outline of suggested hypotheses for future regional science research into the processes involved in each of these divergent non-metropolitan regions.

#### **Historical Context**

Historically, BC could be understood as a metropolitan controlled resource periphery (Barnes and Hayter 1997). This organization extends back to the coming of the fur trade as levels of commodity demands (and shifts in those demands), locations of trading centres, and the relations between resource producers and capital were all initiated by the Hudson's Bay and Northwest Company trading houses who managed the affairs and destinies of the industry from Montreal and London England (Innis and Innis 1956). Beginning in the early postwar era, the organization of BC's space economy as a heartland-hinterland in microcosm (Bradbury 1987) developed under a range of 'province-building' policies and schemes. Changes since 1980, however, are altering the relationship between the hinterland and the heartland, and impacting the destinies of hinterland communities and regions.

#### Heartland-Hinterland

The province's settlement geography is strongly organized by two characteristics. The first is its mountainous topography. This restricts the amount of land available for settlement and limits connecting transportation networks to a small number of valley corridors. This pattern of small settlement nodes along narrow transportation corridors means that the province did not develop the extensive rural settlement patterns seen across the rest of western Canada (Stabler and Olfert 1992). This topography also reinforces a sense of isolation between regions and settlements (Robinson 1989). The second settlement characteristic is a clear metropolitan/non-metropolitan division (Davis and Hutton 1989). Metropolitan Vancouver and Victoria are the centres of population, government, and high order business and retail services (Wynn and Oke 1992). This metropolitan region has dominated the province's settlement structure since it joined Confederation (Forward 1987). By 2001, metropolitan Vancouver-Victoria contained 58 % of BC's population.

As widely noted of late, this geographic separation has the effect of 'hiding' BC's economic dependence on natural resources, as well as the plight of hinterland communities and workers involved in these industries during periods of economic change, from metropolitan decision makers (Baxter and Ramlo 2002; Hutton 2002; Lee 2003).

Hayter (2000: 35) argues that BC's "geographic marginality" is the defining context for the evolution of both its resource economy and settlement system. Much of the industrial base, communication and transportation infrastructure, and non-metropolitan settlement developed during the post Second World War economic boom (Forward 1987). Resource revenues were used to develop the province, and the economy remains very much dependent upon resource commodity exports (Baxter and Ramlo 2002). For most of BC's hinterland it was mining, fishing, and forestry which drove primary industry development and the locations of resource extraction settlements (Robinson 1989). Agricultural development, while more limited, was still an important economic driver and included soft fruit production in the Okanagan and Kootenay areas, cattle ranching in the Thompson and central interior areas, and grain production in the Peace River area. Of these, forestry developed during the post-1950s period as the economic engine for the province. Key among developments in the forestry industry were the construction of more than a dozen pulp mills across the interior of the province and the opening up of access to timber resources through the granting of crown land use rights to industrial capital in order to support the construction of very large sawmills (Marchak 1983; Mahood and Drushka 1990). Many small towns either expanded or were created to support new industrial forestry investments (Porteous 1987). Through the economic boom that lasted in BC until the recession of the early 1980s, most of these resource dependent towns did not develop a diversified economic base (Bradbury 1987; Barnes and Hayter 1997). One of the explanations for this lack of diversification during times of economic prosperity comes from Staples Thesis arguments.

Like elsewhere in Canada, BC's resource dependent towns have long suffered the effects of major boom-and-bust cycles from continuing economic dependence on basic resource commodities or 'staples' which are traded in a global market-place (Freudenburg 1992; Freudenburg and Frickel 1994; Barnes 1996). Through the 1950s, Innis sketched out the problems inherent in a staples-based economy. The first was 'dependence', as the Canadian economy was heavily dependent upon the manufacturing economies of the United States, Europe, and Japan (Hayter 1993). Innis (1950) argued that this was simply the latest in a series of resource development eras in which Canada served as a resource hinterland for more economically and technologically advanced countries. This dependency upon the demands of external markets meant a commensurate level of vulnerability to the needs of those markets (Barnes 1996).

The population of Vancouver's Census Metropolitan Area was 1,986,965 in 2001 while the
population of Victoria's Census Metropolitan Area was 311,902. The 2001 census population
of British Columbia was 3,907,738. A Census Metropolitan Area is defined as a major urban
core (with a population of at least 100,000) together with its adjacent municipalities (Statistics)

A second problem outlined by Innis (1950) is that of 'truncated development'. Large scale resource developments require significant capital investment and in BC, incentives have long been used to attract foreign capital into the province (Christensen 1995; Williston and Keller 1997). As Hayter (1982: 277) argues, "that foreign investment replaces or preempts economically viable indigenous development". This argument may be extended to include the implication that such foreign ownership also "relates to a loss of autonomy over strategic investments and technology decisions" (Hayter 1982: 281). Without a driving need for diversification, foreign controlled firms are often content to continue exporting basic resource commodities that are needed in their home economies or for other components of their multi-national holdings. The resource hinterland remains just that, a resource hinterland with little economic diversification (Davis and Hutton 1989). This outcome has been referred to as the 'staples trap'.

Since the 1980s, however, there have been a new set of pressures permeating the staples economy of BC's hinterland. These pressures, often grouped and collectively labeled as 'restructuring', have generated considerable change within BC's resource industries, especially notable with respect to modes of production and an increasing concentration of ownership. Hayter (2000) describes this crisis as being spurred on by environmental debates, consumer demands for more specialized products, continuing demands for low cost products, increasing relative labour costs, and increasing competition from low cost global competitors. In BC, this has also accelerated as a result of an on-going trade dispute with the United States over softwood lumber and ideological shifts in resource policies by successive provincial governments (Hayter 2003). As a consequence, resource companies are aggressively restructuring towards a more 'flexible' style of production. This often includes larger plants with increased levels of technology and fewer employees so as to keep per unit production costs low and production flexibility high (Hoekstra 2004). For towns and communities which had thrived under the high employment regimes of resource industry production from the 1950s through to the 1980s, there has been considerable change and uncertainty (Halseth and Sullivan 2002). In many places, the outcome has been job losses.

As resource industry restructuring processes work themselves out across BC's hinterland it is important to bear in mind two points. The first is that resources are not uniformly distributed and thus the effects of restructuring in different industries will impact places differently. For example, the fishing industry has declined generally along the coast but it has also contracted into regional centres. This has meant a virtual closure of fishing activities in many smaller coastal communities. The mining industry has precipitously declined in BC, with a large negative impact on traditional mining areas like the Kootenays, while the oil and gas sector has boomed during the 1999-2004 period, with an influx of new investment and activity in the Peace River region (Baxter and Ramlo 2002; Lee 2003). A second point is that the regions where these resource industry restructuring impacts are experienced are themselves differentially equipped with assets. These assets can include not just the natural resource base, but also transportation infrastructure, climate, and proximity to the metropolitan heartland of the province or to adjacent

metropolitan areas in Alberta. These geographic differences can create the opportunities and circumstances needed to support new economic activities. This argument provides a foundation for suggestions by Hutton (2002) that BC's resource hinterland may be diverging into different development regions with different growth drivers and trajectories.

