PLANNING NORTHWEST BRITISH COLUMBIA ECONOMIC DEVELOPMENT: A COMPARATIVE STUDY

By

ANDREW J. M. WEBBER

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Andrew J. M. Webber

School of Community and Regional Planning
Faculty of Graduate Studies

Department of _____

The University of British Columbia
1956 Main Mall
Vancouver, Canada
V6T 1Y3

Date April 9, 1987

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ABSTRACT:

The thesis is a retrospective examination of two economic plans and their respective planning processes, undertaken for the same area during the same time period. The geographic setting for the thesis is northwestern British Columbia. The time period covered by the review is approximately 1980 to 1985.

The thesis describes the differences which can occur between the two plans and searches for variations in the planning processes which seem to account for these differences. The economic plan produced by the British Columbia provincial government recommends a future regional economy based on large-scale, capital-intensive technology and functional integration of the region with a world economy. The planning process used was centralized and technocratic. The other plan, produced by the regional Economic Development Commission, also recommends functional integration but is oriented towards sustained community development and appropriate (i.e. small-scale, locally-controlled) technology. The plan is informed by a locally-based, participatory process.

Categories for comparing the two plans and processes are drawn from regional development planning literature, planning theory literature and review of the cases themselves. Nine planning process variables are employed in the analysis. The study concludes that the critical

planning process variables which affect the content of the plans are: the level of public participation in each process, the manner in which control over planning process is centralized or decentralized, and the spatial interest of key actors. The study method used, an ex post facto case study, however, can only infer causal relationships between process and plan variables; it does not provide certain knowledge of these relationships.

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CHAPTER ONE: INTRODUCTION

Purpose of Thesis:

During the period of 1981 to 1985 two economic plans were compiled for northwestern British Columbia--one by the provincial government, the second by a regional economic planning authority. Though produced for the same area during the same time period, the two plans and the planning processes which generated them are significantly different. The provincial plan is oriented towards large-scale, capital intensive resource development (mega-projects) and is guided by a perception of the northwest region as a hinterland or part of a larger economic system. The plan is the outcome of a technocratic, centralized planning process. The regional Economic Development Commission's plan more explicitly reflects a conception of the northwest (and its individual communities) as an integral, organic unit and promotes sustained community development. In addition, this plan advocates small scale or appropriate technology. The regional plan is informed through a local, participatory process. Both the regional and provincial governments, however, proclaim that their respective economic objectives, can be achieved via the functional integration of the northwest economy with a global economy.

This thesis is a comparison of these two plans and their respective planning processes. The purpose is to identify the critical

variables in the planning processes which seem to account for divergence between the two plans. The thesis will describe variations which can emerge in plans developed for the same area at about the same time and will identify differences in the planning processes which seem to account for these variations. The findings of this analysis will allow us to project, though not predict with certainty, the outcomes of planning processes by reviewing the ingredients of such processes. These findings may also reveal to planners how desired characteristics such as sustainable community development or alternative technology might be considered in a plan through adjustments to planning process.

Knowing how we arrive at specific kinds of plans for economic development serves an ultimate purpose of making regional planning more effective and relevant. This knowledge may further lead planners to uncover "new avenues for development," which John Friedmann offers is necessary for regional planning to maintain its "legitimate mission" (Friedmann, 1981:15).

Study Methods:

The thesis is a retrospective examination of two economic development planning processes and plans. The study is not experimental nor is it statistical. Instead, the thesis relies upon in-depth narrative description of the two cases as the basis for comparing the processes

and plans. The thesis then infers causal relationships between components of the planning processes and characteristics of the respective regional and provincial plans. The analysis unfolds in three stages:

1) a comparison of the two plans
2) a comparison of the two planning processes
3) identification of planning process characteristics which affect the outcomes in the plans (and which simultaneously explain the variations between the two plans)

The thesis is both "descriptive" and "causal" in its investigation (Emory, 1980:84). The paper will relate the "who, what, when, where and how" of the plans and processes (descriptive) and then consider "why" (causal) the plans contain different outcomes (Emory, 1980:91,93). The categories chosen for comparing plans and processes are drawn from a review of regional development literature and regional planning literature. In addition, several categories are suggested by the cases themselves through after-the-fact observation.

The study method has acknowledged limitations. First, it can only provide informed judgements about the causal relationships between planning processes and resulting plans. The thesis cannot conclude with complete authority that characteristics of the economic plans (e.g. small-scale technology) are necessarily the result of certain planning process elements (e.g. locally-based, participatory

process). The validity of the case study conclusions is dependent upon the comprehensive coverage of the narrative, its ability to allow the reader to eliminate alternative explanations from those given in the thesis conclusions and the author's impartiality. However, this study can provide categories of analysis for testing in future case studies.

A second limitation is that the study conclusions may not be generalizable. Though this thesis aspires to provide as complete and accurate an account as possible of the relationships between variables in the planning processes and characteristics of the resulting plans, the conclusions are still based upon limited information. Only two cases are being reviewed in this paper.

Sources of Information:

Principal sources of information for description of the B.C. government's plan and process are a series of government publications, culminating in the 1983 printing of The Northwest Economic Development Studies. Many government officials were consulted in the preparation of this thesis but systematic, structured interviews were not part of the research method. Personal communications are referenced in the text.

Sources of information for description of the regional planning

process are published and internal documents of the Kitimat-Stikine Regional District. The Economic Development Commission of the Regional District of Kitimat-Stikine is the agency responsible for the regional economic plan. The author was an economic development officer for the Regional District and involved in all aspects of the economic strategy. Knowledge gained during this experience augments printed information.

Analytical Approach:

The purpose of the following chapter is to establish appropriate categories for analyzing the two economic plans and their corresponding processes. In the analysis five dimensions or characteristics of the plans will be discussed and compared. This is followed by a comparison of the processes according to nine selected criteria. Differences or similarities between the two plans will then be analyzed according to the various planning process categories, the purpose being to attribute plan outcomes to process characteristics. The plan characteristics are the dependent variables; the process characteristics are the independent variables.

John Platt has labelled this research approach the "strong inference" method (in Emory, 1980:103). "The application of this method calls for the researcher to develop multiple hypotheses by which to explain a phenomenon" (Emory, 1980:103). In other words,

this thesis will consider a wide range of planning process categories in order to explain plan characteristics. Those which cannot be eliminated are the best explanations of causes (Emory, 1980:104). This approach "reduces attachment (and potential bias) of the researcher for a given hypothesis" (Emory, 1980:103).

Examples of plan characteristics to be considered are the respective provincial and regional approaches to scale of technology, approaches to local community sustainability and approaches with respect to economic structure. Important planning process variables to be employed refer to public participation methods, planner roles and centralized and decentralized control over the planning processes. These categories, both for the plans and processes, emerge from the regional planning literature (Friedmann and Weaver, 1979) (Walter Stohr, 1981) (Stohr and Todtling, 1979), planning theory literature (Gunton, 1984) and from review of the cases themselves.

A potentially significant limitation must be noted in the comparison of the two plans and processes. Equal treatment in describing the two processes is not given in this paper. The Regional District process is strongly affected by competition among local government agencies in a regional institutional environment. Thus, a lengthy section is provided which describes a regional political and institutional context in which the Economic Commission is obligated to function. On the other hand it is assumed that similar factors do not affect the provincial plan. However, the writer was not privy to conflicts which might have arisen in the provincial cabinet or

bureaucracy and which may have affected the plan for northwest development.

Organization of Thesis:

This paper comprises seven chapters and one appendix. Following this introductory chapter, is Chapter Two, in which the categories to be used in comparing the plans and processes are identified. Chapter Three, entitled "The Northwest Region", describes the resource-based economy of northwestern British Columbia, the region's physiography, its economic history and the contemporary planning context. Chapters Four and Five, respectively, are narratives on the provincial and regional economic planning processes and their resulting plans. The comparison of plans and processes is made in Chapter Six, with the most important findings summarized and discussed in the concluding chapter, Chapter Seven. Chapter Seven also records opportunities for further research.

The Appendix provides more detailed information on the portable mineral concentrator concept. The portable concentrator is the best example of an appropriate technology as advocated in the regional plan. This technology is usually a truck transportable ore processing unit, which could be used to service the numerous, small but typically unutilized precious metals deposits in the northwest. The term "appropriate" is applied because the technology is

compatible with worker skill levels in the region, local entrepreneurial interest and financial capacity of northwest residents. "Appropriate", "alternative" and "small scale" technology are terms used interchangeably in this paper. All engender local control over technology.

CHAPTER TWO: DETERMINATION OF CATEGORIES OF ANALYSIS

The objective of this chapter is to establish the categories to be used in comparing the two plans and the two planning processes. Literature from regional development planning will be employed to enable a listing of relevant plan characteristics. This literature further suggests some of the critical planning process variables to be examined.

The chapter begins with a discussion of two alternative development models cited in the regional development literature. By examining a debate from regional development planning between "development from above" and "development from below" (Stohr & Todtling, 1979), (Friedmann & Weaver, 1979), (Stohr & Fraser, 1981), a framework for comparing the two plans is established. Specific categories to be used in the analysis emerge from this framework (see Table 1).

The same literature will be reviewed to identify some of the planning process variables. An article on planner roles written by planning theorist Tom Gunton will also be considered (Gunton, 1981). Importantly, not all plan or process categories will be directly linked to any literature. Several are suggested by reviewing the two particular cases. The chapter turns now to an overview of the functional (development from above) and territorial (development from below) development models.

Functional and Territorial Development:

Over the last few decades, the functional integration development model has dominated spatial planning theory and practice (Stöhr & Taylor, 1981:1). "The basic hypothesis is that development is driven by external demand and innovation impulses, and that from a few dynamic sectoral or geographic clusters development would, either in a spontaneous or induced way, 'trickle down' to the rest of the system" (Stöhr & Taylor, 1981:1). The model has often materialized as a growth centre or growth pole strategy. The functional model relies strongly on neo-classical economic theory; thus mobility of commodities and factors of production is advocated to increase economic efficiency (Stöhr & Tödtling, 1977:137). Often, the construction of transportation and communications systems are the practical manifestations of such objectives.

The assumption is that areal specialization of economic activity, based on a fundamental principle of comparative advantage, will maximize aggregate growth, Though growth may initially be geographically concentrated, over time spatial inequalities would diminish as factors of production seek locations of highest return. This is labelled a divergence-convergence syndrome (Hansen, 1981: 35). "Such strategies, as well as being outward-looking or externally oriented, have tended to be urban and industrial in nature, capital intensive, and dominated by high technology and the

'large project' approach" (Stöhr & Taylor, 1981:1). External and scale economies are thus characteristics of this model.

"Development 'from below' strategies (territorial development) are basic-needs oriented, labor intensive, small scale, regional-resource-based, often rural-centered, and argue for the use of 'appropriate' rather than 'highest' technology" (Stöhr & Taylor, 1981:1). Instead of "maximizing return on selected factors," relying on the principle of comparative advantage in a global economy, "integral resource mobilization" is advocated to serve regional needs first (Stöhr, 1981:39). A paramount objective is self-reliant development.

Two important criticisms of functional development explain the origins of the territorial development alternative: (1) that inequalities in the material conditions of rich and poor regions have not been overcome by present regional policy and (2) that increased functional ties between regions may worsen social well-being by undermining regionally held cultural and historic values, by causing disintegration of local non-market and non-institutional social processes, or through the erosion of political autonomy of smaller territories. A territorial development model begins with "an inherent distrust of the 'trickle-down' or 'spread effect' expectations of past development policies" (Stöhr & Taylor, 1981:1). Concentrating their research mostly on the international scene, critics of contemporary practice report a widening not a contraction of disparities between rich and poor nations (Stohr &

Todtling, 1977:137).

The functional development model has been sustained for several decades by economic theory. Development has become equated with material progress and is measured by such market-based indicators as regional income or employment levels (Stöhr & Tödtling, 1977:141). Walter Stohr argues that this model "presumes an eventually monolithic and uniform concept of development, value systems and human happiness, which automatically or by policy intervention will spread over the entire world" (Stöhr, 1981:41).

By contrast, territorial development accepts cultural and value diversity among regions. The model further advocates regional political autonomy based on the presumption that territorial relationships give rise to forms of social organization more conducive to the well-being of citizens. Whereas large-scale functional relationships are hierarchical and "guided by superior authorities," the small scale human interactions in territorial space usually create social systems which operate by "informal self-organization and self-policing" (Stöhr & Tödtling, 1977:143). Friedmann and Weaver describe the two forms of integration in this manner:

> The territorial force derives from common bonds of social order forged by history within a given place. Functional ties are based on mutual self-interest. Given inequalities at the start, a functional order is always hierarchical, accumulating power at the top. Territorial relationships, on the other hand, though they will be characterized by inequalities of power, are tempered by mutual rights and obligations which the members of a territorial group claim from one another (Friedmann & Weaver, 1979:7).

Development in this context is as much a political or cultural phenomenon as it is defined by economics.

Functional development is typically characterized by "top-down centralized planning" (Lee, 1981:121), large-scale public and private organizations and large-scale redistributive mechanisms (Stöhr, 1981:41). In comparison, territorial development calls for decentralized planning and political authority to be vested in regions. Stöhr and Tödtling suggest that development should include "the right of individuals and small groups to determine their immediate natural and human environment and to exert control on the influence of external economic, technological, cultural and other influences which affect their well-being" (Stöhr & Tödtling, 1979:135).

This objective of self-reliant development is to be achieved through a strategy of "selective spatial closure." Transfers between territories of commodities, technology or capital will be assessed within these communities, not necessarily with a view to maximizing overall economic efficiency, rather in regard to the ability of these exchanges to satisfy basic-needs of each community. Selective spatial closure implies some form of ownership or control over natural resource use--described by Friedmann and Weaver as "communalization of productive wealth" (Friedmann & Weaver, 1979:195).

Regional control over education systems and technology is also

foreseen (Stöhr & Tödtling, 1977:154). Technology would no longer be a determinant of development (as defined under a functional development model) but would "be reverted to the role of an instrument of society" (Stöhr & Tödtling, 1977:154). Selective closure, however, does not connote opposition to growth objectives. The strategy promotes "increased and integrated resource mobilization in a regional context" rather than selective resource withdrawal (Stöhr, 1981:61).

The territorial and functional perspectives embrace substantially different concepts of "space" and "system." In territorial organization the social system is perceived as a physically bounded area. It is a political community with a culture and history.

In a 1981 article on "contradictions in regional development," John Friedmann entitles this form of community as "life space." He then compares this concept of space with the abstract and discontinuous "economic space" which dominates in the functional development model. He claims that excessive functional integration undermines territorial integrity; "we can see the result in the dissolution of life spaces and their progressive assimilation to economic space..." (Friedmann, 1981:7). In functional organization, the system is viewed as essentially unbounded--limited only as a global economy. As an abstract concept, economic space has few of the human scale qualities one finds in neighborhoods or local communities where time, place and circumstance are shared. In the forthcoming review of the two cases, the reader will find a parallel in how the province and

region perceive differently a northwest B.C. region.

To summarize this section, the basic features of each model are highlighted in Table 1.

TABLE 1: Functional and Territorial Development

	Functional Development		Territorial Development
1)	promotes externally-oriented economy (external demand for commodities) (Stöhr & Taylor, 1981)	1)	promotes internally-oriented economy (internal innovation impulses)
2)	advocates strategy to reduce barriers to factor mobility, based on comparative advantage maxim (economic efficiency)	2)	advocates strategy of selective spatial closure (integrated resource mobilization) based on regional basic-needs imperatives (vs. "social efficiency") (Friedmann & Weaver, 1979) (Stohr, 1981)
3)	supported by top-down decision-making & centralized planning (Lee, 1981)	3)	advocates regional control over natural resource use, technology, etc.; decentralized planning (Stöhr, 1981)
4)	relys upon primarily an economic concept of development; reliance on market-based processes	4)	accepts more diverse social, political and cultural concepts of development
5)	relys upon large-scale institutions for implementing policy	5)	oriented towards smaller scale institutions
6)	dominated by highest technology and large-scale project approach; technology a "determinant" of development (Stöhr & Tödtling, 1977)	6)	promotes appropriate technology approach; technology an "instrument" of society
7)	based on conception of unbounded, abstract space (Friedmann, 1981)	7)	based on conception of bounded, territorial space

Selection of Plan Categories:

The two economic models as summarized in Table 1 are fairly complex aggregations of ideas on the substance of economic development and planning process. In disaggregating these concepts two categories pertinent to the comparison of the case study plans immediately emerge.

First the question arises, do the case study plans maintain different positions with respect to technology? Does one planning authority promote large scale technology and consider technology a "determinant" of development, while the other promotes small scale technology and views technology as an "instrument of society?" Secondly, what are the conclusions of the two plans with respect to the spatial closure vs. functional integration dimension? Does one plan lean towards an internally-oriented economy and the other towards an externally-oriented economy?

Three other categories worth examination are based upon visible differences between the two case study plans themselves. One plan, that of the province, is comprehensive; the regional plan is limited in a policy implementation phase to one economic sector. The study should therefore ask, are the plans comprehensive or sectoral and why? Are there factors in the planning processes which determine this variation? Another aspect of the plans is whether they are visionary or incremental? Does one plan explore new development

alternatives while the other maintain the status quo? Finally, the observation that reflected in the regional plan is an active pursuit of solutions to such regional economic problems as lack of diversification, unemployment and uneven development, requires assessment of a category entitled "community sustainability." The regional plan contrasts with the province's, in which the latter agency advocates a policy of continued large-scale natural resource extraction. This is arguably a policy which does not lead to sustained development of the northwest.

To summarize, five dimensions or comparative plan categories will be examined in the analysis chapter:

1) Approach to Technology
2) Spatial Closure vs. Functional Integration
3) Comprehensive or Sectoral Plans
4) Visionary or Incremental Plans
5) Approach to Community Sustainability

Selection of Process Categories:

The discussion on territorial and functional development allows for the identification of some of the planning process variables. An obvious distinction between the two models is their reliance upon centralized and decentralized planning. However, terms such as

"bottom-up" and "top-down" planning, "development from below" and "development from above," and "centralized" and "decentralized" planning often generate only ill-defined images in the reader's mind. For instance, is the only significant factor that the responsibility for planning occurs in the local community or in the political and economic centre? Or do these concepts concern themselves as well with how decision making occurs rather than simply where? For example, the regional process depends upon a high rate of public involvement of local people, and the process is controlled within the region. The province relies much less upon public participation and the planning process is controlled from the provincial capital. In this examination, the terms centralized and decentralized refer to control of the planning processes. Is control over the planning process local or based in the centre? A separate category in the analysis will examine the level of public participation in each process.

The differing conceptions of "space" outlined in the same discussion on the functional and territorial models necessitate a comparison on how the northwest region is conceived of in each process. Do the decision-makers overseeing the provincial plan maintain a conception of abstract space while the regional plan manifests a conception of territorial space? What therefore is the spatial interest in each planning process?

Again there are several categories to be used in the analysis which

are independent of the regional planning literature cited but are suggested directly from the two study cases. These categories are listed below and the terms defined:

Planning Mandates:

There are differences between the provincial government and Economic Development Commission with respect to their legislated responsibilities for planning, their geographic jurisdictions and resources at their disposal. Described under the label, "planning mandates," are the economic plans affected by differences in these factors?

Timing of Process:

The two planning processes are undertaken over different time periods. Does this modest difference in timing affect plan outcomes?

Deterministic or Fluid Process:

Do the planning processes adopted seem to impose conclusions about the region's economic development future, as recorded in the plans. Or are these adaptable processes and open to considering various development alternatives?

Role of Development Models:

Is either process constrained by a pre-conceived vision or model of economic development?

Background of Planners:

Are there ideological, educational and/or other characteristics of the planners involved which affect the plan outcomes?

Role of Planners:

Are there differences between the two economic plans which can be ascribed to different roles planners assume in the two cases?

With respect to the last category, several terms will be extracted from a 1984 article in Canadian Public Administration written by Tom Gunton. In "The Role of the Professional Planner," Gunton constructs a taxonomy of eight alternative roles planners can

perform. The article condenses considerable planning theory literature but its purpose is to describe in realistic terms planning practice. Parenthetically, his recommendations are that planners should not strive for a single correct role but should accept the existing diversity of approaches and learn which roles are suitable in various environments.

Gunton begins with a common description of the planner as a technical expert who uses scientific rationality to solve social problems. He then fashions the alternate roles from the criticisms which have arisen over the years of this role -- that rationality is not comprehensive enough, that planning is ineffective if separated from decision-making, that planning only performs a legitimation function on behalf of the state. At one extreme is the "Technocrat," above politics and ideology, who establishes societal goals, defines means and implements plans. At the other extreme, planning as a professional activity virtually disappears, replaced by a continuous dialogue between planner and client in "Social Learning," or made redundant as "Social Reform" transfers power from professional elites to clients (Gunton, 1984:402,403). Gunton's eight roles are Technocrat, Public Servant, Referee, Advocate, Bureaucrat, State Agent, Social Learner and Social Reformer.

Chapter Summary:

This chapter has identified the categories which will be used to compare the two plans for northwest British Columbia development and categories to compare the two planning processes. The five categories chosen on which to base a comparison between the two economic plans have been labelled:

1) Approach to Technology
2) Spatial Closure vs. Functional Integration
3) Comprehensive or Sectoral Plans
4) Visionary or Incremental Plans
5) Approach to Community Sustainibility

Nine planning process categories have been selected. They are entitled:

1) Planning Mandates
2) Centralized vs. Decentralized Control Over Planning Process
3) Degree of Public Participation
4) Spatial Interest
5) Timing of Process
6) Deterministic or Fluid Process
7) Role of Development Models
8) Background of Planner
9) Role of Planner

The thesis now commences the narrative portion of the thesis with a presentation on the northwest region. Chapter Three provides an economic history of the northwest, illuminates some of the area's economic problems and describes a contemporary planning environment.

CHAPTER THREE: THE NORTHWEST REGION

In this chapter, an economic profile of northwestern British Columbia is presented. Recent economic conditions, as a context to economic planning, are also discussed.

Northwest B.C. is not a finite geographic, cultural or political region. It is defined arbitrarily and differently in the economic plans of the province and region. In the first of four sections of this chapter, the different northwest regions as defined in the two planning process are discussed. In the second section, entitled, "The Economy of Northwest British Columbia," a condensed profile of the regional economy is offered. The discussion provides an overview of the economic history of the region, identifies significant physiographic features of the northwest, gives a demographic profile and discusses the economies of individual municipalities. Unless otherwise cited this material is drawn from the Regional Economic Profile of 1982.

Beginning around 1981 the northwest subsided into economic depression. High unemployment was a most salient repercussion but permanent employment losses in high wage manufacturing and primary sector jobs also occurred. These aspects of the contemporary regional economy are related in more detail in the third section. The final section discusses senior governments' policies for overcoming these employment problems.

Statistics in support of the narrative are provided but the reader is cautioned that demographic and economic data for the northwest is typically flawed or lacking. Decision-making is therefore often based on perception and intuition. Terrace area statistics periodically will be employed to represent the economic conditions of the entire northwest.

Definitions of the Northwest Region:

For the purposes of the Regional District and B.C. government plans for northwest development, the northwest B.C. region is defined somewhat differently. There is no distinctive geographic, political or cultural entity of northwest B.C.. Introduced onto a complex of mountain ranges and river systems is the Regional District of Kitimat-Stikine (Figure 1). This is an administrative unit, a creation of the provincial government. The Kitimat-Stikine Regional District is 40,000 miles^2 in area (102,000 km^2) and extends from Milbanke Sound on the west coast to the 58th parallel in the north. The major communities of the Regional District are Kitimat, Terrace, Stewart and the Hazeltons. Two interprovincial highways traverse the Regional District: the Yellowhead Highway 16 extends from Prince Rupert to Winnipeg, Manitoba; the Stewart Cassiar Highway 37 originates in Kitimat in the south and connects with the Alaska Highway just north of the Yukon border.

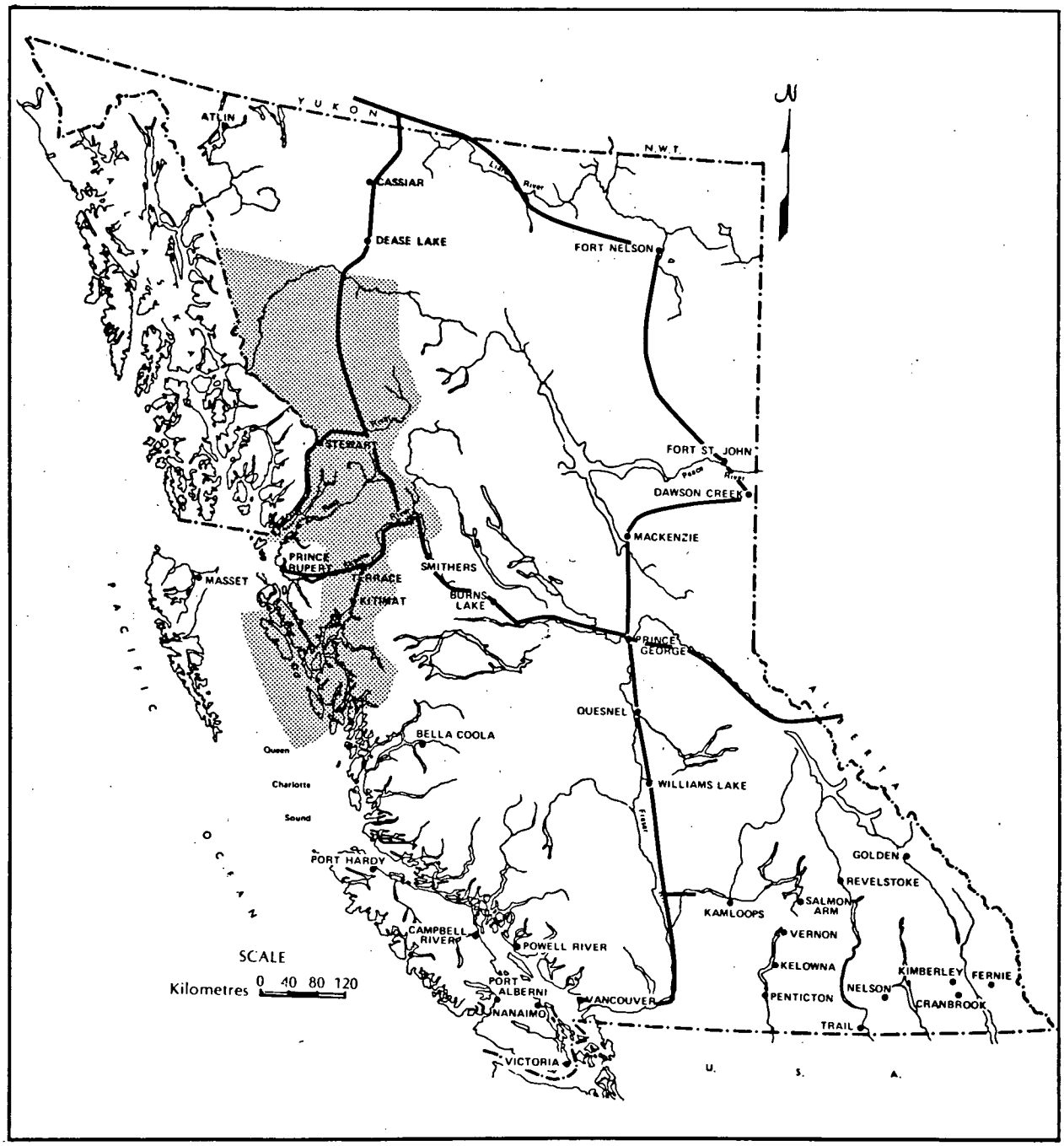


Figure 1: KITIMAT STIKINE REGIONAL DISTRICT

source: The Northwest Region, 1982

The population of the Kitimat-Stikine Regional District is highly concentrated. Fully 31,400 people (74%) of the Regional District 1981 census population of 42,400 reside in the urban centres of Terrace and Kitimat (Census of Canada, 1981). The remainder of the population is dispersed in small single industry communities or numerous small Indian reserves.

The provincial plan covers a larger area than just the Kitimat-Stikine Regional District (Figure 2). It includes Prince Rupert and environs in the west and extends north to the Yukon border by including the unincorporated Stikine Region. The province matter-of-factly describes this area as follows: "The region consists of the Stikine and Kitimat-Stikine Census Divisions together with Subdivision A of the Skeena-Queen Charlotte Census Division" (The Northwest Region, 1982:17). (Census division and regional district boundaries are coterminous).

Total population in 1981 of this northwest region was 62,755, including 16,200 in Prince Rupert and 1,950 in the Stikine Region (The Northwest Region, 1982:21). The Stikine Region is unincorporated. Local government services in this area are provided either in company towns such as Cassiar by large corporations (Brinco Mining Ltd.) or from Victoria by the provincial Ministry of Municipal Affairs. The Ministry is supported by local advisory planning commissions in the communities of Dease Lake and Atlin.

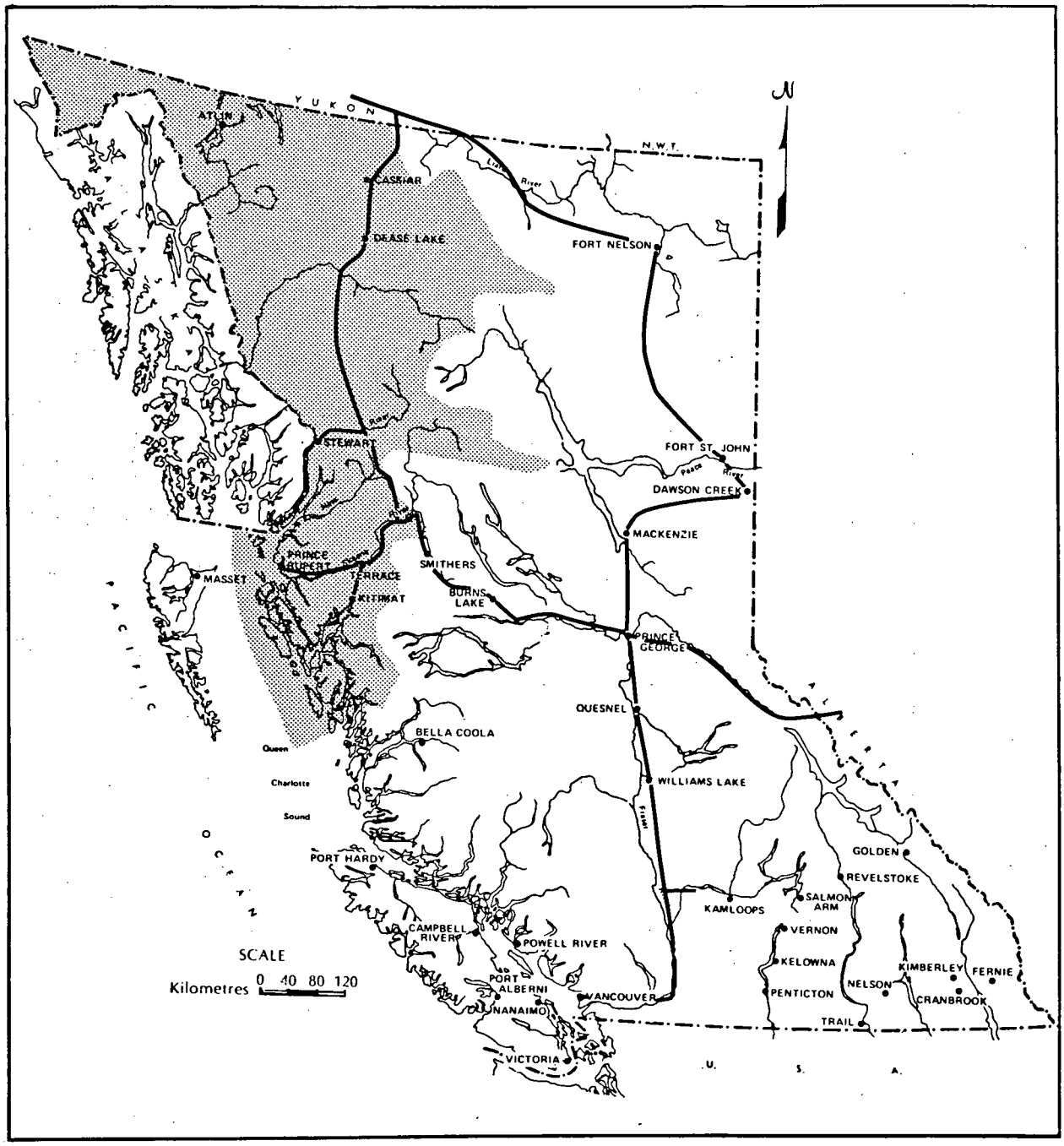


Figure 2: B.C. GOVERNMENT PLANNING AREA

source: The Northwest Region, 1982

The provincial development strategy distinguishes between a populated Southern Zone and an undeveloped Northern Zone (The New Frontier, 1982:11). The Northern Zone is the portion from Stewart north. The development model envisaged by the province, however, would apply to the entire northwest quadrant of British Columbia.

The Economy of Northwest British Columbia:

Physiography:

The major geographical features of northwest British Columbia are a series of northwest-southeast trending mountain ranges which are transected by several major rivers. Along the Pacific Coast, the Coast Mountains often exceed 1,800 meters in elevation. Further inland, in the south, are the Hazelton Mountains, and Skeena, Boundary and Cassiar Ranges to the north. The major rivers of the region are the Stikine, Iskut, Nass, Skeena and Bulkley. Over this diverse and vast terrain, the climate varies markedly. A milder and wetter "coastal-marine" climate dominates along the coast. Moving inland colder and drier "interior-continental" influences prevail.

This rugged geography has confined settlement within a few river valley corridors. Settlement has generally occurred along trade and transportation routes and in valley bottom areas suitable for agriculture. Consequently, in 1981, more than 75% of the population of the Kitimat-Stikine Regional District resided within 80 km of the Skeena River (Regional Economic Profile, 1982:1-7).

Historically, native Indian settlement, which dates back more than 8,000 years, took place in the major river valleys. The rivers and a network of trails became important corridors for trade between interior and coastal Indian peoples. Communities developed at strategic locations.

Economic History:

The first incursions of white settlement into the region corresponded with the search for precious metals. Gold was discovered in the Stikine region in the 1860's and the Stikine River became a well travelled river highway. In the 1870's a gold rush in the Omineca region in the interior encouraged the growth of Hazelton as a regional supply centre. Hazelton was the furthest point inland on the Skeena River for steamboat travel. Hazelton's strategic role would be renewed in the 1890's Klondike Gold Rush. By 1910, it is estimated that 8,000 people lived in the Hazelton area (Community Economic Profiles, 1982:4). In 1981, less than 4,000 people resided in the area.

Other major developments in the early years were the attempted construction of the Collins Overland Telegraph Line from North America through the Bering Strait to Asia, and construction of the transcontinental Grand Trunk Pacific Railroad (now Canadian National), circa 1912. The railway provided the initial stimulus

to the forest sector as industry developed around the production of railroad ties and the export of cedar telegraph poles.

Wars have also played an instrumental role in the economic history of the region. In the late 1890's, the Stewart area was the scene of its own mining boom. Perhaps as many as 10,000 people resided in the area (Regional Economic Profile, 1982:1-5). Showing that the northwest was anything but isolated from world events, the First World War is identified as contributing to the rapid depopulation of the community. During war time the population was reduced to less than 100 people. Stewart's history has been one of "boom and bust."

The Second World War saw the establishment in the northwest of key infrastructure which would affect the long-term growth of the region. A series of airports was constructed throughout northern B.C. and roads were constructed which connected the communities of Terrace with Prince Rupert, and Telegraph Creek with Dease Lake. Prior to World War II, Terrace was an insignificant agricultural and forest industry community. During war time it became a military base with a population of 3,000 and it would continue to grow afterwards. Terrace is now the largest urban centre in northwest British Columbia.

During the 1950's and 1960's the forest industry came to the forefront as the region's most important basic industry. High production dimensional lumber sawmills, servicing export markets, became major employers in the communities of South Hazelton, Terrace and Kitwanga. In Prince Rupert the Skeena Pulp Mill was

constructed by Columbia Cellulose. In 1970 a second pulp mill for the region was erected in Kitimat by Eurocan Pulp and Paper. Hemlock, balsam fir and cedar are the most abundant wood species harvested.

The Alcan Project was also realized in the 1950's. This Kitimat Valley is where the Alcan Aluminum Company recognized the large scale industrial potential in the combination of flat, developable land, tidewater access and hydro-electric power generation power capacity. One of the world's largest aluminum smelters was constructed in Kitimat. The smelter was later complemented by the Eurocan Pulp Mill and Ocelot Chemicals Methanol plant, but the community has fallen well short of its original population growth projections of 30,000 to 50,000 people.

The Alcan Project is the most widely known of several large scale projects which have shaped northwest development. Major mineral resource projects include Premier Gold and Granduc Copper Mine in Stewart, the Cassiar Asbestos Mine in Cassiar and the Amax Molybdenum Mine at Kitsault. World scale pulp mills were constructed in Prince Rupert and Kitimat. More recent additions to this inventory of large-scale projects include the Ocelot Methanol plant in Kitimat and the Ridley Island coal and grain export facilities near Prince Rupert.