#### The Command and Control Legacy

One of the key facets of the heartland-hinterland model is that political and economic power is vested in the heartland (McCann 1982). The result is that hinterland regions receive the impulses of growth and change through various command and control communications from the heartland. The immediate post Second World War period in BC typified this model of heartland directed development. Various 'province building' policies resulted in massive projects to harness the hinterland's natural resources. From the 1950s to 1970s, these included the Alcan Kemano project in northwest BC, the two rivers policy of the Columbia and Peace Rivers, and the extension of BC Rail into the north. Under the WAC Bennett government, the resource wealth of the hinterland was to benefit both the local and provincial economies (Williston and Keller 1997). Yet, all the decisions were made external to the affected regions and they reinforced a metropolitan concentration of legal, government, administrative, management, and financial activities (Davis and Hutton 1989; Christensen 1995). In concert with staples theory expectations, both public policy and business interests have built and re-built the provincial infrastructure to extract and export large volumes of minimally processed resource commodities and concentrate the benefits in the metropolitan core (Gunton 1997; Hayter and Barnes 1997a, 1997b; Hutton 1997).

Metropolitan decisions to undertake massive development projects in an erstwhile 'empty' hinterland continued through the latter part of the 20th century. The northeast coal project, the extension of the northeast oil and gas development, and renewed pressure to develop offshore oil and gas represent contemporary versions of metropolitan command and control over a resource hinterland (Halseth and Sullivan 2002; Offshore Oil and Gas Task Force 2002). In a context where fewer jobs are now associated with resource extraction work, and where government services are being closed in resource towns and rationalized to regional and metropolitan centres, the desire of the provincial government to open up new resource developments is focused upon creating royalty revenues such that resource benefits will flow directly into provincial revenues and be disbursed largely in metropolitan centres. Similarly, BC's parks and protected areas strategy clearly targets the northern hinterland as the location to 'make up' the province's required proportions of protected eco-systems. Some of the largest park areas in the BC Provincial Park system are well removed from the metropolitan core. These include: Spatsizi Plateau, the Kwadacha Wilderness, the Northern Rocky Mountains, the Redfern-Kelly Creek area, the Kitlope - Tweedsmuir area, Bowron Lake Park, and Wells Gray Park. In terms of BC's protected areas strategy, the pattern

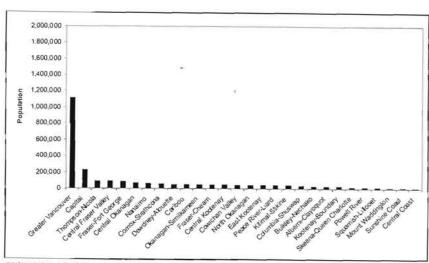


FIGURE 1 1976 Population Ranks, by Regional District

of placing the bulk of protected landscapes in remote hinterland regions is again clear. Together, the Spatsizi Plateau, the Kitlope -- Tweedsmuir area, and the combined Muskwa-Kechika / Northern Rockies are more than twice the size of Vancouver Island. Just as the WAC Bennett government sacrificed the agricultural bottom lands of the Columbia Basin to meet treaty obligations with the United States, so too have recent provincial governments committed the northern landscapes to satisfy international demands for protection of eco-systems and the 12 % of land base criteria (Land Use Coordination Office 1993). These policy impulses continued to reverberate across the non-metropolitan parts of the province despite critiques that models organized around heartland and growth pole ideas failed to recognize regional distinctiveness and that 'centrist' policies need to be more flexible to that same regional distinctiveness (van den Hoven 2002/2003; Polèse and Shearmur 2003).

### Heartland-Hinterland Population Structure

For much of the post Second World War period, population patterns across BC supported this heartland-hinterland structure. Figures 1 and 2 show the population counts for each of the province's regional districts. The data are presented as rank size graphs. In 1976, the Greater Vancouver Regional District is clearly the most populous (Figure 1). By the time we add in the populations for Capital Regional District as well as Central Fraser Valley, Dewdney-Alouette, Nanaimo, and Fraser-Cheam regional districts, the illustration of a metropolitan dominance of the province's population distribution is further supported.

Bringing this information forward into 2001 reinforces the metropolitan concentration of BC's population (Figure 2). In this case, Greater Vancouver,

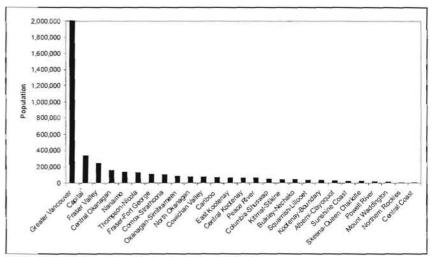


FIGURE 2 2001 Population Ranks, by Regional District

Capital, Fraser Valley (an amalgamation of portions of the Central Fraser Valley and Dewdney-Alouette regional districts with Fraser-Cheam), and Nanaimo constitute 4 of the top 5 most populous regional districts in the province. The expanded boundaries of the Greater Vancouver Regional District clearly capture the largest proportion of the provincial population.

# **Emerging Regional Centres**

While metropolitan Vancouver-Victoria dominates the provincial population, there has also been growth in a set of regional centres. In fact, the non-metropolitan landscape can be characterized by a set of regional centres and a constellation of small resource dependent towns (Porteous 1987; Hutton 2002). This section of the paper focuses specifically upon settlements in non-metropolitan BC in order to identify these regional centres. If the province's resource hinterland is devolving into a set of regions, each with different socio-economic trajectories, then emergent regional centres are a good starting point for investigation.

Figures 3 and 4 graph the population counts for BC's non-metropolitan settlements and present them in rank order.<sup>2</sup> The data include only those areas

<sup>2.</sup> In 1976 there were 101 incorporated municipalities within non-metropolitan BC, while by 2001 this number had grown to 111. In 1976, more than half of these municipalities had populations of less than 2000 people. In 2001, more than half of these municipalities had populations less than 4000 people. For ease of representation, each of Figures 3 and 4 include data only for the 25 largest of these non-metropolitan municipalities.

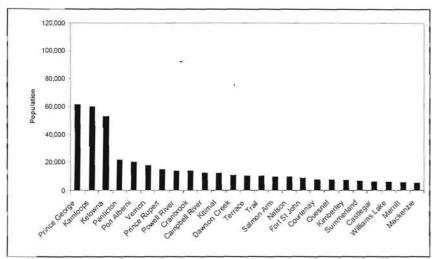


FIGURE 3 Non-metropolitan Municipal Population Counts, 1976(25 largest municipalities only)

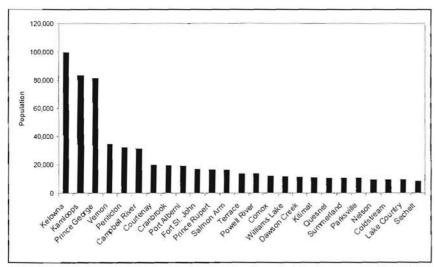


FIGURE 4 Non-metropolitan Municipal Population Counts, 2001 (25 largest municipalities only)

which are incorporated as municipalities (corresponding to Statistics Canada's census sub-divisions). In 1976, the communities of Prince George, Kamloops, and Kelowna each have populations in the order of 60,000 people. They are significantly larger than their nearest rivals. However, these centres were not always dominant regional locales. In the case of Prince George, for example, it was only with the establishment of a regionally focused transportation and forestry process-

ing infrastructure in the 1960s (including one pulp mill and two pulp and paper mills) that it grew relative to its regional neighbours (Stauffer and Halseth 1998). These nascent regional centres will be shown to form the foundation for targeted growth in BC's non-metropolitan areas.

A second tier of regional centres also appears in Figures 3 and 4. These include (in rank order) Penticton, Port Alberni, Vernon, Prince Rupert, Powell River, and Cranbrook. The mountainous topography which defines BC's physical geography means that transportation routes are limited to river valleys and mountain passes. As an outcome of travel limitations, we would expect the emergence of secondary centres. Indeed, this second tier may provide some evidence to reinforce the highly regional nature of the province. Penticton and Vernon are at the south and north ends respectively of the Okanagan Valley. Port Alberni is the regional centre for central and northern Vancouver Island while Prince Rupert has long served the same function for the north coast. Powell River is a centre for the mid Georgia Strait area and Cranbrook serves a somewhat similar function for the Kootenay region despite that the southeast portion of the province is a highly diverse territory.

Updating this information to 2001, Kelowna, Kamloops, and Prince George record between 80,000 and 100,000 residents. They continue to be significantly larger than their nearest rivals. There is also some divergence occurring among these regional centres, however, as both Kelowna and Kamloops have outpaced Prince George. There have also been some changes in the second tier of settlements. These now include (in rank order) Vernon, Penticton, Campbell River, Courtney, Cranbrook, Port Alberni, Fort St. John, Prince Rupert, and Salmon Arm. As will be noted below, some of these shifts are associated with transitions in the regional economies and the follow-through effects of these changes on populations. While Vernon and Penticton continue to benefit from growth in the Okanagan Valley (and specifically the spillover effects from Kelowna's housing market), this is now extending to Salmon Arm, a town along Shuswap Lake which is also located at one of the key highway junctions between Kelowna and Kamloops. On Vancouver Island, a range of urban fringe and amenity development pressures have assisted in Campbell River and Courtney growing to assume many of the mid- and north Vancouver Island functions previously served by Port Alberni (Halseth 2004a). As noted above, oil and gas development, coupled with a concentration of forest industry processing and public service activities, has supported Fort St. John's emergence as a centre for the Peace River region.

# Regional Population Shifts

To further set the foundation for a discussion of changing regional population structures and economies, this section of the paper traces population change patterns across BC over the past 20 years. Figure 5 shows the pattern of population change for the 1971 to 1981 period. The data are shown for regional districts

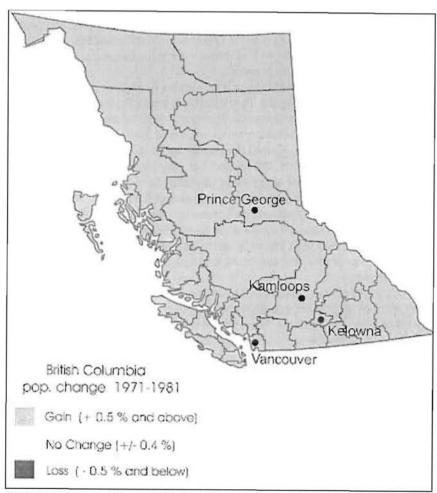


FIGURE 5 Population Change, by Regional District, 1971 to 1981

(corresponding to Statistics Canada's census divisions). Historically, BC's expanding resource industries supported extensive population growth across the province. New resource developments over this period typically included large numbers of new jobs. These opportunities attracted young families, something which in turn supported the development of retail and service support jobs through various multiplier effects (see also Horne and Penner 1992). The 1971 to 1981 period represents the full maturity of this expanding resource industry economy.

By the 1980s, researchers identified that resource industry restructuring, particularly in BC's leading industry of forestry, was changing the pattern of employment and associated community population levels (Marchak 1983, 1989; Barnes and Hayter 1992, 1994; Hayter 2000). Figure 6 shows the pattern of population change across BC for the 1981 to 1991 period. The pattern of continu-

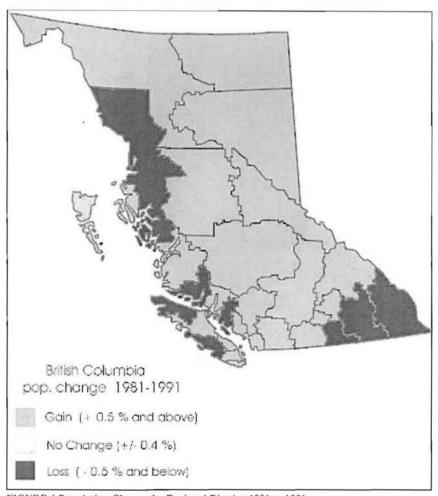


FIGURE 6 Population Change, by Regional District, 1981 to 1991

ous growth has been broken in some regional districts. Fitting with descriptions in the literature of how resource industry restructuring is more rapidly affecting older industrial areas, the locations of these population losses is not necessarily a surprise. The southeast corner of BC, the northern parts of Vancouver Island, and the north coast are some of the province's oldest resource industry areas. While adjustments and change in any particular area may be linked to different industries (mining and forestry in the southeast, forestry and fishing on Vancouver Island, and fishing, mining, and forestry along the north coast), the cumulative effect is the same; accelerating change, instability, fewer resource sector jobs, and an out-migration of residents looking for work. Just as the creation of new jobs through the 1950s, 1960s, and 1970s supported additional retail and service sector employment, resource sector job losses through the 1980s led to cutbacks and

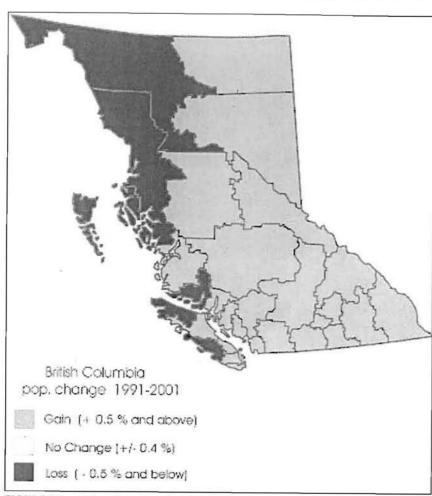


FIGURE 7 Population Change, by Regional District, 1991 to 2001

retrenchments in these other sectors as well.