Today's regional economy is still highly dependent upon international markets, lacks stability and economic diversification. It is a resource based economy with secondary manufacturing limited to

primary resource processing in the form of dimensional lumber production, pulp manufacturing, fish processing and aluminum manufacturing. Typically the reasons cited as constraints to further diversification in manufacturing are high labor costs, high costs for transporting finished products to markets and the small size of regional markets.

Transportation Infrastructure:

Much of the transportation infrastructure of the northwest has been constructed simply to service individual resource development projects. The Stewart Cassiar Highway was originally built with Stewart on the coast as its southern terminus in order to facilitate the export of the products of the Cassiar Asbestos Mine. Only later in the mid 1970's was the road joined to the Yellowhead Highway 16 system thereby facilitating intra-regional traffic.

The transportation services (Figure 3) which now exist reflect the region's externally oriented economy. Major shipping facilities have been developed in Kitimat, Prince Rupert and Stewart. The large airline companies of Pacific Western and Canadian Pacific service the region from Vancouver International Airport through airports in Prince Rupert, Terrace and Smithers. The region has two inter-provincial highways and the Canadian National Rail line

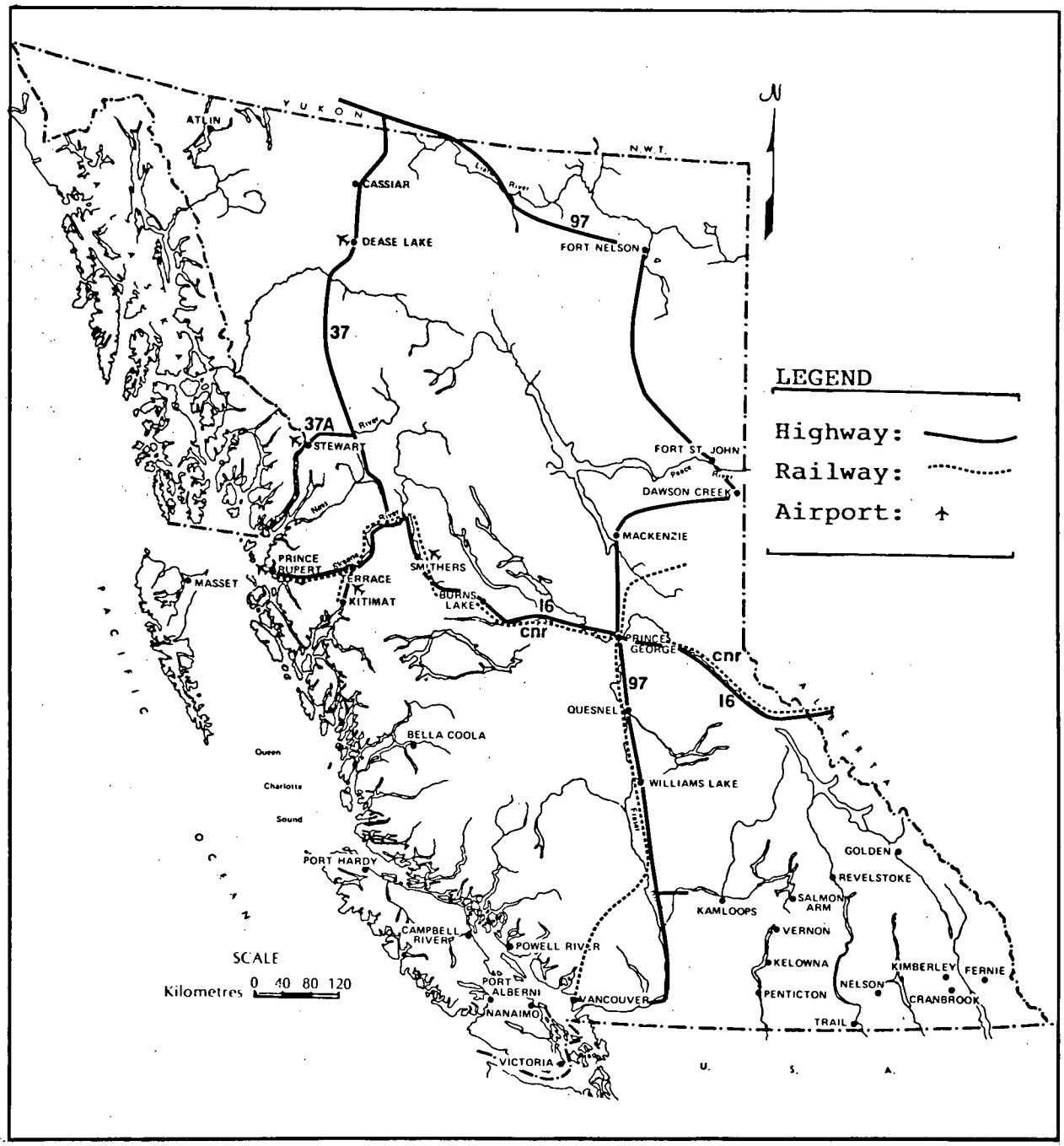


Figure 3: TRANSPORTATION INFRASTRUCTURE

source: The Northwest Region, 1982

extends across the region to Prince Rupert, with a branchline to Kitimat.

This transportation infrastructure has facilitated the population growth of the region in recent decades and has created, for the first time, a system for extensive intra-regional travel and communication among northwest urban centers. Non-native northwest communities have developed according to a similar pattern as a result of external demand for commodities, but largely independently of one another. Linkage between individual northwest communities are actually a recent occurrence. An all-weather road between Hazelton and Kitwanga was constructed only in 1955. The highway between Hazelton and Terrace was paved only in the early 1970's. A road between Terrace and Kitimat was needed only in the 1950's. A paved highway from Highway 16 to Stewart was completed only in 1985.

Population and Income Levels:

The population of the northwest region as described for the provincial economic plan, in 1981, was 62,755 (The Northwest Region, 1982:21). The 1981 census Kitimat-Stikine Regional District population was 42,400, the Skeena-Queen Charlotte Regional District (Prince Rupert area) population was 18,402, and the Stikine region, population was 1,953. The population of the northwest is predominantly of British origin and generally a younger

population than the provincial one. Approximately 25% of northwest residents are native Indian.

The population in the Kitimat-Stikine region in recent decades has neither grown at a consistent rate nor been evenly distributed across the region. Nonetheless, the population has grown from 9,669 people in 1951 to 42,400 in 1986, and has increased in all areas of the regional district (Census of Canada records). Terrace and Kitimat have been the fastest growing communities because of the development of the forest industry and creation of the Alcan Aluminum project. Prior to 1951, the industrial community of Kitimat did not exist. In 1951, the population of Terrace was only 961, but would grow rapidly afterwards. The starting point was granting of Tree Farm License No. 1 in 1949 to the Columbia Cellulose Company. Terrace remains an important timber processing community.

TABLE 2: Population of Major Communities, 1981

Prince Rupert	16,197
Terrace and District	17,757
Kitimat	12,814
Hazelton	393
New Hazelton	712
Stewart	1,456
Atlin	230
Cassiar	1,053
Dease Lake	320 (est.)

Source: The Northwest Region (1982)

The official Statistics Canada 1981 Census data indicate the importance to the northwest of its primary and manufacturing sectors. Of the northwest labor force, 12.6% is classified within

primary industry; a further 26.5% is engaged in manufacturing. The latter would be accounted for by high wage employment in pulp mills, sawmills and aluminum manufacturing. The corresponding provincial averages are 7.1% in the primary sector and 14.7% in manufacturing.

Aggregated statistics compiled by the province using 1979 individual tax returns reveal that average personal incomes of the northwest were 105% that of a B.C. average. However, personal incomes range noticeably between communities. Substantially higher incomes were earned in the larger centers of Kitimat, and Terrace. In the Hazelton area 1979 incomes were but 72% of the provincial average (The Northwest Region, 1982:23).

The Local Economies:

Masked by employing aggregated statistics to describe a northwest region is the reality that various communities which comprise the northwest have substantially different economic structures, histories and demographics. This section concludes with a brief commentary on the unique features of the larger northwest centers.

Prince Rupert is a strategic transshipment point of international significance. It is the terminus for the Canadian National Railway Northern Mainline and site of the nation's most modern grain and coal export facilities. The community has a history linked to the sea;

commercial fishing, fish processing and marine transportation are visible and historically important sectors of the economic profile. The largest industrial plant is the Skeena Kraft Pulp Mill.

Terrace is the most diversified community in northwestern British Columbia. It has the most comprehensive retail sector of any of the region's centers and has developed as a retail and commercial service center for the entire northwest quarter of the province. Terrace is also a regional administrative center, the site of many provincial and federal government offices. Employment is commonly described as based 1/3 on retail, commercial and industrial services, 1/3 on government administration and 1/3 on the forest industry. Terrace has a well established logging sector, with two high production sawmills and a pole manufacturing plant.

Kitimat is the principal manufacturing center for the region. Together, Alcan Smelters and Chemicals Ltd., Eurocan Pulp and Paper Co., and Ocelot Chemicals Ltd. employed over 3,400 people in 1983. This was over 50% of the Kitimat labor force (District of Kitimat, 1986). The community's service sector however has failed to mature. In recent years retail and personal services have tended to concentrate in Terrace, 60 km north. Unlike Terrace, with an economy highly dependant upon regional resources, only the Eurocan Pulp Mill processes northwest resources. Bauxite for the Alcan Aluminum smelter originates overseas in Japan and Australia and is processed in Kitimat owing to low cost hydro-electric power. The Ocelot methanol plant processes natural gas transported by

pipeline to Kitimat from northeast B.C. or Alberta.

The Hazelton Area is comprised of a series of native and non-native communities. The Village of Hazelton is a child of the steamboat era. Across the Bulkley River, the other larger municipality, New Hazelton, is a child of the railroad. Once a vibrant economic center, the Hazeltons are now characterized by endemic high unemployment and low income levels. A service sector is virtually non-existent in the area and the economy is highly dependent upon two dimensional lumber sawmills. The irony of the Hazelton economy is that the area has probably the best potential for diversified development of any northwest center. Based upon the resources tributary to the area, the Hazeltons have excellent prospects in agriculture, forestry, mining and tourism. The Hazelton area is one of the few places left in the northwest without serious concerns over available timber supply.

To the north, mining and mineral exploration provide the base for the local economies in Stewart, Cassiar, Atlin and Dease Lake (The Northwest Region, 1982:26). Stewart is also developing as a strategic gateway to northern resources and government has provided transportation infrastructure to facilitate this opportunity. Stewart also has potential to become a significant wood processing center. Thus far, forest sector activity has been limited to log handling and sorting. Commencing in 1985, Stewart became a major exit point for whole log exports. This material is exported to Alaska pulp mills, down the B.C. coast and overseas. None of these

northern communities has yet acquired secondary industry or a diversified service sector.

The Contemporary Regional Economy:

Risks are associated with a lack of diversification and in the early 1980's failing international markets for many northwest commodities dictated that the northwest would endure the social and economic consequences. If one had taken an excursion through northwestern British Columbia in early 1984 (when the Regional District economic planning commenced) one would have found high unemployment, little construction activity, boarded-up storefronts and many business failures. In Terrace, unemployment hovered near 40% and establishment of a food bank was a widely publicized embarrassment for the community.

Commencing around 1981 several mine closures and slowdowns in the forest industry resulted in high unemployment in the region. In the forest-based centers, the beginning of the recession in the northwest was signalled by the International Woodworkers of America strike which took place in the summer of 1981. While the strike had nothing to do with the wider recession, for many forest workers in the Terrace area especially, permanent work in the forest industry was not to become available again.

Though not occurring all at once, mine closures had a significant cumulative impact on unemployment in the region. Together the closures of the Amax Molybdenum Mine in Kitsault, Esso Minerals Granduc Copper Mine and the Scottie Gold Mine in Stewart, and the Bell and Granisle copper mines in Granisle resulted in the loss of approximately 1,200 direct jobs. Owing only to the intervention of the Commissioner of Critical Industries and concessions provided by the provincial government on hydro-electric rates was the Bell Mine reopened in the fall of 1985--and this will be for only a three year duration because of depleting reserves. Meanwhile, the Granduc Mine has permanently closed, the townsite and physical plant removed almost entirely and the site reclaimed to meet provincial environmental guidelines. Scottie Gold Mines filed for bankruptcy in August, 1986 (Northern Miner, August 16, 1986).

Official Statistics Canada unemployment rates for northern British Columbia have ranged between 4.8% in 1980 to 15.6% in 1985. However, these figures were highly misleading because of the inherent weaknesses in the Statistics Canada survey methods. Notably, a sample size of only 215 households was used prior to 1985 for almost the entire northern half of the province (Harvie Andre, March 1985).

The most comprehensive surveys of unemployment rates in the northwest were compiled every three to six months over a two year period by the Regional District of Kitimat-Stikine. These figures however were only compiled for the Greater Terrace - Nass Valley area,

representing a population of about 19,000 of a Regional District 1981 population of 42,400. The primary purpose of these surveys was to monitor the condition of the forest sector. By totaling actual number of individuals on unemployment insurance and social assistance, and accounting for fairly large numbers of independent logging contractors who would not normally be eligible for unemployment assistance, the Regional District calculated real unemployment rates over the two year period of 1983 to 1985 between 36% and 40% (Economic Development Commission, June 1983, November 1983, January 1985).

Unemployment insurance data alone should not be interpreted as a measure of unemployment but regional U.I.C. statistics do provide an order of magnitude indicator of a faltering economy. The following table (Table 3) records average monthly insurance claimants in the Canada Employment and Immigration Commission Skeena District and sub-areas. The District extends from Houston through to the Queen Charlotte Islands and includes Kitimat and areas north. Extrapolating from 1981 Census figures, the total labor force of the Skeena District is approximately 38,000.

TABLE 3: Average Monthly Unemployment Insurance Claimants in C.E.I.C. Skeena District and Specific Areas within District

	1980	1981	1982	1983	1984	1985
Terrace CEC Area	829	1,000	2,235	1,890	2,360	2,091
Kitimat CEC Area	300	334	564	631	621	652
Smithers CEC Area	512	631	1,297	1,010	1,188	1,176
Houston CEC Area	199	260	753	552	421	557
Skeena District	3,014	3,565	7,422	6,944	7,246	7,102

Source: CEC Terrace

(from Kutcho Creek Stage 2 Report, volume 2, p. 15, March 1986)

Property assessment figures are one measure of a rate of investment occurring in an area (Table 4). Assessment is especially important to local government because it determines the revenue available to pay for local services. The following table depicts the changes in assessment which have occurred in the Kitimat-Stikine Regional District since 1981.

TABLE 4: Regional District of Kitimat-Stikine

Local Property Assessments 1981-1985

	1981	1982	1983	1984	1985
District of Kitimat	$ 91,957,518	$126,593,144	$126,857,657	$126,295,610	$128,411,306
District of Terrace	36,850,288	43,111,413	36,224,058	35,883,473	37,604,922
District of Stewart	8,179,029	10,531,142	9,348,052	9,132,659	2,604,849
District of New Hazelton	1,389,107	1,837,377	1,565,544	1,538,911	1,748,802
Village of Hazelton	500,782	684,660	592,585	567,235	606,846
Electoral Area A	12,502,258	14,773,141	19,582,252	19,584,313	11,903,453
Electoral Area B	9,323,539	11,672,544	10,349,268	10,390,160	10,572,858
Electoral Area C	16,189,783	21,082,927	19,132,888	18,382,692	18,470,788
Electoral Area D	291,720	464,385	383,821	297,361	312,095
Electoral Area E	6,571,322	8,623,626	7,327,914	7,631,268	8,263,705
	$183,755,346	$239,374,359	$231,364,039	$229,703,682	$220,499,624

note: Values have not been adjusted for inflation.

During this 1981-1985 period, property assessments increased by a seemingly healthy 20% over 1981 levels, but in fact decreased every year since a peak was reached in 1982. Using the Vancouver consumer price index as a surrogate for a northwest inflation rate, a 21% inflation rate between 1981 and 1985 means that the ability of local government to raise revenue has decreased substantially (Statistics Canada, March 1986:35).

Equally significant is the observation that changes in assessment were unevenly distributed throughout the Kitimat-Stikine region. For example, major increases in assessment were achieved in the District of Kitimat. This is largely attributable to construction of the Ocelot Chemicals' methanol plant and port facility, plus some expansion of the Alcan Aluminum Smelter. It is worth noting, however, that no appreciable increase in employment occurred because of these developments.

By comparison, considerable assessment losses occurred in Electoral Area A (Nass Valley - Alice Arm) and within the District of Stewart. The former losses can be attributed to closure of the Amax Molybdenum Mine at Kitsault and closure of Westar Timber's semipermanent logging camp in the Nass Valley. In Stewart, the shutdown of Scottie Gold Mine, demolition of the Granduc Mine and townsite, combined with a retroactive tax assessment appeal by it's owner, Esso Minerals, resulted in 1985 in a 71.5% decrease in the assessment base of the municipality from the previous year. Many local government services were severely curtailed as a result.

Another measure of investor confidence in a community is residential building activity. In Terrace between 1979 and 1981 an annual average of 61 single family houses were constructed and total residential units averaged 170 per year. From 1982 through 1985 no multi-residential buildings have been constructed and only 39 houses have been built over these four years (City of Terrace, 1986:10).

The preceding collection of statistics only serve to show that the northwest region exhibited all the characteristics of an economy hit by recession, if only more acutely felt than in other areas of the province. Very high unemployment was the most visible impact but previous experience with this "boom and bust" resource-based economy would suggest it was only a temporary situation. Yet it was during the recession that major industries operating in the northwest began to re-examine their manpower requirements and restructure their organizations accordingly. Lumber companies such as Westar Timber and West Fraser Timber Ltd. made investments in new technologies in order to stay competitive in smaller world markets. Capital investment would be at the expense of labor. Alcan Aluminum adopted a no-hiring policy and reduced employment from 2,500 in 1981 to 2,200 in 1986 (District of Kitimat, 1986). Eurocan also reduced employment without lowering productivity. The recessionary environment disguised substantial permanent employment losses occurring in all areas of the northwest and felt in almost all economic sectors.

In the Terrace area, which had developed on the basis of the forest industry, resource depletion, reductions in the annual allowable cut and technological upgrading in the mills will result (by 1987) in a predicted 40% loss or 520 permanent jobs in this major industry (Greater Terrace Official Community Plan, 1984:183-189). In Kitimat, another 680 jobs have been estimated by the municipality to have been lost from the Alcan Aluminum Smelter and the Eurocan Pulp Mill between 1980 and 1985 (District of Kitimat, January, 1986). Similar losses can also be recorded in other communities and some already mentioned with the permanent mine closures. This author estimates that 2,400 permanent jobs have been lost in the northwest since 1980 in the region defined for the provincial plan.

These are direct jobs, usually high paying and highly skilled. From previous economic studies Regional District estimates of employment multipliers used to calculate local spin-off employment usually range between 1 and 2. Therefore total employment losses in the north could approach 7,500 people. Total labor force in 1981 in this region was 30,765 (Census of Canada 1981).

These employment losses would not have been of such concern if it were not for the limited opportunities available to which these idled technical and trade skills could be transferred. The Regional District assessed the situation and chose to promote smaller scale resource-based business opportunities. The province's plan for the region relied upon the large scale resource development project, the "mega-project."

Major Projects Inventory

It has already been recorded that economic history and settlement patterns in the northwest have been strongly influenced by the large scale project and often with significant public sector participation. In keeping with this development history, an impressive list of mega-projects stands waiting to carry the region through to the turn of the century. In closing this overview on the economic fortunes of northwest B.C. since 1980, it is worth listing these projects and commenting on the status of the development projects in light of the recession and the objectives of the province's plan.

1. Alcan Aluminum Kemano Completion Project
   - postponed indefinitely.

2. Stikine-Iskut Hydro-electric Project (B.C. Hydro)
   - postponed indefinitely.

3. Crows Nest Resources Telkwa Thermal Coal Project
   - proceeding through provincial review process; project delays; deferred commitment to start-up date.

4. Liquified Natural Gas export facilities planned for Port Simpson and Kitimat
   - principal corporate actors changed; sales agreements abroad could not be obtained; postponed indefinitely.

5. Expansion of Ocelot Chemicals Methanol Plant in Kitimat
   - construction of ammonia plant began in 1985 and should be operational by fall 1986; plant is mostly constructed in modules fabricated abroad and shipped to Kitimat.

6. Gulf Resources Mt. Klappan Anthracite Coal Mine
   - proceeding through provincial environmental review process; several test marketing shipments have been made to Europe, eastern Canada and Korea.

7. Kutcho Creek Copper Mine
   - proceeding through environmental review process; no construction date committed due to low commodity prices; project has been delayed several times since late 1970's.

8. New Eurocan Sawmill in Kitimat
   - project is no longer viable as parent company West Fraser Timber purchased existing Westar Timber sawmill in Terrace.

9. Terrace - Prince Rupert Hydro-electric Transmission Line
   - postponed indefinitely.

10. Schaft Creek Copper-Molybdenum Mine
    - postponed indefinitely.

11. Petrochemical export facility at Prince Rupert
    - postponed indefinitely.

Only two of these eleven projects appear to have any potential to be realized before 1990 and only the Mt. Klappan Antracite project has not been subject to delays. The Ocelot Chemicals ammonia plant, now scheduled for completion in the fall of 1986 is an exception. At $80 million this project will again add to Kitimat's large industrial tax base. However, its real impact on the region in terms of permanent employment is questionable. Total jobs at the ammonia plant will be fifteen.

The Short-Term Policy Solutions:

Judging from the kinds of senior government expenditures made in the northwest during the recession period after 1981, there was little evidence that the issue of permanent job loss was at all recognized. Instead, the economic problems of the northwest were interpreted as temporary, the consequence of a cyclical downturn in markets. The policy response was to direct substantial amounts of government funds

to programs such as temporary employment programs or public works. This policy amounted to a short-term solution.

These employment programs were mostly the result of a series of federal/provincial agreements and mostly used federal funds allocated through the Canada Employment and Immigration Commission. Some provincial funds were also contributed and provincial agencies such as the Ministry of Forests were heavily involved in program administration. Through these employment programs much needed silvicultural, other forestry-related work and community development projects were undertaken. In most programs, income supplements were paid to unemployment insurance recipients and "U.I. exhaustees." The incentive for private companies to become sponsors of projects was an overhead allowance which could be put towards administration costs or for renting their own machinery and equipment to a project.

Aided by vocal lobbying efforts by the local International Woodworkers of America Union and the Skeena Manpower Development Committee (discussed in Chapter Five), the Terrace area was one of the principal beneficiaries of these programs. Between May 1982 and June 1983, $9.8 million was spent through the Employment Bridging Assistance Program (EBAP) and the New Expansion and Employment Development Program (NEED). The EBAP expenditures in the Kalum Forest District (Terrace area) represented 19% of all program funds spent in British Columbia (Jennings, 1985). This $9.8 million provided an infusion into the Terrace economy of $4.5 million above the "normal" expenditures of the Canada Employment and Immigration

Commission (Ministry of Forests, October 4, 1983:1).

The Regional District forestry employment surveys showed the extent to which these temporary employment programs were "employing" residents of the Terrace area. During 1983, these work programs employed over 1,500 people or over 15% of the Terrace area workforce (Economic Development Commission, June 1, 1983) (Ministry of Forests, October 4, 1983:1). In effect the Canada Employment and Immigration Commission was at the time one of the largest employers in northwestern British Columbia.

Much of the work completed under these temporary work programs was basic silviculture including stand tending, thinning and fire protection. This work required minimal skills but was labor intensive. In addition, community projects such as local parks development were also undertaken. Later, some of these projects would continue to be funded but substantial drops in funding in the region followed in 1984, ironically, subsequent to provincial and federal elections.

While many of the silviculture projects will return benefits to the region in the long-term and have rendered intensive forest management a salient political issue in some northwest communities, there was little evidence that these work projects would be significant components of the regional economy over a longer period. An indicator of senior government commitment to a longer term development strategy would have been provision of training through

these projects to develop a core of more skilled silviculture contractors and technicians. Only in late 1985 was funding allocated to the regional college to establish a six month silviculture technicians training program for forty people. The project has subsequently garnered ministerial support at the federal level and has been expanded to other northwest communities.

A second major inflow of senior government money was channeled to the region through public works projects. In 1983 several large regional highway paving projects were initiated by the B.C. Ministry of Transportation and Highways. Some of these projects permitted contractors to employ their idle heavy equipment on short term or day labor contracts and resulted in large numbers of local people being hired. In the 1982/83 fiscal year total expenditures of the Ministry of Transportation and Highways in the Skeena Electoral District amounted to $18.0 million, of which $2.6 million were spent on "day labor" contracts. In 1983/84 these totals increased to $36.7 million and $8.1 million respectively (Ministry of Transportation and Highways, 1982/83:110-112;1983/84:125-128). Construction work on upgrading the Canadian National Rail line was another important employer during this period.

During this policy episode senior government expenditures were targeted to the level of the individual. Discussed in more detail in the analysis chapter, the individual as the focal point of government policy is but one manifestation of liberal ideology. We will see that individual and regional level interests may conflict.

The best example of liberal perspectives reflected in manpower programs took place with closure of the Granduc Copper Mine in Stewart. Coinciding with the announcement to close the mine permanently was mobilization of government resources to assist workers to seek employment elsewhere in Canada including providing financial assistance in the form of relocation allowances. While providing useful assistance to unemployed mine workers, this program, one might argue, may actually have been to the detriment of the community and region by encouraging out-migration of skilled workers from the northwest. Less government effort was put towards finding or creating long term employment for these workers within Stewart or the northwest region. It was, in part, recognition that a surplus of skilled workers was becoming available in the region which encouraged the Regional District to engage in its particular economic development planning process.

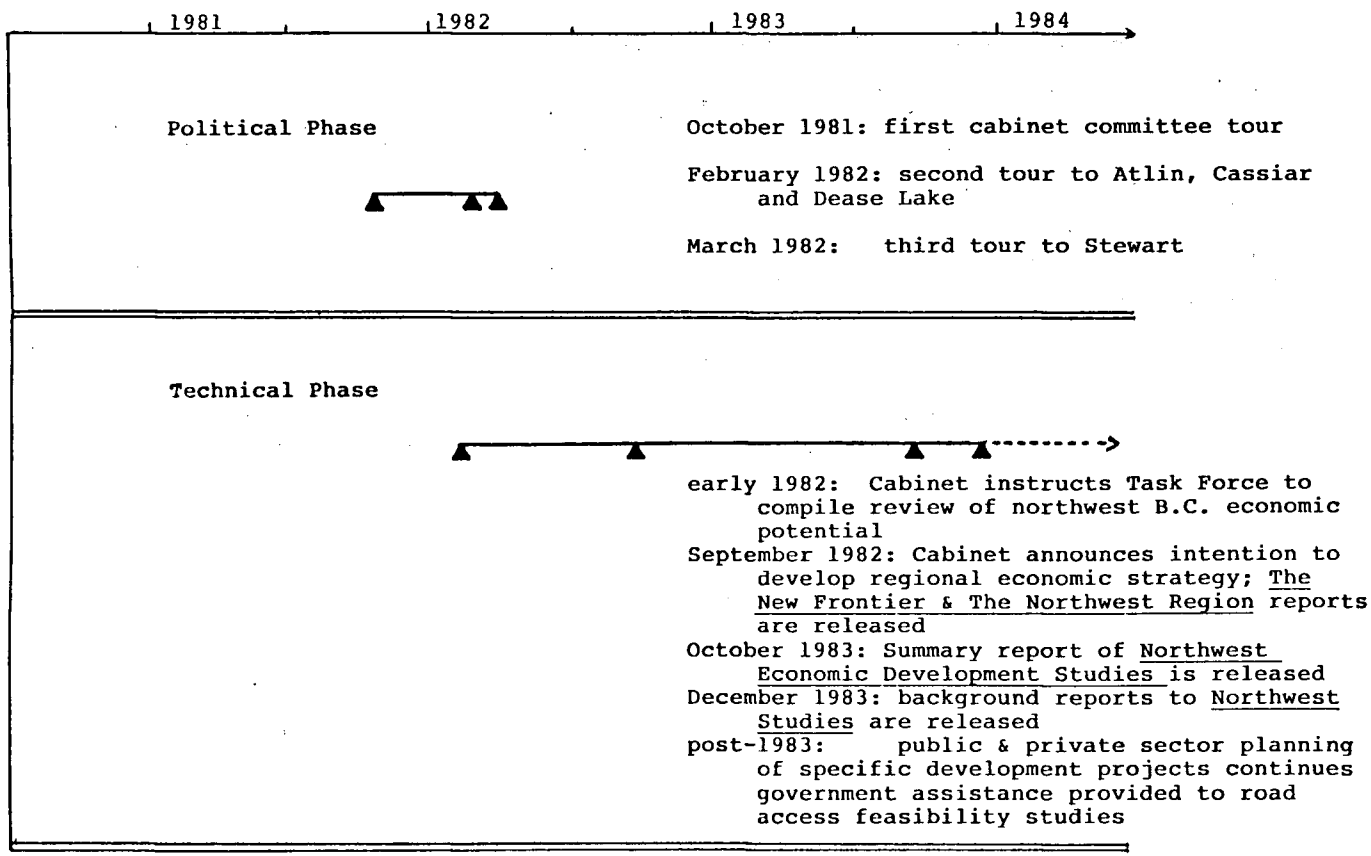
CHAPTER FOUR: THE PROVINCE'S PLANNING PROCESS AND PLAN

This chapter reviews the planning process used by the British Columbia government in formulating a plan for the economic development of northwestern British Columbia, and describes the process outcomes. The process has two distinct phases (see Figure 4). Late in 1981 and again in 1982 members of the Cabinet Committee on Economic Development made "fact-finding" visits to the northwest to discuss development issues of the region. Later, in September, 1982, the Cabinet Committee announced its intention to formulate an economic strategy for northwest B.C. and set the expert advisors in its bureaucracy to describe growth potential in the region and alternatives for settlement, power generation and transportation services. These studies would concentrate on the Northern Zone of the region (from Stewart to the Yukon border). The cabinet tours represent a political process in which development goals and objectives are established. Preparation of the economic strategy is a technical planning stage, in which the bureaucracy explores optional means to achieve given ends.

The Need for an Economic Strategy:

From the "first-hand information" provided to the Cabinet Committee on its two tours, the decisions are made to commission "a report that would realistically summarize the area's economic potential," and then to proceed to develop an economic strategy for the region (The New Frontier, 1982:7). Despite a curious published comment about

Figure 4: PROVINCIAL GOVERNMENT PLANNING PROCESS: TIMETABLE



the cabinet's meetings in the northwest, that "the message was clear and it was heard" (The New Frontier, 1982:7), it was not precisely stated by the provincial government what the need was for such a strategy nor were reasons given for its timing.

Purely political motives cannot be overlooked as reasons for undertaking the strategy. In the fall of 1982 election talk was circulating and the announcement of an economic strategy would be a high profile event. This author recalls that the original intention was to have the majority of the Cabinet Committee in Terrace for the September 15, 1982 briefing. Instead, only Labour Minister Bob McClelland attended. An election was not held until May, 1983.

The Regional District economic planning process commences in light of extremely high rates of unemployment and permanent job loss. If there are any corresponding crisis dimensions to the provincial plan, one is left to suppose it is a fear of rapid, uncoordinated growth. Though the overall conclusion of the province's studies was to be that the region has good potential for moderate growth (The Northwest Region, 1982:15), at the time that provincial officials would have been conceiving of initiating a strategy, corporate planning in sectors such as manufacturing and petrochemicals was quite active. In 1981, Alcan Aluminum's Kemano Completion Project and Liquified Natural Gas proposals for Kitimat by Petro-Canada and Port Simpson by Dome Petroleum seemed to be moving quickly toward production decisions. Regional hydro-electric power demand was

forecast to grow at an annual rate of 8.5% between 1980 and 1990 (The Northwest Region, 1982:87).

The Value of the Plan:

In retrospect the economic strategy as later published in The Northwest Economic Development Studies (1983) establishes a framework for public sector participation in the economic growth of the region. The reports summarize development potential (emphasizing large-scale projects) and outline possible roles government will play in providing infrastructure, community and human services. The intent of the strategy is to make use of the "untapped" natural resources of the northwest in order "to support the Province's long-term objectives of economic growth and prosperity" (The New Frontier, 1982:5). The bias is distinctly provincial in scope, not regional, though development is to be "mindful of the environment, the social structure, the less tangible assets and attributes of this part of our Province" (The New Frontier, 1982:5). In a particularly bold assertion, the province ignores the centuries of native Indian settlement and several generations of white inhabitation, and calls the northwest region, "The New Frontier."

Regardless, the Northwest Studies should not be dismissed as a wasteful public relations exercise. The Northwest Studies reports do contain minor errors and misconceptions arising from working far from the scene, the study recommendations are often imprecise because of difficulties in predicting the timing of resource developments in

the north, but several important policies regarding northwest development are also established. For example, an interministerial group examining settlement options in the Northern Zone concluded that the interests of the northwest would be better satisfied if future large-scale resource projects incorporated block commuting programs for workers.

Rather than constructing new townsites in remote areas, companies would be encouraged to house their workforces in the existing larger centres of the Southern Zone of Smithers, Terrace or Prince Rupert. Workers would be transported to the project site by air or road and housed in comfortable but temporary accommodations at the work place. Shifts would be for fairly long durations (eg. seven days on, seven days off).

The objectives of this policy are to assist diversification in the municipalities of the Southern Zone, increase the tax bases, reduce excess capacity in community services and avoid social problems which might occur in the presently unpopulated northern centres (Northwest Studies, Settlement Options, 1983: sec. 4.3.8.). Two companies with projects currently being reviewed under the provincial environmental review process for mine development, Gulf Resources (Mr. Klappan Anthracite Coal Mine) and Sumac Mines (Kutcho Creek Copper Mine) have adopted block commuting strategies. The Regional District of Kitimat-Stikine is one local government which strongly supports this policy (RDKS correspondence, August 12, 1986, re: Kutcho Creek Project).

The Cabinet Tours:

The Cabinet Committee on Economic Development is an eleven-person sub-committee of the provincial cabinet. In September 1982, its chairman was Labour Minister Bob McClelland, who had recently been transferred from the Ministry of Energy (Cdn. News Facts, 1982: 2740). Representation on the Committee is from the resource ministries (eg. Ministry of Forests, Ministry of Energy, Mines and Petroleum Resources) and from other ministries with responsibilities for economic development (eg. Ministry of Finance, Ministry of Industry and Small Business Development). The CCED was created "to formulate policies and programs which would encourage comprehensive industrial and economic expansion in British Columbia" (The New Frontier, 1982:6). A membership list from September 1982 (after a cabinet shuffle) is presented below.

TABLE 5: Cabinet Committee on Economic Development

Hon. Bob McClelland	Minister of Labour
Hon. Tony Brummet	Minister of Lands, Parks & Housing
Hon. Hugh Curtis	Minister of Finance
Hon. Alex Fraser	Minister of Transportation and Highways
Hon. Jack Heinrich	Minister of Municipal Affairs
Hon. Tom Waterland	Minister of Forests
Hon. Don Phillips	Minister of Industry and Small Business Development
Hon. Harvey Schroeder	Minister of Agriculture and Food
Hon. Brian Smith	Minister of Energy, Mines & Petroleum Resources
Hon. Steven Rogers	Minister of Environment
Hon. Claude Richmond	Minister of Tourism

Members of the Cabinet Committee toured the northwest region in late 1981 and again in early 1982. Normal practice is that cabinet

members or committees meet separately with different groups in various municipalities as opposed to staging large, open public forums. This is generally the program adopted on these tours. The exception is that Victoria requested in advance that northwest groups prepare briefs on policies and concerns regarding northwest economic development. In addition, the Cabinet Committee received unsolicited briefs from groups and individuals learning of an impending Cabinet tour (Cathy Mayoh, Cabinet Secretariat, pers. comm.).

The detailed arrangements of a cabinet tour, including communications with local governments, would be managed by staff members of the Cabinet Secretariat. But if the formal letter of invitation from Bob McClelland to the Regional District of Kitimat-Stikine is any indication, there are no clues that a major regional economic planning initiative is in the offing. In correspondence dated October 19, 1981, Chairman of the Cabinet Committee, Bob McClelland simply states that the CCED:

> ...conducts regular tours of British Columbia and holds meetings in various regions on economic development and industrial issues. We use this opportunity to visit local industrial sites and tour communities. (The meeting with the Regional Board on October 26, 1981) would give us an opportunity to discuss regional economic matters (R.H. McClelland correspondence, October 19, 1981).