Figure 7 shows the pattern of regional district population change across BC for the 1991 to 2001 period. As with the preceding 10 years, some of the regional districts continue to show population declines. In this case, the northern parts of Vancouver Island and the adjacent central coast, the north coast, and the Queen Charlotte Islands show population losses. Again, these are some of the province's oldest resource industry areas and the locations of population loss do not come as a surprise. Again, local and regional job losses in the resource sector were exacerbated by losses in retail and service sector employment as well. One further change is that the southeast corner of BC, which had previously recorded population declines and where restructuring of the mining and forestry industries continues, now recorded gains. This suggests perhaps that some other dynamic may be

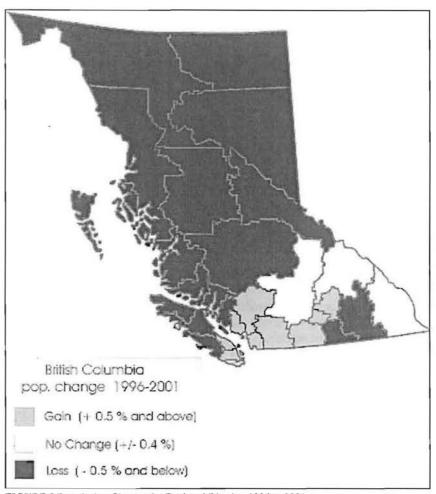


FIGURE 8 Population Change, by Regional District, 1996 to 2001

underway in that region.

However, the 1990s were a chaotic decade for BC's resource industries. In the early years, high prices for both pulp and timber pushed growth in some regions. In the north central BC town of Mackenzie, for example, market prices and demands pushed production at almost all plants to 24 hour, 7 day a week, operations. The additional shifts increased, albeit temporarily, population levels in some communities. To illustrate the tremendous flux within BC's resource industries, Figure 8 shows the pattern of regional district population change for the five year period from 1996 to 2001. The data are dramatic and suggest a clear regionalization of population change (Halseth et al 2004b). Metropolitan Vancouver and Victoria, along with the metropolitan fringe of Nanaimo, Whistler, and Chilliwack, all show population growth. This is continuing a longer run pattern of urban

expansion along with the spatial extension of the metropolitan region's urban fringe (Halseth 2004a). Across the non-metropolitan hinterland, where most places had experienced more than 50 years of continuous growth, most now recorded population losses. Yet, even with those population losses, some places recorded relatively little population change, and some recorded large increases. Again, there may be a suggestion here that a different population change dynamic is underway in these areas.

Building on the three regional centres of Prince George, Kelowna, and Kamloops, and upon the patterns of regional population changes since 1971, there may be a suggestion that BC's hinterland is changing into at least three development regions, with each of these regions 'anchored' by one of these centres. There may be evidence of a northern resource hinterland, a new growth pole centred upon the Okanagan, and the emergence of a mixed resource and amenity value economy in the Thompson-Kootenay region.

### A Diverging Hinterland?

We now turn to examine population information which may identify three development regions in BC's non-metropolitan hinterland. In each case, population tables identify selected regional districts and municipalities over the 1971 to 2001 period in order to illustrate the direction and magnitudes of population changes. This is followed by a discussion of the changing demographic structure (from 1981 to 2001) of one regional district within each of the posited development regions in order to illustrate how the population size changes may be affecting the structure (specifically the age structure) of those populations. Finally, a rank size figure for each of the suggested development regions is used to illustrate the development of regional and secondary centres. As noted earlier, BC's mountainous topography limits transportation routes such that we would expect that within any of the three suggested hinterland development regions there will be the emergence of both sub-regions and secondary centres. Where these may be suggested by the data, such sub-regions and secondary centres are identified below.

### Okanagan Growth Pole

The Okanagan region is located in the south central part of BC between the coastal metropolitan region and the Kootenay region in the east. Benefiting from the rain-shadow effect of the Coast Mountain Range, the Okanagan contains a large number of settlements linked through a north- south trending valley which also contains Okanagan and Skaha Lakes, together with a number of other small lakes. The long, dry, and warm summers have long supported soft fruit, and more recently, wine industries. The Okanagan has shown quite strong population growth at a time when elsewhere in BC's hinterland population losses are the norm (see again Figure 8). It appears that the Okanagan Valley may have emerged as a new

TABLE 1 Population and Growth Rates - Okanagan Examples

	1971-81 % change	1981-91 % change	1991-01 % change	2001 pop. count
Okanagan-Similkameen RD	n/a	16.7	16.6	79,645
Osoyoos	117.7	24.2	27.7	4,437
Penticton	30.8	17.7	15.7	32,294
Summerland	37.5	24.0	18.2	11,181
Oliver	19.6	98.0	15.3	4,409
Princeton	20.2	-8.3	-5.1	2,724
Keremeos	39.8	12.6	31.1	1,249
Central Okanagan RD	n/a	31.3	34.7	154,440
Kelowna	212.6	28.4	29.4	100,832
Peachland	1.0	20.8	36.4	4,823
Lake Country	n/a	n/a	n/a	9,672
North Okanagan RD	n/a	13.6	20.7	76,413
Vernon	54.3	17.6	45.1	34,998
Armstrong	66.4	19.4	35.5	4,439
Coldstream	83.6	23.9	16.0	9,504
Spallumcheen	87.4	12.1	10.8	5,358
Enderby	61.1	16.8	35.0	2,941
Lumby	38.1	0.0	30.1	1,689

Note:

RD = Regional District; n/a = data not available

Source:

BC Stats (2003). http://www.bcstats.gov.bc.ca/.

provincial growth pole with a mixed regional economy grounded in resource production (primarily agriculture with some forestry and mining) and tourism activities but now driven by non-market services aimed at retirement and amenity migrants.

For the entire 1971 to 2001 period, the places identified in Table 1 have shown strong growth. Much of the Okanagan's most recent growth is concentrated in the Kelowna area and its northern neighbours of Vernon and Armstrong. The scale of population growth in Kelowna in particular is remarkable given that the base population in 1971 was already the largest in the Okanagan. The construction of the Coquihalla Highway in the mid 1980s, providing much more efficient access from Vancouver to Kelowna, played a large role in fueling and directing this population change. In addition, it must be noted that there has still been considerable recent growth in the southern Okanagan centre of Penticton.

There is considerable speculation that growth in the Okanagan region has been driven by amenity and retirement population in-migration (see also Coppack 1988; Dahms and McComb 1999). If we compare population pyramids for the Central Okanagan Regional District in 1981 and 2001, we may note two things happening.

The first, apparent already in 1981, is that there is a large proportion of retirement age people in the population (almost 15 % over age 65). Many of these people are drawn to the region by its climate (de Scally and Turchak 1998). This is also, however, balanced by a large share of 'young families' comprised of adults between 30 and 45 with children aged 5 to 19 (about 41 % of the population).

In 2001, this retirement age cohort has grown relative to the rest of the population (now comprising more than 18 % of the population). The working age population has aged over the 20 year period, with declining shares of the population in the 25 to 35 year age cohorts. In addition, there is a marked decline in the share of the local population in the immediate post-high school years and in the pre-elementary school years. These results suggest that the talked about diversification of the Okanagan economy is not attracting young families at rates faster than the retirement migration. The results also suggest that for high school graduates, a lack of job opportunities is not holding -- or, if they are simply going off to Vancouver for university -- is not attracting them back. Retirement in-migration, long a factor in population growth within the Okanagan region, appears to have become a key driver in the regional economy. This is not only affecting population levels and structures, but also the social dynamic of the community and its urban morphology as 'walled retirement communities' develop in response to a burgeoning demand. The increasing property prices arising from this type of growth may also play a role in limiting the attractiveness of the region to younger households (Momer 1998).