Three cabinet tours took place, in October 1981, February 1982, and March 1982. During the first tour, nine members of the Cabinet Committee spent three days in the region in the three major centres of Kitimat, Terrace, and Prince Rupert. The cabinet met mostly with local municipal councils, chambers of

commerce representatives and other civic or industry elite groups. Familiarization tours of the major industrial plans were also part of the visit. The Committee visited the Port Simpson LNG site, the Westar pulp mill in Prince Rupert, and met with officials of or toured the Alcan Aluminum Smelter and Eurocan Pulp Mill in Kitimat. An opening ceremony at the Ocelot Methanol Plant in Kitimat was also attended. Open public meetings were not part of this October 1981 tour (Cathy Mayoh, pers. com.).

The two subsequent visits to the area were characterized by more extensive public participation. In February, 1982, six members of the Cabinet Committee visited the smaller communities in the Northern Zone of Atlin, Cassiar and Dease Lake. In March 1982, five members spent two days in the port and mining community of Stewart. Throughout all three tours a core group consisted of Bob McClelland (Minister of Energy, Mines and Petroleum Resources), Jack Heinrich (Minister of Labour), Tom Waterland (Minister of Forests), Jim Chabot (Minister of Lands, Parks and Housing) and Don Phillips (Minister of Industry and Small Business Development).

During these visits to the Northern Zone, open public meetings were held in the evening in Cassiar and Stewart. In Atlin, Cassiar and Dease Lake informal community luncheons were also held. Again, where applicable, Cabinet met with the local municipal council and business interests, but did not rely exclusively on these people for information as occurred in the larger, more southerly centres. For

example, representatives of the Kaska Dene Tribal Council met with Cabinet members in Cassiar (Cathy Mayoh, pers. comm).

Subsequent government publications exhibit considerable variance regarding who submitted briefs. At the September, 1982 announcement in Terrace, two reports are made public. The first is a statement of economic potential in the region plus a summary of information gathered from the meetings with northwest residents. The report, entitled The Northwest Region: A British Columbia Regional Economic Study 1982, states that "several briefs on furthering economic development were advanced" (The Northwest Region, 1982:5). Comments which summarize these briefs only acknowledge the input of regional elite groups such as municipal councils, regional district boards and chambers of commerce (The Northwest Region, 1982:28-34).

The New Frontier is also released at the same occasion. This report discusses the Province's plan to develop an economic strategy for the region, also highlights development issues and opportunities, but creates a different picture of the cabinet tours:

> The Committee met with groups and individuals; they ranged from private citizens and municipal leaders to Chambers of Commerce and industry associations, from native groups to environmentalists. They read briefs and heard submissions covering a wide range of social and economic concerns. The subjects were important and interesting: the lack of diversity in the economy of the region; the dependence on single-resource industries; the high labor turnover; the need for more community services; the area's feeling of regional isolation. Some residents expressed concern that the North West's existing lifestyle might be massively disrupted by too much development too fast. Others worried that their environmental values might be jeopardized. Some urged quick action to encourage economic development now; others explained the region's need for new jobs, new industries, new vitality (The New Frontier, 1982:7).

The Northwest Region: A British Columbia Regional Economic Study, 1982 is, as just stated, a report which contains an interpretation of the local groups' presentations to cabinet and a statement on regional economic potential. The report is a concise, readable profile of the regional economy and includes a summary of economic, environmental and social impacts which might arise from future development. One could describe the process as a "scoping" exercise; its purpose is to identify critical regional development issues.

More importantly, The Northwest Region, in both subtle and explicit ways, demonstrates that fundamental components of the regional development plan had already been determined. For the Southern Zone the large-scale developments being planned at the time are treated as appropriate mechanisms to diversify that part of the region. Continuation of a large-scale technology development history is recommended (The Northwest Region, 1982:16). In the Northern Zone, nine large "cornerstone" mineral properties are proposed as catalysts for further development. Regional economic performance would therefore be a function of export-based development. The strategy planning which followed concentrated research on the Northern Zone.

Some of the language used in The Northwest Region illustrates provincial attitudes regarding development of the northwest. Communities of the north are described as "remote" (p. 26), the region described as generally "uninhabited hinterland" (p. 18),

regional resources are "untapped" (p. 54) or "unexploited" (p. 57) and in need of "'roads to resources'" in order to achieve development (p. 52). Remarks have already been made about the title of the accompanying report, The New Frontier.

The concerns of resident northwest groups, as they are documented in The Northwest Region report, do not include opinions on the philosophy of development. Goals such as diversification are mentioned, issues such as labor turnover are cited but, mostly, the briefs are shopping lists for specific projects or policies. The District of Stewart requested a connection to the B.C. Ferry System. The City of Prince Rupert wanted the Ministry of Forests to increase the timber supply available to industry along the north coast. The Terrace and District Chamber of Commerce wanted assurances that low-cost housing would be maintained as a government priority (The Northwest Region, 1982:28-31). Regardless, the province managed to extrapolate some economic objectives from the information received during their tours. "The objectives of regional balance, employment, income growth and stability are being pursued. These objectives are consistent with the Provincial Economic Policy objectives" (The Northwest Region, 1982:17). The reader will note, as a digression, that an alleged consistency between imprecise provincial and regional objectives did not mean that methods chosen to achieve these objectives necessarily concurred.

A Model for Development:

The Northwest Region report carries an important message: that the province very early on had resolved that a model of development in-corporating an export orientation and large-scale technology was appropriate for the northwest. Although small-scale opportunities (eg. wilderness tourism or native Indian craft production) are not totally ignored, in the list of development potential the emphasis is overwhelmingly on the large-scale resource development project.

The detailed studies of the Northern Zone which followed and comprise the development strategy are circumscribed by this early decision. Consequently, The Northwest Economic Development Studies are undertaken "to determine the scale of timing of potential mineral developments, and to identify options to supply power, transportation and community infrastructure in order to serve these developments; (The Northwest Studies: Summary Report, 1983:1). The development strategy planning is relegated to being a technical research project. This exercise would support the given development model not seek alternative models.

There are several explanations for the selection of the development model. One is that from their advantageous position provincial technicians undertaking the background research may have exposed cabinet to no other development model than the large-scale technology

one. It is through the eyes of the provincial bureaucracy that development opportunities are identified.

An alternative hypothesis which explains the origins of the chosen model is that cabinet indeed decides upon an appropriate model for northwest development through the political process of consulting with northwest groups and individuals. In this scenario, cabinet remains supreme, chooses development ends and instructs its staff to determine alternative means. Yet a third possibility is that cabinet holds a predetermined vision for northwest development, formulated prior to any northwest planning process, any cabinet tour or any technical research. Supporting the validity of the third option is the declaration of the Cabinet Committee that it intended to replicate its proven "open-planning" process applied in Northeast Coal development (The New Frontier, 1982:5). Northeast Coal is the archetypal mega-project.

The reasonably active role of politicians in the process thus described suggests that the provincial planning process should be reviewed later on the assumption that the second interpretation is the correct one--that the politicians established goals and objectives and the government planners identified the means. However, none of these three hypotheses brings into question the conclusion that planning which takes place after the September 1982 strategy announcement only serves a purpose of realizing the chosen development model.

The Northwest Economic Development Studies:

The Northwest Region is written by the Economic Analysis and Research Bureau of the Ministry of Industry and Small Business Development. The research, however, is compiled by an "interministry working group." The Ministries of Energy, Mines and Petroleum Resources, Transportation and Highways, Environment, Intergovernmental Relations, Municipal Affairs, Tourism, Forests, and Agriculture and Food all contribute to the study (The Northwest Region, 1982:5). The Northwest Region is more "a qualitative review" of the northwest regional economy but terms of reference for the study call for more technical work to be undertaken, including forecasting and statistical analyses (The Northwest Region, 1982:9). In turning to the second phase of this planning process, the process becomes more technocratic. In addition, the interministry format becomes more evident.

The September 1982 economic strategy announcement commits the provincial government to an "open-planning" process. Continuous dialogue with the public of the northwest is to be a vital part of a regional economic strategy (The New Frontier, 1982:8); yet, this second phase of the strategy is actually compiled with minimal public input. Planning after September 15, 1982, has little input from the region, other than from the provincial government's own regional officials.

A review of the terms of reference for the strategy makes one wonder

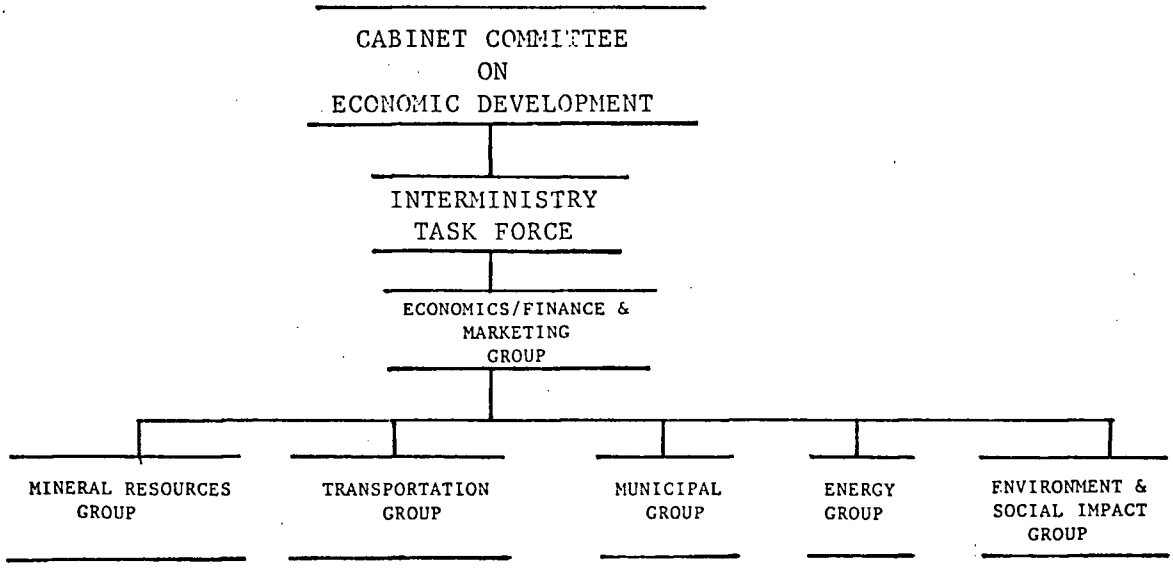
why a promise to public consultation would even be considered. The provincial bureaucracy is instructed by the CCED to undertake a series of detailed studies on the northern part of the northwest region, focussing on the nine key mineral properties which had been identified previously. The strategy is predominantly a technical exercise.

A "committee approach" is employed in the Northwest Development Studies. Reporting to the Cabinet Committee on Economic Development is an Interministry Task Force on Northwest Economic Development Opportunities. The Task Force has representation from a cross-section of resource and economic development ministries and is co-chaired by Lorne Sivertson, Assistant Deputy Minister, (Mines Division), Ministry of Energy, Mines and Petroleum Resources and William McReynolds, Assistant Deputy Minister for the Ministry of Industry and Small Business Development.

Beneath the Task Force, six "Working Groups" are established to perform specific research assignments. The six groups are the Economic, Financial and Marketing Group, the Mineral Resources Group, the Transportation Group, the Municipal Group, the Energy Group and the Environmental and Social Impact Group. Membership in these committees again encompasses several ministries. Members of the Task Force are also members of working groups and some individuals sit on more than one working group. Information gathered by the working groups is channeled through the Economic, Financial and Marketing

Group in order to assess the feasibility of various development scenarios. The committee structure is presented below in Figure 5:

Figure 5: Northwest Economic Development Opportunities: Interministry working group structure



source: Northwest Studies, Settlement options, 1983

Taken directly from the report the Environmental and Social Impact Group is a list of the committees and their respective terms of reference:

Economic, Financial and Marketing Group

- expected to:
  - refine large-scale production scenarios and confirm their likelihood of realization;
  - estimate associated demands for infrastructure; and
  - evaluate the benefits and costs of alternative means of providing infrastructure.

Mineral Resources Group

- expected to:
  - estimate potential development and production costs of principal potential mining properties in region;
  - refine estimates of mineral output quantities, and of construction and operation labor forces; and;
  - analyze world markets for probable trends in mineral prices.

Transportation Group

- expected to:
  - identify a range of possible options for road, rail, pipeline and other transport services at various operating levels;
  - provide preliminary cost estimates for these options; and
  - investigate the need for, and possible costs of, port improvements at Stewart and Prince Rupert.

Municipal Group

- expected to:
  - estimate total regional population growth, based on workforce estimates;
  - identify the range of housing options and their potential costs; and
  - where necessary, initiate preliminary location studies for potential sites for new towns.

Energy Group

- expected to:
  - estimate the potential extent and timing of power demands, based on the development scenarios;
  - identify a range of feasible small-scale and medium-scale hydro-electric and thermal generation and transmission alternatives; and
  - investigate the feasibility of private or joint-venture (private/public) power developments.

Environmental and Social Impact Group

- expected to:
  - develop an overview of the impacts of major mine-based development;
  - develop an overview of the impacts of potential infrastructure developments;
  - identify preliminary mitigation needs; and
  - identify various means of encouraging public participation in the planning process

(Northwest Studies, Environmental Overview, 1983:2,3)

The interministerial structure reflects a multidisciplinary approach to research. Individuals possessing a variety of technical skills and academic backgrounds contribute to the studies. Six studies are published in 1983, incorporating a variety of research methods. Most of the analysis is quantitative; for example, a series of financial assessments is performed for transportation and hydro-electric infrastructure to a number of proposed mines.

More subjective information also appears in some reports. The Municipal Group, for example, includes a qualitative assessment of the capacity of different communities to endure social costs associated with large-scale resource development (Northwest Studies, Settlement Options, 1983:sec. 4.3.8). Because baseline environmental information on the study area is insufficient, the

Environmental and Social Working Group distributes a detailed questionnaire to regional and Victoria-based resource ministry officials in order to gauge the ecological impacts of a number of development scenarios (Northwest Studies, Environmental Overview, 1983:4).

In addition to a Summary Report written by the Regional and Resource Analysis Branch of the Ministry of Industry and Small Business Development, six reports are prepared by the Task Force on Northwest Economic Development Opportunities. These reports comprising the Northwest Economic Development Studies are entitled, Socio-Economic Overview, Environmental Overview, Potential Mine Developments, Transportation Options, Settlement Options and Power Supply Options. The Summary Report is released to the public in October, 1983, the remainder of the series in December, 1983.

The culmination of the process, The Northwest Economic Development Studies, was "not to represent a blueprint for development, but rather indicate priorities for future planning and development" (Northwest Studies, Summary Report, 1983:ii). The contention made in the previous section is that a blueprint for northwest development in fact had already been formulated; thus, the detailed studies could only assess different scenarios for growth within the parameters of a predetermined development model.

The conclusion of the earlier provincial government research had been

that development of the more populated Southern Zone would be well served by those development prospects which were on the horizon at the time. Without committing itself to supporting any specific projects, the province identifies aluminum manufacturing, liquified natural gas export facilities, and petrochemical processing as having significant development potential. The Northern Zone is seen as an area offering "substantial development potential based mainly upon the significant but largely undeveloped mineral resources" (Northwest Studies, Summary Report, 1982:i). The observations are also made that the Northern Zone "lacks virtually all the necessary infrastructure to sustain early large-scale development" and that development "will require substantial private and public investments--investments which can only be made after careful planning and consideration of alternatives" (Northwest Studies, Summary Report, 1983:ii).

Responsibility for detailed studies on the Northern Zone is delegated by the Cabinet Committee to the Inter-Ministry Task Force. As presented earlier, "these studies were undertaken to determine the scale and timing of potential mineral developments, and to identify options to supply power, transportation and community infrastructure in order to serve these developments. The Task Force is asked to identify the social and environmental issues which might arise as development proceeds" (Northwest Studies, Summary Report, 1983:i). The last line suggests that the politicians are willing to let the bureaucracy identify conflict issues but are going to maintain dominion over conflict resolution.

The conclusions of the Northwest Studies do not contain the optimism which is part of the earlier Northwest Region report. Instead, only two projects, the Mt. Klappan anthracite coal mine and the Kutcho Creek copper/zinc mine, are believed to have potential to be on-stream prior to 1990. With inclusion of the Stikine and Schaft Creek copper mines, only four projects are likely to be in production by the year 2000 (Northwest Studies, Summary Report, 1983:37,38).

The studies also identify three sub-regions in the north which are likely centres for mineral development. For planning purposes, the province concludes the three areas could be treated separately. The three sub-regions are the Kutcho Creek Resource Area, approximately 100 kilometers east of Dease Lake, the Mount Klappan Resource Area, 150 kilometers northeast of Stewart, and the Schaft Creek-Stikine Resource Area, 150 kilometers northwest of Stewart.

The recommendation of the Northwest Studies is that these areas should be the targets of continuing development planning.

> "In particular, further analysis should be focussed on the question of resource road alternatives for the three areas and rail access for the Mount Klappan area. Additional analysis is also necessary to finalize the settlement options and the energy supply options for these regions. Since the baseline environmental data for the whole of the northwest is limited, further effort to improve the data base is required" (Northwest Studies, Summary Report, 1930:40).

In 1986 road access feasibility studies in the Kutcho Creek area and for the Mt. Klappan project were completed and partially funded by the provincial government. Such is one indication of a commitment by cabinet to the Northwest Studies' recommendations.

Review:

The provincial economic planning process commences with an episode in which development goals and objectives for the northwest are defined. In this "political phase" three cabinet committee tours take place and efforts are made to consult with northwest residents. In the Southern Zone, cabinet relies upon local business and civic leadership; in the Northern Zone, informal public hearings and community luncheons are held.

Even before the September 1982 announcement to formulate a strategy for development of the northwest region, the provincial bureaucracy begins a process of identifying growth potential and suggesting public sector roles in assisting resource development led by the private sector. The announcement only signals that the technical planning phase has begun in earnest. The Northwest Studies are the most visible products of this planning.

In spite of the Cabinet Committee's efforts to establish a continuous dialogue with the people of the northwest, the development plan is mostly a product made in Victoria. After the cabinet tours have been concluded no avenues are offered to the northwest to affect the outcome of the planning process. There are no public meetings or hearings held which review the Northwest Studies. Contrary to statements contained in The New Frontier (1982), planning is not after September, 1982, an "open-planning" process. Regional input

is only acquired through regional officials of provincial line agencies.

Participation in regional economic development, however, is not limited to the strategy formation process. Opportunities for participation by regional groups and individuals are still available through environmental review procedures used in assessing major resource projects. In actuality, private sector proponents are obligated under the direction of the principal government to consult with the local communities. The long-term development plan of the province, however, is not subject to review.

The provincial process begins during relatively healthy economic times; realization of several large-scale projects in the northwest seems imminent. By the time the Northwest Studies are released the recession takes hold but the provincial plan is altered little. Catalysts of development in the Northern Zone are still to be nine large mineral properties.

Dismissed from the province's examination of development potential are smaller precious metal deposits. "Given the significant cycles in precious metal prices, the difficulty in predicting project timing and the small scale of many of these prospects, it was decided to omit these potential mines from the analysis" (Northwest Studies, Summary Report, 1983:7). In the Regional District planning process, which this thesis will now address, small scale mining is recommended as a viable development alternative.

CHAPTER FIVE: THE REGIONAL DISTRICT PLANNING PROCESS AND PLAN:

In the two previous chapters, the region is described, development concerns of northwestern B.C. during the period 1980 to 1984 are discussed and the economic planning exercise initiated by the provincial government in 1981 is examined. In this chapter, the Regional District planning process is detailed and its outcome as an economic plan described.

As is to be demonstrated, planning within the regional planning program can be seen largely as a pragmatic response to tension within two different contexts. First, regional development issues of high unemployment and permanent job losses affect the planning process. Added to these are pressing institutional factors. Inter-agency rivalries, threats from local municipalities to withdraw from participation in a regional economic development function and prospects of more budget cutbacks force the Commission into a campaign which reflects a shorter term time horizon and which concentrates on economic opportunities which are the most realizable.

Consequently, in the first of two major sections of this chapter, a description of the political and institutional environment in which the planning process is formulated is presented. This section begins with a fairly lengthy static description of the Economic Development Commission, its structure, responsibilities and relationships with other economic development agencies within the Regional District.

Later the impacts of some of the dynamic aspects of this context, such as polarized provincial politics and senior government fiscal restraint policies, are assessed.

In the second section, the ingredients of the Regional District planning process are described. The process employs two separate economic development programs which together generate a regional economic plan. The two programs also individually identify the small mines portable milling opportunity. A concluding section is provided which details the attempt to implement the technology considered appropriate.

These two programs involve very different planning activities, different roles for planners, different participants and different styles of communication but both are processes designed to identify appropriate forms of economic development for the region. The first program is based upon a consultant's review of smaller resource development opportunities available in the northwest. The second program is highlighted by considerable public input acquired through a series of brainstorming seminars held in three communities of the region. The first program is labelled here a Technocratic Approach; the second is labelled a Participatory Approach.

Political/Institutional Context:

Constitutionally, the powers of local government in Canada are vested in provincial jurisdiction. Beginning in 1967, twenty-eight regional

governments known as Regional Districts were formed by the B.C. government. The Regional District of Kitimat-Stikine encompasses an area of 40,000 miles^2 (102,000 km^2) in northwestern British Columbia and had a 1981 census population of 42,400. This represents approximately 1.5% of the provincial population residing in an area of approximately 10% of the province (Regional Economic Profile, 1982: 1-1, 2-1).

The major incorporated communities within the Regional District are the District of Kitimat, District of Terrace, District of Stewart, District of New Hazelton and Village of Hazelton. The Regional District's boundary on the north is the 58th parallel; it then extends southward to Milbanke Sound near Klemtu on the west coast. Prince Rupert and Smithers are two larger northwest communities outside of the Kitimat-Stikine. The Kitimat-Stikine Regional District also contains many Indian Reserves which are exempt from Regional District jurisdiction.

The Regional Districts' primary and best known responsibility is to deliver land use planning services to the settled unincorporated areas of the region. Incorporated municipalities are responsible for their own land use planning. The Kitimat-Stikine Regional District administers a total to 24 different functions or services for either the entire region or specified local areas. These responsibilities are wide ranging and include land use planning, economic development, operation of regional recreation facilities such as a ski area and a public marina, to animal control and management of refuse sites.

Authority for these functions is given by the provincial government through "supplementary letters patent."

Policies of the Regional District are formulated by a Regional Board consisting of twelve directors. The councils of the incorporated municipalities annually appoint municipal council members to sit as Directors on the Regional Board. Two Directors represent the two largest population centres, the Districts of Kitimat and Terrace, while each of the three other municipalities have a single Director. In addition the Kitimat-Stikine Regional District has five electoral areas for the remaining unincorporated areas. Each electoral area has a single Director acquiring office by direct election for a two year term. Most resolutions and bylaws are voted on by the Regional Board by a weighted vote according to a population formula. The following table lists the 1984 Regional Board and their voting strength:

TABLE 6: Kitimat-Stikine Regional District Board (1984)

		Total Vote Carried
Area A	Percy Tait	2
Area B	Fred Roisum	3
Area C	Gordon Robinson	3
Area D	Joe Murphy	1
Area E	Robert Lavoie	3
Hazelton	Alice Maitland	1
New Hazelton	Peter Weeber	1
Kitimat No. 1	Lee Ellis	4
Kitimat No. 2	Ron Burnett	3
Stewart	Andrew Burton	1
Terrace No. 1	David Gellately	3
Terrace No. 2	Alan Soutar	3
		28

The Kitimat-Stikine Regional District maintains a permanent full time staff of between 12 to 15 persons, making it one of the smallest Regional District offices in the province. Its offices are located in Terrace. Several staff members have responsibilities for several functions and hold several titles. For example, the Administrator for the Regional District is also the Economic Development Commissioner, and the Assistant Administrator is also the Director of Planning. The relatively small staff size facilitates an awareness of activities of other departments through formal and informal channels.

Economic Development is one function of the Regional District. Its method of delivery is through an Economic Development Commission and is outlined in Regional District Bylaw No. 107, passed in 1980. The Economic Development Commission is comprised of all the Board Directors of the Regional Board with the exception of the two Directors from the District of Kitimat. Kitimat withdrew from the function effective January 1st, 1984, with the intention of undertaking its own economic development program. Unlike the Regional Board, the resolutions of the Commission are voted on with each Director carrying only a single vote. Commission meetings are open to the public and held on the same day as the regularly scheduled monthly meetings of the Regional Board. In terms of the methods of operation, the Commission functions independently of the Regional Board, its resolutions are not reviewed by the Regional Board, though formally the Commission is subservient.

A Commission comprised exclusively of political representatives was the structure chosen for only four of the 20 Regional Economic Commissions which were formed in B.C. between 1978 and 1980. Most other Regional Districts appointed private sector individuals to sit on their Commissions or chose a structure involving a mix of politicians and appointments from the private sector (Ernst & Whinney, 1981: 3-1 to 3-5). Where outside private sector people were brought in, the Commissions could more clearly function as bodies separate from the Regional District Board than has been the case in the Kitimat-Stikine Regional District.

The Kitimat-Stikine Economic Development Commission has been used as a vehicle to discuss almost any issue concerning economic development, which previously and in other jurisdictions would be dealt with at the Regional Board level. Often the Commission has been used more as a political lobby than for strictly economic promotions or planning purposes. A review of Economic Development Commission activities from 1983 shows that only eight of the 143 resolutions of the Commission allocated funding or directed staff to engage in economic promotional programs.

The Economic Development Commission has one full time staff member, the Assistant Commissioner, with the Commissioner performing the dual role as Administrator for the Regional District and deriving only 25% of his salary in 1984 from the Economic Development function. During 1984 the Commission also made part time use of a consultant based in

Terrace and one other Regional District staff member to assist with special economic development projects.

While markedly limited in resources and technical ability, especially in working with foreign subject matter such as mining and mineral processing, a broad cross-section of disciplines is nevertheless covered by the three principal Commission staff members and the consultant who worked on the small mines project in 1984. Collectively these four individuals had post-secondary education in the liberal arts, commerce, law, ecology, resource planning, regional planning, business management and marketing.

The Commissions cannot be considered grass roots organizations. Instead they only came into being with the provision of funding from the provincial and federal governments. The Regional Economic Commissions were originally funded in the late 1970's from the Industrial Development Subsidiary Agreement (IDSA). It was cost shared 50/50 between the two senior levels of government. The IDSA agreement was one of a series of subsidiary agreements signed following the General Development Agreement of 1974, which in turn outlined key areas for regional development to which provincial and federal government funds and policy would be targeted (Ernst & Whinney, 1981:i). In British Columbia larger subsidiary agreements were also signed for forestry and tourism development.

IDSA monies were originally to be provided to the regional Commissions for three years on a descending scale of support--90% in

the first year, 70% in the second and 50% in the third (Ernst & Whinney, 1981:i). Many Commissions received a forth year of support amounting to 45% of the budget of the Commission as approved by an IDSA Steering Committee. IDSA was administered by the B.C. Ministry of Industry and Small Business Development and the federal Department of Regional Economic Expansion.

The Economic Development Commission of the Regional District of Kitimat-Stikine was formed in 1980, and was in its last year of receiving outside financial support (45% IDSA contribution) in 1984. This was the year in which the planning process under review in this thesis took place. As will be seen, financial constraints, particularly as they might result in the termination of the Commission, affected the behavior of the Commission and other local government agencies, and contributed to the style of planning used by the Commission in that year. One aspect of the problem was that some local government politicians were losing interest in the regional commission because it was no longer going to be eligible for senior government grant monies.

Through the years 1982-1984 the Commission budget was held at approximately $120,000. In years 1983 and 1984 revenues included IDSA grants of $84,707 and $59,380 respectively (Economic Development Commission, January 1986). The portion of the funding for the Commission not covered by IDSA grants must be obtained from local property taxes. The Commission, however, is limited in its Supplementary Letters Patent to a maximum 1/2 mill tax levy. In

1985, without the benefit of IDSA grants, the Commission could only acquire a tax requisition of $63,700 --.a 47% reduction in revenues in one year (Economic Development Commission, January 1986).

Bylaw No. 107 of the Regional District defines the responsibilities and procedural aspects of the Economic Development Commission. The bylaw states that withdrawal from the function must be in the form of a resolution from the municipal council, given one year in advance to take effect January 1st of the following year. The District of Kitimat withdrew from the Commission function effective the beginning of 1984. Discontent was heard from other municipalities and the Districts of Terrace and New Hazelton both gave notice to withdraw to take effect on January 1st, 1986. (However in both cases these communities decided to remain with the Commission.) The viability of the Commission was threatened, especially as Kitimat and Terrace respectively represented in 1984, 55% and 16% of the tax levy of the Regional District ("Regional District of Kitimat-Stikine Assessments, 1976-1985").

The most definitive statement on a mandate for the economic commissions is found in the 1978 IDSA "Guidelines for Regional Economic Development Commissions." The preamble states that the commissions are "to coordinate, rationalize and promote economic development activities on a regional basis..."(Ernst & Whinney, 1981:1.1). Clearly this could not be an exclusive domain of regional government agencies, nor does it provide much guidance on the ultimate goals of regional economic development, nor on how to

achieve these goals. However, beyond being given a list of expected projects, such as to compile a regional economic profile or to establish an accounting system, more specific directions on activities, methods and responsibilities were not forthcoming. It is curious that only with advent of the Provincial-Municipal Partnership Program and its encouragement of adopting an economic development function at the municipal level, that a handbook has been published by the Ministry of Industry and Small Business Development, on how to establish an economic development function, alternative structures, and methods of undertaking key projects (Community Economic Development Manual, 1985). The B.C. government's Partnership Program offers municipalities grants to hire development officers and to fund promotions. Property tax breaks to new businesses are also offered.

With the announcement of the IDSA regional commissions program, many local governments probably seized at the opportunity for "free" dollars with little conception for the need or role of a local economic development commission. In practice the commissions, through their commissioners, have tinkered with a myriad of functions. The economic commissioners have acted as a "one-stop shop" for business and demographic information, an agent for senior government on publicizing the latter's business assistance programs, and an advocate for local government in Victoria and Ottawa. The commissions have also produced promotional brochures, acted as business planning consultants, engaged in long term economic planning, acted as promoters of local business and developers of

industrial parks and research agencies. The Kitimat-Stikine Commission has over time experimented with all these functions.

More recently the recession has given rise to the regional commissions turning their efforts to developing community-based economic plans which focus upon import substitution, job creation based upon expansion of existing businesses and business development with stronger ties to the regions' manpower and natural resources. In many cases these strategies probably represent more of an effort by these agencies to justify themselves rather than reflecting sincere objectives to encourage economic development.

Relationships With Other Regional Institutions:

The Economic Development Commission is the only government agency providing an all encompassing range of services relating to economic planning and promotion for the entire Kitimat-Stikine Region. The agency's domain within an institutional environment is thus predicated upon its regional perspective, an ability to draw on certain expertise in its staff and political leaders not available to other government development agencies and its single purpose as an economic development agency.

Other agencies in the region also engage in some aspects of economic planning or promotion -- often as an adjunctive activity for these institutions. In the following, a list of these regional agencies is provided, a brief description of their responsibilities is given and

a comment on the relationship with the Economic Development Commission is noted. Critical to the Economic Development Commission's chances of survival within this institutional milieu is the measure of community support accorded to it by the local municipalities. The degree to which there is an overlap of responsibilities or competition amongst these local governments is described in more detail towards the end of this section. It is through this discussion that an issue underlying the planning process is introduced. This issue concerns the continued legitimacy of the Economic Development Commission.

Chambers of Commerce/Business Information Centres:

There are four chambers of commerce in the Kitimat-Stikine Regional District, located in Terrace, Kitimat, the Hazeltons and Stewart. All are principally business associations created for the purposes of community promotion, though membership is much more broadly based than would be found in chambers in metropolitan areas. In most cases funding is obtained through membership dues, though both the Kitimat and Terrace and District Chambers of Commerce receive grants from their respective municipalities to undertake tourism promotion on behalf of their communities. Only the Terrace and District and Kitimat Chambers can support a full time staff member.

For the most part, there is only a minor duplication of responsibilities between the chambers and the Economic

Development Commission. Generally, the Economic Development Commission has left production of promotional brochures and audiovisual materials to the chambers, and on occasion has helped financially to support these endeavors. The Economic Development Commission is not a member of any chamber of commerce and will only send a representative to chamber meetings as requested. A fairly informal project by project relationship is maintained with the chambers by the Commission at both staff and elected official levels.

The chambers of commerce are also supported financially by the B.C. Ministry of Industry and Small Business Development to act as sources of information on the provincial government's small business development programs. This is at first glance a duplication of one aspect of the Economic Development Commission's responsibilities. However, this has never been an area of dispute, but in fact assists the Commission by diverting potentially many time consuming day to day inquiries.

Skeena Manpower Development Committee:

Skeena Manpower is a unique organization in British Columbia. It is composed of the major industrial employers of northwestern British Columbia (eg. Alcan, Eurocan, Westar Timber) and major operating unions (eg. IWA, BCGEU, CPWU). The construction trades unions have chosen not to participate in the Committee.

The Committee acts as a think-tank and powerful lobby group concerning itself with regional manpower development, employment and unemployment issues. The Committee was formed in 1977 in a period when labor turnover was a serious problem for the major industries of the region. Skeena Manpower continues to voice opinions to senior government on manpower issues and has periodically sponsored research projects which address current employment related problems. A project completed in 1984 was an inventory of educational requirements required by all the major employers of the northwest. The inventory was converted to a computer program and made available to northwest high school counsellors.

Skeena Manpower is funded by membership dues apportioned according to the number of employees within each company or union. In addition an annual grant is provided by the regional office of the Canada Employment and Immigration Commission in Vancouver.

Skeena Manpower usually holds meetings once a month. In addition to its union and corporate membership, the monthly meetings are attended by nearly all government agencies in the northwest which are involved in manpower development or economic development. Staff of the Economic Development Commission regularly attend the meetings of Skeena Manpower and have often assisted with the design of the Committee's research projects. The specific interest in employment issues of the Skeena

Manpower Development Committee, the B.C. Ministry of Labour, and the Employment Development Branch, offers little competition with the Economic Development Commission.

B.C. Ministry of Labour:

A regional office of the provincial labor ministry is maintained in Terrace. Through this ministry, provincial government programs for employment creation and manpower training are delivered. Occasionally, specific projects being considered for funding by the ministry will be referred to the Economic Development Commission staff for comment on their viability and compatibility with Regional District goals.

Employment Development Branch/Canada Employment & Immigration Commission:

The Employment Development Branch is the agency which administers the federal government's manpower development programs. Historically, it has maintained a similar but closer relationship to the Economic Commission than has the Ministry of Labour. Again, Commission staff will review project proposals and have also been requested to provide a list of regional priorities for projects to be funded under new federal programs. Commission staff members were often asked to review applications for EBAP projects. The concentration of regional

federal and provincial manpower offices in Terrace permits easy exchange of information among these government agencies.

Federal Business Development Bank:

Terrace is the location for a Federal Business Development Bank serving all of northwest British Columbia. The FBDB is a federal government lending institution formed primarily to assist the small business sector. Additionally, the FBDB offers small business counselling services to upgrade management abilities and assist with small business planning. This is a service the Kitimat-Stikine Economic Development Commission does not provide because of limited expertise in this field--though other regional commissions have. Consequently, many business inquiries received by the Commission in which business counselling appears necessary are referred to FBDB.

Municipalities:

The continuing support of the municipalities of the Regional District for the regional Economic Development Commission is essential for the Commission's viability. Not only is the support of the municipalities political and financial, but it also effectively signifies community support and legitimacy.

With creation of the regional Economic Commission, the municipalities effectively surrendered to the Regional District

their interests in economic development. However, each municipality is anxious, if not suspicious, about the efforts of the Commission to effect economic development within each municipality. The competition of four municipalities for the "favors" which the Commission can provide creates this tension which is continuous and not easily dispersed.

The support of the municipalities is very dependent upon good communication between regional district and municipal levels. These responsibilities rest with both the elected politicians and staff of the Commission and municipalities. Aggravating problems for the Commission is that in poor economic times it is difficult for the Commission to boast of many success stories.

One important complication regarding communication between the incorporated communities and the Economic Development Commission is that business inquiries received by the Commission staff must be kept confidential, even from the elected officials of the Commission. It is therefore difficult to overcome the suspicion that municipal officials have that the Commission directs development to the "wrong" municipality. In actual practice, Commission staff have generally left the site location decision up to the entrepreneur, though, in fact, few development proposals are in anyway footloose. Often, enquiries are simply from residents of the northwest considering expanding or starting a business in a community in which they have already chosen to live.

In spite of the existence of the regional commission, municipalities have also undertaken some of their own economic development programs. This is usually done through their planning offices. Through the administration of zoning, subdivision control and other regulatory bylaws, municipalities control development, often working much more closely with the developer than the regional commission can. The municipalities can therefore claim success with economic development without the need for the Economic Development Commission. The Economic Development Commission therefore competes with municipal functions for property tax revenues and overlaps in several responsibilities.