Growth in the Okanagan region has very much reinforced Kelowna's position as the dominant regional centre (Figure 9). In a classic rank size model illustration, it is over twice the size of its nearest rival. Given that the Okanagan is a long valley, there is also clear evidence that two secondary regional centres may be emerging. In the north, Vernon may be gaining by spillover growth from Kelowna and the economic and residential land use development which has proceeded in the area between the two centres. Alternatively, Penticton continues to be the key centre for the south Okanagan. This is a position it has occupied for a very long time. Historically, Penticton and Kelowna were twin centres along Okanagan Lake, with Kelowna serving the northern half and Penticton serving the communities to the south.3 The explosive growth of Kelowna has altered this relationship and Penticton is now firmly set as a secondary regional centre. Besides these secondary centres of Vernon and Penticton, the remaining municipalities in the Okanagan have much smaller populations. Speculation might suggest that as the baby-boom generation moves fully into their retirement years, the demand for retirement and seniors housing in the Okanagan will continue to increase and that spillover will divert some of this development to these smaller settlements.

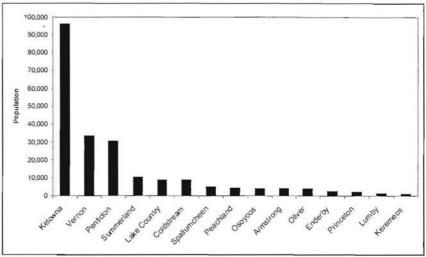


FIGURE 9 Rank Size of Municipalities in the Okanagan Region, 2001 (15 largest municipalities only)

#### Thompson - Kootenay Region

Returning to Figure 8, the next potential development region we wish to highlight involves the Thompson - Kootenay areas of southeastern BC. This involves a suite of traditional resource hinterland regional districts which experienced relatively no population count change in the 1996 to 2001 period. While resource industries are sloughing jobs in these regions, as they are in BC's other resource production hinterland communities (Hayter 2000), an expansion of amenity industries may be compensating for that loss. Proximity to Vancouver (by new highway links), to the Okanagan (where property prices are increasing), and to Alberta (where development restrictions in the National Parks have pushed many to invest 'next door' in eastern BC) may be driving a more mixed economy.

Table 2 includes information on population change across a selected set of regional districts and municipalities in the Thompson - Kootenay region. Several communities in the Columbia-Shuswap Regional District have shown very strong growth in recent years. Salmon Arm, for example, is close to the top end of the Okanagan Valley and is along Shuswap Lake. Retirement housing, vacation home construction, golf course resort developments, and a range of support activities around the huge Shuswap Lake houseboat vacation industry may be providing the foundation for amenity driven growth in this section of the Thompson - Kootenay region. Revelstoke, which had seen growth in earlier periods, recorded a slight decrease in population over the most recent census period. In this case, the forest and railway transportation industries continue to be important local economic drivers. Economic restructuring has resulted in downsizing and local job losses within both of these industries to the degree where they may have outpaced potential growth from local recreation or amenity developments.

The urbanized area, and thus population counts, of both Penticton and Kelowna is larger than
described by Census Sub-division (municipal) boundaries. In each case, urban spillover onto
rural lands and the growth of housing developments on adjacent Indian Reserves act to boost the
urban areas and 'local' populations.

TABLE 2 Population and Growth Rates - Thompson and Kootenay Examples

	1971-81 % change	1981-91 % change	1991-01 % change	2001 pop. count
Columbia-Shuswap RD	, n/a	0.4	17.8	50,305
Golden	18.6	7.2	10.6	4,231
Revelstoke	17.0	39.4	- 1.1	7,854
Salmon Arm	41.6	12.4	27.7	15, 847
Thompson-Nicola RD	n/a	2.3	16.6	124,89
Kamloops	151.3	4.7	17.7	81,053
Merritt	18.7	2.2	15.6	7,416
East Kootenay RD	n/a	- 2.5	9.6	58,90
Cranbrook	36.2	3.3	14.6	19,35
Fernie	26.3	- 7.8	- 5.8	4,846
Kimberley	- 1.2	- 11.4	1.2	6,76
Sparwood	42.8	1.3	- 7.6	3,99
Central Kootenay RD	n/a	-2.1	13.7	59,50
Castlegar	130.3	-4.6	8.3	7,30
Creston	33.4	0.6	16.3	5,00
Nelson	1.2	-5.6	8.0	9,703
Kootenay-Boundary RD	n/a	-6.1	3.9	33,23
Grand Forks	12.4	3.7	14.3	4,230
Rossland	4.5	-10.4	4.3	3,804
Trail	-11.7	-17.6	-2.5	7,905

Note:

1. RD = Regional District; n/a = data not available

Source: BC Stats (2003). http://www.bcstats.gov.bc.ca/

In the East Kootenay Regional District there are mixed population change results. Some communities such as Cranbrook have shown very strong growth. Building upon new resort developments associated with smaller communities such as Invermere and Radium Hot Springs, most of the East Kootenays valley has experienced a boom in golf course and ski resort developments. Each resort type comes complete with extensive high-end residential developments. The result is a burgeoning four-season recreation amenity region. In Cranbrook, this growth is supporting the concentration of regional services and may be reinforcing its role as a key central place. For some resource dependent towns, such as the coal mining centre of Sparwood which developed in the late 1960s and early 1970s, there have been population losses through labour force downsizing.

The situation is somewhat similar in the Thompson-Nicola Regional District. Small resource dependent towns such as Ashcroft, Cache Creek, and Logan Lake have shown population losses. Logan Lake, which was built as an 'instant town' during the early 1970s (Porteous 1987), has suffered even further population loss with production changes at the Highland Valley Copper Mine. Interestingly, both

Ashcroft and Cache Creek have seen recent growth as they have tried to move away from resource dependence (retirement housing in Ashcroft and tourist services in Cache Creek). In contrast, Kamloops and Merritt have also shown population increases over the past 20 years, with an increase in this rate of growth during the past 10 years. For Merritt, the growth of tourist traffic and amenity developments may have assisted with local development and growth. For Merritt, its location at the junction point where the Coquihalla Highway from Vancouver separates into either Highway 97C to Kelowna or Highway 5 to Kamloops has led to a construction boom in gas stations, restaurants, and hotels. Against this backdrop of diversification, the regional centre of Kamloops has solidified its service and support role through the development of big box retail outlets, expansion of public services (many of which had been closed in smaller places and 'regionalized' to Kamloops), and the addition of telephone and computer-based call centres and other high tech sector activities.

Population change is also driving shifts in the age structure of the population. If we compare the demographic structure of the Columbia Shuswap Regional District between 1981 and 2001, for example, two trends are happening. The first involves the retirement age cohort. This group is already present in 1981 but does not make up the dominant component of the population (less than 10 % of the population). A second notable feature includes the family cohort, focused upon adults in the 25 to 45 year age groups and children in the 5 to 19 year age groups. This second group, which makes up about 53 % of the population) has historically been typical of mature resource regions where the work force has stabilized and is starting to age in place (Lucas 1971; Halseth and Sullivan 2002).