An idea that the municipality might be better off undertaking economic development by itself, however, does not necessarily have the same impact in each municipality. The two larger municipalities can "save" fairly large amounts of money by withdrawing from the Commission and have enough staff and expertise to manage the function adequately themselves. The District of Kitimat, which withdrew from the function after 1983, is intending to establish its own economic development department. Thus far, these responsibilities are primarily undertaken by an administrative assistant. The District of Terrace has expanded its Planning Department to be now known as Planning and Development. In 1985 Terrace also formed and later provided some funding to a public advisory committee to inform council on economic development matters. The discrepancy in

wealth between the larger and smaller communities is indicated in the tax levy statistics of the commission from 1983 to 1984:

TABLE 7: Economic Development Commission Tax Levy Revenues

	1983	1984
District of Kitimat	$17,999	$ -
District of Terrace	5,140	18,142
District of Stewart	1,326	4,612
District of New Hazelton	222	792
Village of Hazelton	84	287
Electoral Area A	1,829	9,889
Electoral Area B	966	5,246
Electoral Area C	1,788	9,282
Electoral Area D	35	150
Electoral Area E	685	3,853
	$30,074	$52,253

The smaller communities of the region and the unincorporated areas of the Regional District have fewer options than the two larger municipalities. The District of Stewart, the District of New Hazelton and the Village of Hazelton probably have neither the expertise nor the number of staff to take on an economic development function. In addition their financial contributions to the Regional District for economic development are also relatively small, rendering it much less justifiable or feasible to withdraw from the Economic Development Commission. The continuing participation by the larger municipalities in the regional function is a central concern of most of the small

communities, because the viability of the regional commission is dependent upon these large assessment bases.

Tension in the Institutional Environment:

The lengthy discussion which has thus far taken place in this chapter has been to describe an environment in which the Economic Development Commission had to function. Developments occurring within a regional development and an institutional context were important determinants of the style and content of planning adopted by the Economic Commission through 1984 and 1985. This planning process largely reflected a pragmatic and adaptive response to tension within each context.

Chapter Three of this thesis discussed a regional development problem in which it was apparent that government and private sector resources needed to be mobilized to counter employment losses occurring in the larger industries of the region. A part of the solution was argued to lie in revitalizing small scale precious metals mining in the northwest. This solution had a manifest technological aspect to it. The planning process centered upon promotion of the custom mineral concentrator concept.

At the same time that the region was suffering severely through a period of recession, the regional Economic Development Commission was under increasing pressure locally to justify its existence. It was therefore necessary to produce fairly immediate results which would

counter disillusionment with the institution. In the paragraphs that follow a list of background issues is offered concerning the institutional environment and effects upon the Commission's planning process.

1. Legitimacy Crisis:

The Economic Development Commission was not able to point to many successes during poor economic times and was threatened by possible withdrawals from the economic development function by several municipalities. This situation, combined with decreasing budgets, led to the Commission adopting a strategy which recognized and would support a devolution of economic development planning to the municipalities. One part of the planning process to be described in the next section was the formulation by the Economic Commission of economic strategies for the three centres of Terrace, the Hazeltons and Stewart. In turn, these were to be handed over to these municipalities for implementation in the succeeding years.

This need to restore faith in the Commission affected the planning process in two ways. First, it became expedient to work on projects which would bring visible results as opposed to engaging in more esoteric activities such as research and data collection which are seldom seen by the public. Similarly, long term economic planning was being eroded as the Commission took on a shorter term survivalist perspective. Shorter term successes were being sought.

Augmenting this legitimacy issue faced by the Economic Commission is a perception that the provincial commitment to regional districts in general is also diminishing. For example, recent changes to the Municipal Act permit municipalities to withdraw from regional land use planning. More recently, the Provincial-Municipal Partnership Program has been initiated in which provincial grants are being allocated to communities to develop economic strategies, form economic development offices and assist with specific local development projects. However, regional districts are ineligible to participate in the Partnership Program, as it is directed to municipalities.

2. Polarized Politics:

The province of British Columbia is often described as having polarized politics in which political ideologies are contained within the two camps of the left of centre New Democratic Party, and right of centre Social Credit Party. This polarization is particularly evident in the municipal politics of the two northern communities of Kitimat and Terrace. Consequently, any program adopted by the Economic Commission to maximize popular support must appeal to both left and right.

The advocacy of small scale mining by the Commission enjoyed a great advantage in this respect by being politically ambiguous. The Commission's attempt to assist the business community of the mining sector would bring the Commission into favor with the right, while promotion of small scale technologies might appeal

to left wing opinion. Similarly, it was never explicitly outlined whether promotion of small scale mining was a radical development alternative destined to replace large scale resource development or whether it was a shorter term stopgap measure which could co-exist with the larger technologies which would return with an improved economy.

3. Restraint Politics:

In February, 1983, the provincial government invoked severe government spending restraints. This affected the capacity of government officials at both the provincial and local government levels. With respect to the case study, the impact on restraint in Victoria probably assisted the Commission's cause. Restricted in their ability to travel around the province and limited by funding cutbacks to provide programs to assist the mining community, the "volunteered" assistance of the Regional District was to the Ministry of Mines' advantage. The Ministry was perhaps more willing to entertain the ideas of the Commission in these restrained times.

At the regional level, restraint had two impacts. First, restraint indicated to the communities that outside government help in overcoming pressing economic problems was probably not likely to occur in the near future. The consequence was to increase the saliency of self-help approaches to economic development--development which would be generated from within the region. Secondly, restraint meant that restricted budgets

would have to be funneled into the most effective programs, again reducing the likelihood of engaging in esoteric approaches to planning.

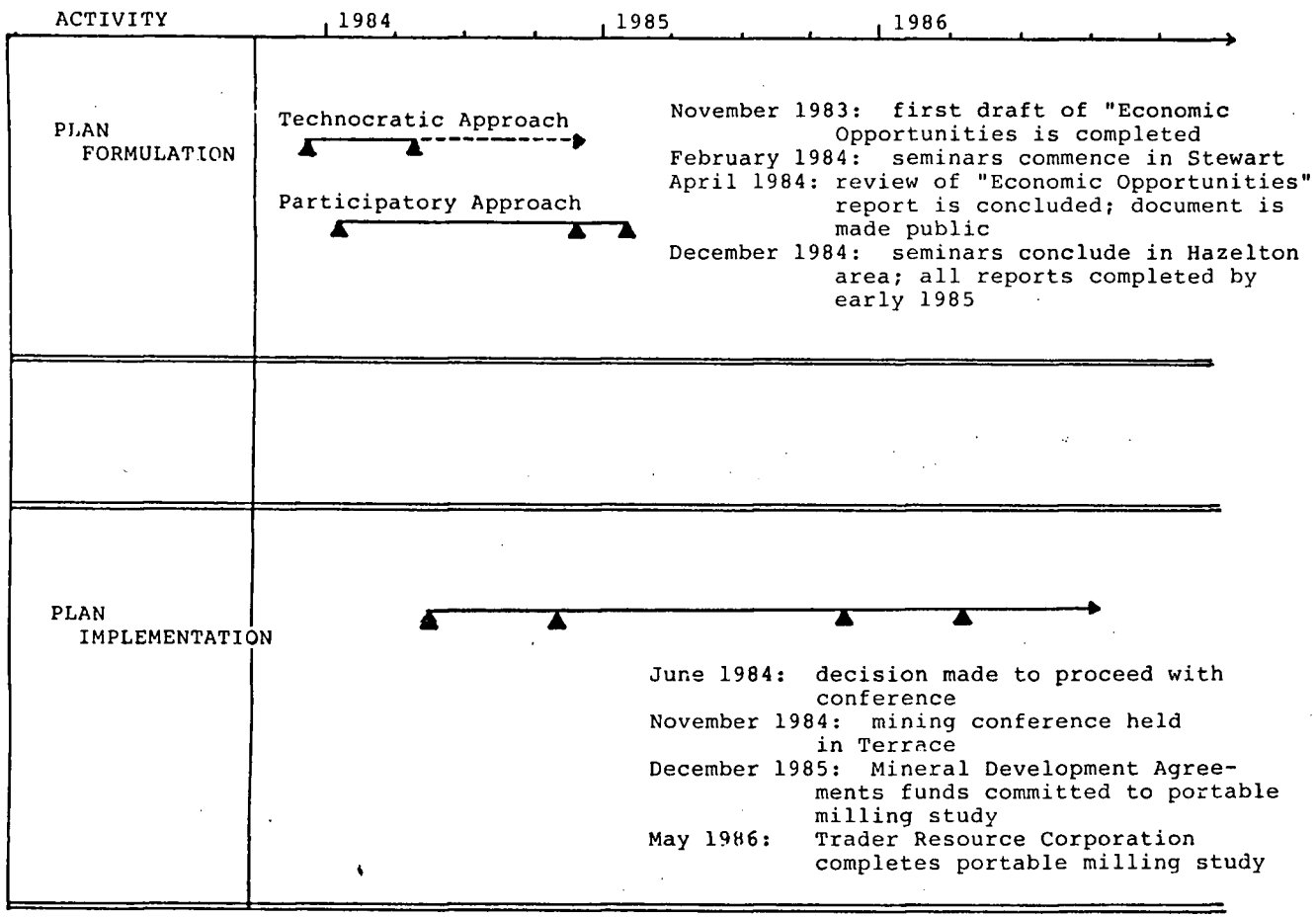
Description of Planning Process:

In this section the contents of the Economic Development Commission's planning process are described. As was stated in the introduction to this chapter two, different programs for economic development are employed. These are described using the labels of "Technocratic Approach" and "Participatory Approach." (See Figure 6.) The two programs each identify the portable mineral concentration idea. This chapter concludes with a presentation on the Commission's methods to have the portable milling concept realized. It represents a procedure for implementing the region's economic plan.

Technocratic Approach:

Late in 1983, a study was done by a Terrace resident, a consultant to the Economic Development Commission, listing economic opportunities available in the region. Originally asked by the Economic Development Commissioner to suggest development potential in the Kispiox Valley, north of Hazelton, the research evolved into a more general study. The study involved an analysis of the basic resources within or tributary to the communities of the Regional District and identification of investment opportunities. These ideas were recorded in a report entitled "Small and Medium-Sized Resource

Figure 6: REGIONAL DISTRICT PLANNING PROCESS: TIMETABLE



Development Opportunities in Northwestern British Columbia" (Kerby, 1984). The author is a long time resident of Terrace, who has university training in natural resources management and the biological sciences.

At the outset of the analysis a number of important criteria for suitable investment were defined. The criteria were chosen by the consultant and Commission staff largely in response to the kinds of developmental problems faced by the region as previously outlined in this thesis. Paraphrasing from published material on this study the criteria were as follows:

1. Opportunities should be small business oriented:

   As further trends in the larger industries indicate further replacement of labor with capital and given the surplus labor pool present now, emphasis would be on smaller business where employment creation would be maximized.

2. Opportunities should build upon existing resource industries and infrastructure development:

   The costs of job creation are substantially lower when expanding existing businesses as opposed to creating new ones. This strategy would run counter to previous attempts to provide industrial land in communities and encourage firms to establish manufacturing plants in non-metropolitan areas.

3. Opportunities to be developed should recognize the relatively small amounts of investment capital available in the region:

A seminar held in Terrace with local bank managers revealed that fairly large savings accounts are maintained in the city and therefore some local people could obtain several millions of dollars of venture capital (Kerby, 1985). However, in other centres in the northwest this would not hold true. Nonetheless, projects requiring hundreds of millions of dollars of capital investment were eliminated from the analysis.

4. Opportunities should build upon the skills available in the regional labor force or require little training or retraining:

Opportunities should therefore be able to utilize the presently idle construction, forest industry, mining and industrial service skills.

5. Opportunities should facilitate regional economic diversification and community stability:

Preferred business opportunities using this criterion will be discerned through examination of consumption and technical linkages with other sectors of the regional economy. Value-added should be maximized.

6. Priority should be placed upon projects which can generate returns within a fairly short time frame, prior to a mass exodus of industrial workers.

This exercise generated many ideas for investment, "ranging from the very practical to the highly unconventional" (Kerby, September, 1984:2). Ideas were forwarded for such economic sectors as forestry, mining, agriculture, fisheries, tourism, retail, commercial and industrial services. In addition, proposals were developed around the bulk commodities being transported through the region including coal, grain and natural gas. In light of the criteria listed above and a review procedure to be discussed shortly, a priority was placed upon investment opportunities in the forest sector (portable sawmills; low volume dry kiln to add value to local small sawmills' products), tourism (packaged tours; souvenir production), and mining (custom concentrators for small scale mining). A lower priority was placed upon projects such as aluminum fabrication (spinoff from Alcan Aluminum Smelter in Kitimat), and petrochemicals production (using derivatives from the Ocelot Methanol Plant) which had earlier been strongly advocated in the region.

The portable custom concentrator was an investment idea with one of the "best fits" with the selection criteria. Later research indicated that a fully operational mill could be installed in the region for less than $5 million capital investment (Sala, 1981). Substantially cheaper alternatives could be formulated utilizing used

equipment on the market or by employing a stationary existing mill at an operating mine to service a number of deposits in a single region. A first review by the Commission of mineral occurrences in the region considered amenable to the custom mill concept numbered at 20 properties which could result in full time employment for 200 people (Kerby, 1984:10,11).

In a draft form the "Economic Opportunities" report was circulated to selected business leaders and government officials in the northwest and to similar individuals in Vancouver and Victoria. Those selected to review the report were chosen by staff of the Regional District and were generally the highest ranking government officials responsible for various provincial resource ministries within the northwest (eg. District Geologist, Smithers; District Agriculturist, Smithers; District Manager, Ministry of Forests, Terrace). These people were usually well known to Regional District staff. The purpose of this review was to test and refine the ideas recorded in the draft report--to identify which were considered feasible and which were not. Most replies were returned to the Economic Development Commission by early 1984.

As opinions favorable and negative were returned on the various ideas contained in the report, Economic Commission staff undertook more focused research into some of the most promising ideas. Loosely considering economic, environmental and political factors, five ideas were to surface as priorities and would be supported in subsequent

Commission budgets:

1. Portable or custom concentration for small precious metals mines,
2. dry kiln and remanufacturing of wood products,
3. portable sawmills and chippers,
4. tourism souvenir and craft production,
5. specialized tourism development (eg. Japanese fishing tours).

It was on the initiative of an official in the provincial Ministry of Industry & Small Business Development in Victoria that the "Economic Opportunities" report was referred to the Director of the Mineral Policy and Evaluation Branch of the B.C. Ministry of Energy, Mines and Petroleum Resources. His review was strongly in support of the portable concentration proposal and his reply included preliminary terms of reference for a feasibility study which would examine in more detail this opportunity in the northwest (Basham, January, 1984). Later through private meetings between Regional District staff and senior officials of the provincial Ministry of Mines an understanding was reached that provincial funds would be put forward for such a feasibility study if a private sector proponent could be located. Interestingly, the reply also noted the value in examining the smaller scale option for its compatibility with the macro-planning being undertaken by the province (Basham, January 1984). The portable milling concept was to become the centrepiece of the regional economic plan, largely as a result of this positive reception by senior government officials.

After this initial and fortunate contact with the Victoria office of the Mines Division, the Regional District worked directly with the Mineral Policy Branch. This liaison was to be especially useful when Economic Commission staff attempted to contact industry people to test interest in the custom mill concepts in the private sector. The credibility of the Regional District was greatly enhanced by the support of the Ministry of Mines.

The provincial government would later indicate a significant commitment to the small scale mining concept. Late in 1985 Trader Resources Ltd. of Vancouver, a junior mining company with a promising gold property on Banks Island, south of Prince Rupert, would receive 50% government funding for a feasibility study into barge mounted concentration units to service small coastal mineral properties along the B.C. coast. The government funds were allocated from the recently signed federal/provincial Mineral Development Agreement (TRM Engineering, 1985).

Once the comments of all those reviewing the "Economic Opportunities" report were received, a revised report was prepared, submitted to the elected board of the Economic Development Commission and made a public document. The final report was circulated quite widely to interested individuals and groups in the northwest and any criticisms or comments were informally recorded by the Commission staff. The report continues to be used as a planning and promotional document by the Commission, especially as an introduction to potential investment opportunities in the region. The "technocratic approach"

documented thus far was quite efficient and encompassed only about three months.

The procedure related above for identifying development potential in the mining sector is based on the observation that the geology of the area is characterized by smaller vein-like deposits containing the minerals of gold and silver. More and more specific methods for processing ore by custom and portable concentration were determined over the next two years by direct contact by Commission staff with mining industry personnel, through private sector research into the concept and through information provided in Terrace at a November, 1984, mining conference sponsored by the Regional District. Therefore, where the process to identify the appropriate technology terminates is an arbitrary decision. Consequently, the feasibility study commenced in late 1985 can be considered part of an identification process, as it is to recommend a custom processing technology for selected mineral occurrences along the British Columbia coastline (TRM Engineering, 1985).

Participatory Approach:

Quite separate from the process for identifying the custom concentration concept as above, the Economic Development Commission was engaged in another economic development planning exercise which also recommended the portable or custom concentrator as a viable investment opportunity for the northwest. In an effort to assemble economic development strategies for its three major population

centres, the Economic Development Commission used a series of brainstorming sessions with participation from a broad cross-section of the general public to identify investment opportunities and suggest possible strategies to realize these. The language was typically non-technical in the seminars, producing volumes of information on the state of and potential of each local economy.

The decision to develop customized community economic strategies was taken by the Commission in light of the developmental problems being faced in the region and a perception that a self-help approach to economic development was necessary because of senior government restraint and generally limited availability of investment capital. It was also seen as part of a process of transferring local economic development responsibilities from the regional district level to the municipalities given the decision of some municipalities to withdraw from the Commission. The Economic Development Commission would produce the economic development strategies and turn them over to the individual municipalities for implementation in succeeding years. The future of the Regional Economic Development Commission was uncertain.

The three local areas for which the economic strategies (labelled Marketing Plans) were produced were (1) Stewart, (2) Terrace and District and (3) the Hazeltons - Kispiox Valley. For the latter two studies, it was the deliberate policy of the Economic Commission staff to force an awareness on seminar participants of a larger social and economic entity, ignoring multiple political

jurisdictions. For example, the logical economic basin is the entire Hazelton region and Kispiox Valley. Even though this area is comprised of two incorporated municipalities, one improvement district and several Indian Reserves, only one economic strategy was formulated. In itself, fragmented jurisdictions are considered by Commission staff to be a constraint to development.

Beyond this manipulative aspect to constructing the strategies, the contents of the strategies were largely left to the communities themselves to determine. Seminar participants were ostensibly asked to suggest potential investment opportunities but in so doing also discussed community attitudes towards different forms of economic development, constraints and assets for development and methods of realizing development potential. All of which was documented in the final reports.