By 2001, the retirement age cohort has grown both relative to its share in 1981 and to the other population age groups in the regional district (now comprising about 17 % of the regional district population). The working age population has aged, and shows a marked fall-off in the under 40 year age groups. In resource industry restructuring, job losses often hit new employees first, and those new employees tend to be younger people, often with families. If there is no alternative work locally, they will leave town in search of work. In addition, there is a dramatic decline in the share of post-high school years and pre-elementary school age groups. As seen in other resource dependent regions, this may not only represent a relative lack of opportunity for starter jobs among high school graduates but may also reflect the out-migration of young families in response to job losses in many of the region's traditional industries. The result is regional aging-in-place (see Hanlon and Halseth 2005) and the creation of new services demands in 'under serviced' regions (Johnson and Stallmann 1994).

These changes in the Thompson - Kootenay region reflect one of the directions which have long been suggested for resource hinterland regions (Fossum 1993; Allen and Dillman 1994). Under a regime of continuing resource sector production, but where there are many fewer local jobs linked to that production, other options are needed to create local opportunity. These include capitalizing on geographic characteristics like location to build upon previously underdeveloped transportation opportunities, or natural amenity characteristics which can form the

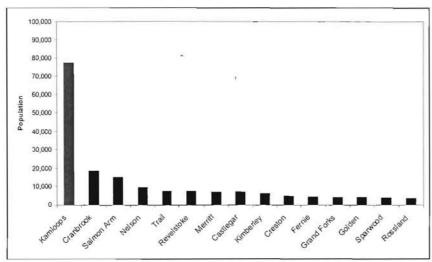


FIGURE 10 Rank Size of Municipalities in the Thompson-Kootenay Region, 2001 (15 largest municipalities only)

foundation for tourism, vacation developments, or retirement living (Halseth and Sullivan 2002). Such changes to a mixed economy are well underway in many other former resource hinterland areas of North America. In fact, Nelson (1997) has tracked many of these types of changes in the United States' 'non-metropolitan west'. Climate, quality of life, retirement motivations, availability of services, and affordability of land are important elements in the rapid growth many of these non-metropolitan west regions have experienced (Nelson 1999; Nelson and Sewall 2003). It is important to note, however, that along with the challenges associated with population losses in traditional resource industries, population growth through the development of new 'industries' also creates challenges for communities and regions (see also Walker 1987; Cloke and Goodwin 1992; Gober et al 1993; Draper and McNicol 1997; Reed 1997). It is specifically the emergence of these new sets of challenges which requires that research more carefully delineate both the character and implications of these changes so that public policy responses can be appropriately targeted (Fitchen 1991). Given the importance of these changes and the diversity of geographic locales and economic shifts involved, authors such as Vias et al (2002) were both surprised at the paucity of research below the metropolitan level and supportive of the call identified in this paper for more social science research on population, social change, services needs, and policy issues (see also Elliot and Perry 1996; and Millward 2003).

The Thompson - Kootenay region's transition to a more mixed economy capitalizing on resources, amenities, and transportation linkages may be a factor in reinforcing Kamloops' position as a regional centre (Figure 10). Kamloops has long benefited from being at a key crossroads in the province's transportation network, and this is now being augmented by a partial transition to a post-producti-

vist economy (MacKinnon and Nelson 2003/4). As described above, BC's topography means that travel is difficult and that the development of secondary regional centres has been common. In the Thompson - Kootenay region, this is most notable with respect to Cranbrook and Salmon Arm. Cranbrook is located in the rapidly growing East Kootenay valley. While it has long served as a regional centre, a role reinforced by its airport and health facilities, this role may have been enhanced of late as a result of extensive resort and amenity housing developments in places like Invermere, Radium Hot Springs, and Fairmont Hot Springs. As noted earlier, Salmon Arm is along Shuswap Lake and benefits from some of the spillover growth from both the Kamloops and the Okanagan Valley areas. Salmon Arm now bills itself as the business centre of the Shuswap area.

A third tier of regional centres exists in the Thompson - Kootenay region as well. Most of these are distributed along the Kootenay valleys and include Nelson, Trail, Revelstoke, Castlegar, and Kimberley. One other third tier centre, Merritt, is located south of Kamloops at the crossroads of the Coquihalla highway with the connector into the Okanagan. In this case, Merritt has forest processing facilities, serves an agricultural hinterland with many large cattle ranches, and is developing a range of services for the traveling public. In addition, the annual Merritt Mountain Music Festival attracts thousands of fans and many big-name performers such that the town now bills itself as the "Country Music Capital of Canada" (Merritt

2004). In addition to those shown in Figure 10, there are more than 15 other incorporated municipalities in the Thompson - Kootenay region with populations less than 3,000.

#### A Northern Resource Hinterland

The rest of the province continues to be a resource hinterland, and thus forms the third region. The current round of population losses across this region is a significant change from previous decades where extensions of the resource frontier supported new growth and new towns. Unfortunately, the region has not seen a diversification of the resource extraction economy and thus it remains vulnerable to market and restructuring pressures (Halseth et al 2004b).

The north end of Vancouver Island is one resource dependent area that has experienced tremendous population losses. Smaller communities such as Gold River and Tahsis have lost more than one-third of their population over the past 10 year period. This rapid population loss not only creates local social problems but also brings into question the very viability of these communities. In both cases, it was the closure of major forest products' facilities which spurred population out-migration. One notable bright spot on northern Vancouver Island concerns some of the retirement communities along the eastern shoreline (Table 3). Communities such as Courtenay have experienced considerable growth through the in-migration of retirees from the adjacent metropolitan Vancouver-Victoria region (Evenden and Meligrana 1998; Meligrana 2000; Bell 2002; Hume 2002). This

TABLE 3 Population and Growth Rates - Northern BC Examples

	1971-81 % change	1981-91 % change	1991-01 % change	2001 pop. count
Northern Vancouver Island / Mid Coast				
Comox-Strathcona RD	n/a	20.8	18.0	100,401
Courtenay	29.0	29.6	60.2	19,160
Campbell River	62.6	-26.5	148.4	29,700
Comox	69.9	24.9	38.0	11,660
Mount Waddington RD	n/a	-5.4	-4.3	13,683
Port Hardy	198.2	-0.4	-8.7	4,774
Powell River RD	n/a	-0.7	4.8	20,627
Powell River	0.2	-3.1	1.7	13,550
Northwest BC				
Skeena-Q. Charlotte RD	n/a	- 1.0	- 6.8	22,788
Prince Rupert	5.7	2.7	- 10.1	15,376
Kitimat-Stikine RD	n/a	- 0.8	- 0.8	42,894
Kitimat	11.9	- 12.0	- 7.3	10,771
Terrace	12.2	4.9	8.1	12,711
Bulkley-Nechako RD	n/a	0.1	8.9	42,890
Smithers	21.6	10.2	11.6	5,773
North-Central and Peace River				
Cariboo RD	n/a	3.4	9.0	68,510
Williams Lake	111.0	24.2	9.1	11,639
Quesnel	35.4	-0.8	24.8	10,481
Fraser-Fort George RD	n/a	1.5	7.4	100,224
Prince George	109.8	3.1	6.4	76,197
Mackenzie	160.1	-1.6	- 8.1	5,489
Peace River RD	n/a	- 3.9	5.5	57,839
Dawson Creek	- 1.7	- 3.3	0.1	11,305
Fort St. John	73.5	1.8	16.5	16,995

Note:

1. RD = Regional District; n/a = data not available

Source: BC Stats (2003). http://www.bcstats.gov.bc.ca/.

type of growth is typical of rural-urban fringe areas with high amenity values (Bryant et al 1982).

The pattern across north-west BC and north-central BC is rather more mixed. Some communities such as Prince Rupert have experienced large population losses, while others such as Terrace, Smithers, and Fort St. John have shown growth over the past 10 year period. In the case of Terrace, this may reflect its

emergence as a regional service hub for the northwest4 (at the expense of Prince Rupert in some cases of public service relocation and new retail investment) In Smithers, this growth may be a reflection of its efforts to diversify the local economy to include greater emphasis upon tourism industries around the Hudson's Bay Mountain downhill ski facility. In Fort St. John, the recent expansion of oil and gas development has spurred considerable regional economic activity. While this is an outwardly positive sign, the economy remains built upon resource sector production and thus vulnerable to global fluctuations in demands and prices (both of which in the oil and gas sector were positive for the town in the late 1990s and early 2000s). In addition, there is a tremendous leakage of jobs and investment in the Peace River oil and gas sector which underscores the fragility of this activity (Nicol 2003). However, many of the other communities are resource dependent and population losses seem to have followed as a consequence of industrial restructuring. This has included the closure of some facilities (such as in Prince Rupert where the closure of Skeena-Cellulose was coupled with the collapse of the fisheries) or the continued substitution of technology for labour in many still operating industrial plants (such as in Kitimat's aluminum and forestry plants and Mackenzie's forestry plants).

While resource industry restructuring has led to population losses, the process also has a significant affect upon the age structure of the population (Hanlon and Halseth 2005). Using the Skeena-Queen Charlotte Regional District as an example, in 1981 the region showed a population structure typical of developing resource hinterland regions. Large numbers of industrial jobs attracted young workers and their families to the economic opportunities of these areas. As a result, the largest shares of the population are between the 24-34 year age groups, and many of these young adults are starting families. Resource sector jobs have traditionally been 'male' jobs (Reed 2003; Halseth and Ryser 2004) and the age structure reflects this through larger shares of the regional population who are young males.

By 2001, there has been a considerable transformation in the structure of the regional population. The working age population has 'aged in place' as a result of limited new expansion to the industrial base. As has been noted in other mature resource regions, the lack of new job creation has limited the opportunities for high school graduates and young people to enter the workforce (Lucas 1971; Neil et al 1992; Halseth 1999). As a result, the age structure of the population now shows a significant gap in the 20 and 30 year age groups. For those industries which continue to operate, they are doing so with an older workforce. One final item of note has been a relative growth in the share of the regional population over age 65. This retirement age increase, coupled with the upward shift in the age of the

<sup>4.</sup> Population growth in Terrace is even more dramatic than shown by these census numbers. Like several municipalities in northern BC, a large proportion of Terrace's urban landscape is just outside of the municipal boundaries (and thus just outside of the Census Sub-Division boundaries used to collect these statistics). It is estimated that about 30 % of Terrace's urban population lives just outside its municipal boundaries.

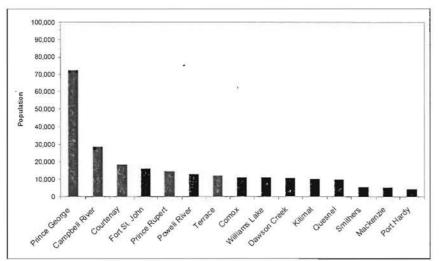


FIGURE 11 Rank Size of Municipalities in the Northern BC Region, 2001 (15 largest municipalities only)

workforce, suggests a future potential challenge with respect to age dependency ratios as fewer young workers may be available to support the greater services needs of an aging regional population (Halseth et al 2004a; Hanlon and Halseth 2005).

In this northern resource hinterland, the regional centre of Prince George has reinforced its position as 'BC's northern capital' (Figure 11). However, several other secondary regional centres are emerging. Among the most notable are Campbell River and Courtenay, along the east coast of Vancouver Island. With a resource industry foundation, these communities have experienced recent growth through the in-migration of retirement age households, and through the provision of services to retirement age households moving to nearby rural and island properties. Aside from these two, a suite of other secondary centres also exist. As noted above with respect to the Thompson - Kootenay region, the topography and distances involved in northern BC lead to an expectation for the support of such secondary centres. Fort St. John is a key regional centre in the northeast, a position reinforced by recent growth in the oil and gas industry. Prince Rupert and Terrace are regional centres serving the northwest, with Prince Rupert being a hub for the Queen Charlotte Island's and the North Coast. Powell River continues to be an important industrial and service centre for the south-central coast, while Williams Lake, Dawson Creek, Quesnel, and Smithers are still important industrial centres and they each provide central place service functions to large rural territories.

Two locations merit additional comment. Terrace in the northwest and Fort St. John in the northeast have grown relative to their neighbours and are becoming nascent regional centres for their parts of the province. In both cases, public policy over the consolidation of services, followed by market concentration of retail and commercial services, appear to be reinforcing their rise in spatial importance.

Recent decisions with respect to health care consolidation follow a pattern set by past government decisions which have seen smaller public service offices closed in neighbouring towns and re-located to centralized offices in Terrace and Fort St. John. In what might be contemporary benchmarks of retail sector locational confidence, both towns are also receiving new Wal-Mart and Starbucks stores.

The settlement pattern across much of this northern resource hinterland continues to be dominated by resource-dependent single-industry towns. In addition to the places shown in Figure 11, there are more than 30 other incorporated municipalities in the northern resource hinterland with populations less than 4,500. This is an old pattern in Canada and such resource towns can still be found in all provinces (Lucas 1971; Marchak 1983; Bowles 1992; Clemenson 1992; Everitt and Gill 1993; Randall and Ironside 1996). These towns typically share an economic orientation on a single-industry, their economies are overwhelmingly natural resource-dependent, and they suffer under fluctuating global demands and prices for their resource commodities (Friedman 1970). Even the 'new' resource towns built after 1950 suffer these same dependencies. In BC, both Gold River and Tumbler Ridge were planned towns where considerable effort was put into their development so as to create attractive and diverse communities (Porteous 1970; Robinson 1962; Crosspoint and Associates 2000; Gill 2002). However, the outcomes of resource industry restructuring, through pulp mill and coal mine closure respectively, highlighted that their local economies were not diversified (Chow 1995; Culbert 1998). Successive BC governments, regardless of political orientation, continue to endorse and reinforce this large industrial resource development policy (Gill 1984; Wilson 1997). For this northern resource hinterland, continued public policy support for large industrial resource firms means that consolidation of plants, substitution of technology for labour, and a continued emphasis upon minimally processed raw commodities will likely result in continued patterns of job losses and population out-migration.

BC's northern resource hinterland remains dependent upon resource management controlled from a metropolitan heartland. Restructuring of both resource production and public service provision has meant that the past 20 years have been marked by population loss or stagnation in many resource communities (Barnes and Hayter 1994; Halseth 1999). Indeed, rural and resource industry restructuring, and the associated community development challenges, is a common story in developed economies (Marsden et al 1990; Neil et al 1992; Mackenzie and Norcliffe 1997; McTiernan 1999). Despite many indicators that economic restructuring is fundamentally altering BC's resource industries, few communities have developed local economic alternatives and public policy has remained concentrated upon old style development and support during short term 'crises' instead of directing attention to transforming the service and development conditions so as to permit the creation of more flexible economic futures (see also Birdsall et al 2001).

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### Regional Development Summary and Suggestions

These regional population change summaries are speculations based upon recent census information. In each case, the suggestions about regional development trajectories are tied not just to shifts in the size and structure of the local populations, but also to the key drivers of the regional economies. As noted at the outset of the paper, the pace and diversity of population change across BC's hinterland requires that further research attention be directed to delineating the scope, scale, and validity of such a re-regionalization across BC. Such research into the outcomes of change and restructuring in resource peripheries is a critical and needed part of economic and regional science research on globalization (Hayter et al 2003) and has the opportunity to speak to a critical for public policy that better fits BC's diverse regional challenges and opportunities. In this summary section, we outline some of the key results and link them to suggestions for further research. The most general result is that BC's traditional resource hinterland, once conceptualized and described as a single homogenous region, is clearly diverging into at least three economic regions. This result adds census population trends to other recent work which has highlighted differences in economic performance across non-metropolitan BC (Hutton 2002; BC Progress Board 2004; Baxter et al 2005). The implications further reinforce calls for a more flexible public policy response across the increasingly diverse regions of non-metropolitan BC.

In the suggested Okanagan growth pole region, the evidence identifies that economic growth will be increasingly driven by amenity development with limited additional support industries. If such is the case, it runs the danger of replacing one type of 'single industry' dependency with another. The roles of currently important activities such as agriculture, mining, and forestry will continue but their future and expansion will be challenged by the demands of amenity industries. Further, the expansion of non-market services, especially education (with the establishment of the University of British Columbia's Okanagan campus in addition to the continuing work of Okanagan College), creates additional opportunities for diversification.

In the southeastern part of the province the results suggest a transition to a mixed economy driven by regional centre functions, a continuing but limited resource sector, and an expanding amenity and retirement sector. For this Thompson - Kootenay region the very mountainous topography will continue to support the need for secondary and tertiary centres. While some types of functions and services may consolidate to Kamloops, or even to Salmon Arm and Cranbrook, there will still be a need for basic services infrastructure in many of the smaller places across this region. If these amenity developments continue the pattern of attracting 'young retirees', there is also the matter of providing adequate health services in smaller centres which will need to be grappled with, especially in the Kootenays where even many small centres are separated from one another by mountain passes. The role of topography in creating small region identities, a long established feature of BC's regional geography (Robinson 1989), will need to

receive new attention as the hinterland economy of the province becomes more complex and divergent. To date, public policy actions with respect to service and facility closure have not dealt well with the implications of this regional topography and complexity, nor has it dealt well with practical local needs to support multi-functional uses of both land and community assets.

For the northern resource hinterland, continued focus upon resource development suggests that economic stagnation will continue to follow projections direct from staples theory, as renovated by Hayter and Barnes. During periods of economic boom, resource industry work will yield temporary job benefits, but profits and royalties will continue to flow out of the region and investments will be limited to increasingly large and efficient plants requiring fewer workers. During the bust periods of the resource cycle the region will face considerable challenges. While a few centres across this northern region are reinforcing their positions as service and government centres, many of the remaining places have yet to develop viable additions to their local economy. In each of the three regional cases described above there is a clear need for better or new regional science approaches and research that can contribute not just to a better understanding of a resource hinterland undergoing rapid and dynamic change, but the results can also contribute to public policy debates about how to support communities through these transitions and how to re-create the foundations for local sustainability.

In support of our call for additional regional science research, the regional shifts suggested in this paper create at least two immediate sets of implications. The first concerns the changing roles and relations of regional centres. One hypothesis is that public policy shifts in service provision are creating a pattern of regional centres even where none had previously existed. Economic change, together with institutional change, may be creating opportunities for medium sized cities across non-metropolitan BC (see Mackinnon and Nelson 2003/4). As suggested some time ago by Bradbury (1987), a heartland-hinterland relationship between metropolitan and non-metropolitan BC may be transforming to include heartland-hinterland relationships at the sub-regional scale now focused upon emerging regional centres and facilitated by transportation linkages and the consolidation of public services.

The second set of implications focus upon the smaller places of non-metropolitan BC as these regional economic and population shifts and changes proceed. In this case, one hypothesis is that resource industry contraction, which is already contributing to rural and small town population decline, is further enhancing regional centre growth through focused industry investments that support some level of economic diversity within these emerging centres. In addition to these topics, there remains the challenging area of population migration (Halseth 1999) and the implications of these movements for both the changing sense of place being contested across non-metropolitan BC and the fluctuating stocks of local human and social capital in these places (Halseth 2004b).

In addition, these research suggestions also introduce broader concerns. In any future research examining the general contributions to change made by processes such as globalization, it will also be important to combine these with the character

of the regions in which such change is being played out. Change is time and place specific, and both the nature and character of local and regional places will affect the way more general processes work themselves out (Massey 1984). Thus, it will not only be important in future research to test suggestions about the re-regionalization of BC's non-metropolitan landscape, but it is also important that the processes underscoring growth in its regional centres also be identified and contextualized within a diverse, complex, and rapidly changing non-metropolitan landscape.

### Conclusion

In summary, recent population change patterns suggest that the former hinterland of the province may be diverging into a series of different regions. On the basis of census data, we suggest that at least three development regions are emerging. Echoing Hutton's (2002) more recent observations, each of these regions may be developing a different trajectory with respect to population change and economic transition. Changes occurring in the social, economic, and political restructuring of the province may be exacerbating this divergence of trajectories. The implications of these changing potential trajectories need to be more carefully delineated so that public policy decisions do not exacerbate already crucial challenges. Further, while public policy had previously treated BC's resource hinterland as one homogenous region, new policy approaches must not only recognize the distinctiveness of emerging development regions but must also adopt a more flexible approach to the creation and application of differential policies that address the unique and place specific challenges and opportunities that result. In support of the creation of more flexible public policy responses, there is also a need for additional research to clarify regional development patterns and processes. As argued by Polèse et al (2002: ix), "Geography is everywhere, creating unique challenges for regional economic development". This is certainly the case across the rapidly changing geography on non-metropolitan BC, where the need for further research is bolstered by the fact that our theoretical literature is outdated, our public policy tools are urban centric, and our need for solutions to both, is great. Census data which suggest a reorganization of non-metropolitan BC presents an ideal opportunity for regional science to contribute to both basic and applied debates over rural and small town change.

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