The seminars were informal, free-thinking exchanges of opinion and perception. Using local expertise as the principal source of information was an intrinsic and distinctive element of the process. In addition, though the program had a bias towards locally generated economic development, the study process made no pretense as to the scale or type of development under discussion.

The brainstorming seminars commenced in February 1984 in Stewart, were held in the Hazelton area beginning in the Autumn and later in the year, were staged in the Terrace area. The first seminar in each community was held with the local government politicians in order to

familiarize them with the process. Every seminar was led by a single Commission staff member and usually lasted three hours. In Terrace 11 seminars were needed, in Stewart 8, and in the Hazeltons 8. Many sessions were in the evening in order not to conflict with working hours.

The seminars proved to be extremely informative, and generated volumes of information to be condensed into a final report by Commission staff. To its detriment, the public participation exercise was very time consuming and demanding of a Commission with limited staff. The length of time to complete each project also created problems in maintaining the interest of local councils and citizens. Though all the community seminars were completed in two to three weeks, each project, from planning stages to completion of the final report took four to six months. However, it was the process used to compile the reports, rather than the final document, which was perhaps of most value. The seminar exercise was adopted to mobilize local knowledge and local entrepreneurship.

Previous experience of the Commission staff with a group of independent small business loggers in the Terrace area had shown the advantages of bringing together people from within the same economic sector to develop self help programs. These participants in the Ministry of Forests' Small Business Enterprise Program (S.B.E.P.) came together with a view to changing through collective action several S.B.E.P. policies of the Ministry. Three years later, a Steering Committee continues to function and has successfully

contributed to several policy improvements, often with province-wide significance. An S.B.E.P. member now has an appointment alongside the Terrace area's major timber license holders on the Ministry of Forests' Kalum Steering Committee. The Kalum Committee was established to voice opinions on Ministry policy and practices. The S.B.E.P. Committee also obtained from the Minister of Forests the right to perform salvage logging on cut areas on the larger companies' Trees Farm License land holdings.

The role of the planner here was simply to create the "melting-pot" and create a network of independent loggers which would function separate from the Commission -- thereby permitting the group to develop self-help strategies to identify and overcome economic, political or institutional barriers. The Commission also provided some technical support and would often assist in translating letters and position papers, compiled by the Steering Committee, into a language suitable for the government bureaucracy prior to them being forwarded to the Ministry of Forests.

The decision was therefore taken that the economic strategy seminars would not be totally random groupings but would attempt to duplicate the program used with the Terrace loggers. Consequently, seminar participants were placed in groups corresponding best with the sector of the economy with which they were most familiar. Separate seminars were therefore held, where appropriate, in each community for people in such sectors as the forest industry, mining, tourism, retail, agriculture and public administration. In the considerably larger

center of Terrace, other seminars were held with special interest groups such as organized labor, women's groups and the chamber of commerce executive (Kerby, 1985). In all three communities, a number of long time residents were asked to attend the seminars. Again an important objective was to mobilize local entrepreneurial energies outside of the formal process of writing a development strategy.

The community development strategies could easily be biased depending upon how participants in the seminars were selected. To guard against this, the Commission staff obtained suggested names from several sources such as local municipal councils, municipal administration and Regional District Directors. In addition, in Stewart and the Hazelton area, invitations to seminars were coordinated by the local municipality because the public was probably more familiar with municipal officials in those communities than the Commission. While all those requested to attend were pre-selected and were mailed a personal invitation and a questionnaire used to facilitate discussion in the seminar, anyone else from the public expressing an interest in participating was also asked to attend.

The brainstorming seminars gathered information from a broad cross-section of people in each community and many contrary viewpoints were heard. However, the seminar process cannot be considered a completely open one. Instead, the intent was to assemble almost exclusively leaders of business and opinion from within each community. It was felt that the ideas for economic development generated in the seminars would be most likely manifested

by these kinds of people. In this respect, the strategy plan process was highly selective, supportive of private sector business enterprise and local entrepreneurship.

For all three communities, a "Marketing Plan" was prepared which described the many identified investment opportunities, listed development constraints and discussed community attitudes and objectives. With varying degrees of success, the respective local municipal council and Regional District Directors were asked to draw upon the information contained in the marketing plan to determine a small number of priority projects, which in turn would constitute an economic strategy. Nonetheless, often the seminar participants had already suggested which development opportunities were the most viable or most demanded by the community.

The point of elaborating on the process to develop community economic strategies is to note that, apparently unsolicited, the small scale mining opportunity and the custom concentration concept were identified in all three communities. In Stewart, a community with a long history of mining development, the concept was discussed in most detail and considered to be a potential with relatively few constraints (Stewart Marketing Plan, 1984). The small mine potential was also brought forward in the Hazelton seminars where many of the participants would have personal knowledge of the mining history of that area. Fairly well known mines such as Silver Standard and Red Rose operated within several miles of the Village of Hazelton.

In Terrace, the small mine potential was also recognized but not treated as a priority of the community. Though the Terrace area had until the Second World War a viable mining sector, presumably the forest economy now dominates within the public's mind. Moreover, several of the Terrace seminars were held after the mining conference was staged in that community and also several seminars were held, literally, in rooms which displayed posters advertising the mining conference. In other words, the seminars had probably been prejudiced. In all cases, however, the portable concentrator idea surfaced following an appreciation of the geology of much of the northwest.

To conclude this section, it is worthwhile taking a slight digression to remark on the effectiveness of this program of developing community economic strategies. In none of the three communities has there been an overt attempt by the municipality to use the final reports as formal guides to local economic development. Only the council of the District of Stewart formally adopted the economic strategy. Moreover, the District of Stewart took the initiative of submitting the strategy to the Ministry of Industry & Small Business Development under the Provincial-Municipal Partnership Program and has received financial and political assistance from the province to assist local economic development.

It was never expected by the Commission staff that it could be clearly shown that the think-tank seminar method caused a development idea to be acted upon. Nonetheless, many ideas listed in

the Marketing Plans have come into fruition since 1984. Most notably, in Stewart, with the assistance of the provincial government in constructing a ferry slip, Alaska State ferry service was realized in late 1985. This ferry service would significantly improve tourist traffic through the community. The project was a primary objective of a lobbying effort by Stewart municipal council and the Stewart/Hyder Chamber of Commerce. In Terrace, the first organized fishing tours from Japan into northwestern B.C. will commence in August of 1986. And in Terrace as well, a wood products remanufacturing facility was constructed by one of the seminar participants.

For Commission staff who organized and monitored the seminars the role to be played was a fairly inactive one: one of facilitating discussion and recording the proceedings. The seminars though were extremely informative to the staff members, providing at minimal expense considerable quantities of information on the local economies, including softer forms of information such as the social dynamics of each community. This could be acquired only through close working relationships with influential members of the local community.

The value of the seminars as public relations exercises cannot be overlooked either. The seminars created a much more widespread awareness about the Economic Development Commission with the general public. Popular support for an active versus a reactive approach to economic development as indicated by developing the economic

strategies was also shown. Few people declined participating in the seminars; rather, most were anxious to be involved.

The Emerging Plan:

Emerging from the combination of the technocratics and participatory approaches is the region's economic development plan. The plan's most visible characteristics are the advocacy of a small scale technology, the motivation to achieve community economic diversification and stability but a willingness to maintain an externally-oriented economy. The plan does not include a recommendation of territorial closure.

The Commission plan is not published in a single final report but must be discerned from a review of the planning process. Aspects of the two different programs which constitute the process are recorded in "Economic Development Opportunities in Northwest British Columbia" (1983) and the "marketing plans" (1984, 1985) for the communities of Terrace, Stewart and the Hazeltons.

Plan Implementation:

It is an arbitrary decision where the phase begins of implementation of the alternative small scale mining technology--hence, implementation of the plan. Even long before the Economic Development Commission had solidified its position that the custom mineral concentrator idea should be a regional economic development

priority, its administration had already started a process of selling the idea to private mining interests and to the provincial Ministry of Mines. Implementation, however, became the dominant activity only about mid 1984 when a decision to proceed with staging a mining conference in Terrace in November was made.

The meaning attributed to implementation in this context is, simply, generating interest in the private sector towards the portable custom mineral concentrator. The exercise did not result in construction of a portable mill in northwestern British Columbia but was successful at least, as will be detailed in this section, in moving the concept several stages closer to a production decision. In May, 1986, a joint private sector, government funded feasibility study into barge mounted concentration units to be operated along B.C.'s coast returned favorable results.

In contrast to the process of formulating economic development strategies, in which public participation was an intrinsic element, implementing the portable concentration technology was largely a closed process characterized by bargaining among individuals and building of opinion. The concept was surrendered to experts in the mining industry to make manifest. Further, it was a given that market mechanisms would be used and that the private sector would be the vehicle through which the custom concentrator idea would be delivered.

Through 1984, as the Economic Development Commission staff interacted with various groups and individuals, the portable milling technology concept was treated with varying reactions of disinterest, derision and amusement. The concept was commonly seen as a novel one, but the Commission could not fall back on any established reputation in the area nor possessed any particular mining technology expertise. The challenge to the Commission was to establish credibility within mining industry and relevant government circles. The strategy was to bring together a constituency of appropriate expertise which supported the small mines concept and, secondly, to demonstrate that the portable mill technology was technically and economically feasible.

In order for the Economic Development Commission to be successful in its promotional campaign, it had to obtain the support of the Ministry of Mines. A starting point was the shared desire of both the Ministry and the Economic Development commission to see a viable mining industry in the northwest part of the province. But beyond this, the situation demanded that the Economic Development Commission had to work with considerably disproportionate power compared with the Ministry of Mines, yet had to influence the policy of this much stronger institution. It was already related that support of the Mines Branch gave the Economic Development Commission credibility with the mining industry. In addition to this advantage of having access to an industry constituency, the nature of the relationship between the Commission and the Mines Ministry is characterized by unequal distribution of financial resources, access to political

power (in cabinet), and a virtual monopoly on technical knowledge. The only obvious advantage the Commission held over the Ministry of Mines was more intimate knowledge of the northwest region.

Throughout the process of planning for a revitalized small mines sector, the Ministry of Mines' officials maintained a posture highly supportive of the mining industry. Though many officials considered the proposal of the Economic Development Commission to be novel if not dubious, the ministry was willing to entertain the concept, at least until some measure of support for the concept in the private sector could be determined. The latter, as agreed to by regional and provincial staff, was to be acquired through an industry conference held in Terrace in November 1984 devoted exclusively to the small mines opportunity. In addition, tacit support of the small mines proposal was given at the ministerial level when the Minister of Energy, Mines and Petroleum Resources, Steven Rogers, agreed to speak at this conference.

To the lesser extent that support of a wider northwest B.C. public was needed, for example to maintain the enthusiasm of local politicians and the business community, focussing attention on the portable mill technology had decided advantages. From a public relations standpoint, one could discuss the technology and show what could be done to enhance economic development rather than adding to an already weighty collection of depressing news and corresponding negative attitudes throughout the region. In light of a currently

popular conception that planners hinder development, this was a positive and refreshing feature of the planning process.

Secondly, it was recognized by Commission staff that the technological problem was not exclusive of social, economic, political or institutional elements, but dealing with only the technology, simplified understanding of a much larger problem of development for a greater audience. A report, which condensed the ideas behind the portable mill opportunity and discussed the need for and contents of a feasibility study into applying portable milling technology in northwestern British Columbia, was written for public consumption in November 1984. This report is entitled "Small Mines Development in Northwest British Columbia: Background Information for a Comprehensive Feasibility Study" (Economic Development Commission, November 1984).

It was generally the impression of both provincial Ministry of Mines officials and Regional District staff that the portable or custom mill idea would not become a reality without considerable research preceding implementation. The information on which to base such an investment decision, such as Ministry resource inventories, simply is not available. Hence a comprehensive feasibility study, which would determine small mineral properties amenable to a custom concentrator and consider financial, technological and marketing options, was believed to be an essential interim step. It was also soon revealed in the attitudes of senior Ministry of Mines officials that an entirely public sector venture into portable milling would not be

considered. Instead, through a process of bargaining between Economic Development Commission officials and the B.C. Ministry of Mines, the Ministry made the offer that it would entertain cost-sharing with a private company on a feasibility study, but only if it could be shown that the company was seriously considering development of the idea.

It was previously disclosed that provincial Ministry of Mines staff reacted strongly in favor of the custom concentrator proposal when it was first presented to them in the "Economic Opportunities" report. This support however did not include any financial assistance to the Commission nor initially to anyone in the private sector proposing similar ideas. Nor did it include much Ministry staff support. The burden fell upon the Economic Development Commission to prove to the Ministry and to the B.C. mining industry that the portable mill idea was viable.

This margin of support from the Ministry was nonetheless critical to the Commission in pursuing the custom mill concept. It was through the established connections of Ministry staff with the mining industry that the Commission staff gained credibility with industry. It was principally Ministry of Mines staff which introduced the Commission to key individuals in the industry such as the manager of the B.C. and Yukon Chamber of Mines, representatives of the Mining Association of B.C. and to mining companies. Similarly, acceptance by the Minister of Mines, Steven Rogers, to be a keynote speaker at the November 1984 conference was another ingredient in a strategy to

raise private sector interest in the small mines conference. The conference was itself advertised as a project in conjunction with the B.C. Ministry of Mines. The program of the conference was designed with assistance from Ministry staff and several senior provincial Ministry of Mines staff members came from Victoria and other regions of the province to attend the conference.

The conference format was chosen with four overlapping objectives in mind: (1) to establish Economic Development Commission credibility with the mining industry and government, (2) to demonstrate the feasibility of using portable or custom concentrators, (3) to test entrepreneurial interest in the portable or custom milling idea and (4) to create an industry-based constituency which supported the small scale alternative. Other unrelated objectives included: (1) to indicate to the northwest region that its Economic Development Commission was actively pursuing economic development and (2) to promote Terrace to the mining industry as a possible source of support services to the industry.

To its credit, in an attempt at cross-fertilization of ideas on small scale mining, the conference attracted an unusually wide range of experience and expertise. Though all were ostensibly from the same industry, the eighty conference participants formed an unusual collection. They included representatives of junior mining companies, local, old time prospectors and miners, industry consultants, mining equipment suppliers and senior level government officials. Somewhat surprisingly, Gulf Canada Resources Ltd.,

Noranda Explorations, Sumitomo Metals and Esso Minerals, all major corporations, were also represented in the audience.

Establishing a "demonstration effect" (Schumacher, 1974:151) was an important goal of the conference. In order to challenge conventional ideas on mineral development, the Commission staff members believed it was necessary to bring in speakers from far afield. For example, portable milling technology was represented by the Sala "Caravan" Mill from Sweden and presented by a speaker from its Canadian subsidiary in Missisauga, Ontario. The Sala Mill is amongst the most expensive of portable systems available but has been applied successfully in several third world situations (Sala, 1981). Similarly, a conference panel discussion on government support programs for small scale mining included a presentation given by a Policy Advisor for the Ontario Ministry of Natural Resources. In Ontario, the provincial government through the GOMILL Program, provides financial subsidies to companies to provide ore treatment facilities for custom milling of gold ores.

Some of the best information at the mining conference was not presented by those possessing formal academic training or recognized technical expertise. Perhaps the best speaker of the two day conference was the owner/operator of the Duthie Mine near Smithers, B.C.. Paul Kindrat acquired many years of experience in mining in British Columbia, then recently formed a company with his four sons and took over a mine last abandoned in 1952. By downsizing the physical plant and custom building a very small fifty ton per day

mill, the group now mines what could become a very lucrative silver-lead-zinc mine (Charmichael, 1984) (Geological Survey of Canada, 1954:105-111). The owner has negligible academic training but clearly exemplifies the characteristics of the rare, successful small mine operator. He possess as a rare combination of skills in exploration geology, mining, construction, mineral processing, marketing and business management. The conference provided an opportunity by which he could share this accumulated experience with other potential small miners.

At the time of writing this paper 1 1/2 years have passed since "A Conference on Small Scale Opportunities" was staged in Terrace. Several enquiries into portable milling technology have been received by the Economic Development Commission and by the provincial Ministry of Mines but no company has yet acted to develop such a mineral processing unit.

During this period as well, the provincial and federal governments completed a $10 million, five year Mineral Development Agreement. Significantly, the Agreement, signed on July 30, 1985, made the type of feasibility study envisioned by the Regional District eligible for senior government financial support (News Release, July 30, 1985). The Economic Development Commission also committed $6,500 for the year 1985 towards the small mines opportunity, anticipating contributing these funds along with senior government support to a mining company investigating portable or custom milling technology in the northwest (Economic Development Commission, 1985 Provisional

Budget Proposal). Local governments operate in British Columbia on a January to December budget year. In 1986, the Commission had not received any reasonable submissions requesting financial support and the idea was omitted in the 1986 budget. Also worth recording is the fact that gold and silver prices remained fairly stagnant through this period (B.C. Mineral Quarterly, volume 11, 1986).

After the conference, Commission staff dealt with inquiries on the portable concentrator as they would any other development inquiry. However, as the small scale opportunity progressively moved out of the forefront, combined with personnel changes occurring with the elected Economic Development Commission, other priorities began to compete for staff time. As just mentioned above, no Economic Commission funds were budgeted directly to the small mines potential after 1985. Briefly though, the cases of two portable mill proposals which came to the attention of the Commission are worth recounting. In both instances, the reasons provided on why each failed are strictly the author's opinion. Company names will not be cited due to matters of confidentiality.

Early in 1985, a junior mining company based in Vancouver approached the provincial Ministry of Mines in Victoria seeking funds for a feasibility study into custom or portable milling for precious metals. The company, which holds mineral properties in northwestern British Columbia, attended the mining conference in Terrace but it was never determined if the idea was generated at that conference. Also it was never agreed if a feasibility study would be site-

specific to some part of northwestern British Columbia.

The Ministry of Mines encouraged the company and Economic Commission staff to meet to try to produce a joint proposal for submission to the province. Though meetings were held in Vancouver, the proposal never proceeded. The company did not seem entirely committed to the project and may only have been testing the waters for government financial assistance. From the standpoint of Commission staff, any study would have to be of specific benefit to northwestern British Columbia. There were also communication difficulties in working together when based 500 miles apart.

Later in 1985, an exploration geologist, well respected in the mining industry, approached the Commission staff seeking more information on portable milling technology. This person, who resides in the Hazelton area, attended the conference and would develop the idea with the assistance of several contacts made at that conference. Initially, he represented a small group of local prospectors looking at the Skeena and Bulkley corridors, from Houston west, as a first area for investigation into custom milling potential. As the project has now evolved, a proposal has been circulated in Vancouver that ten junior mining companies with properties in the Skeena region purchase shares in a consortium valued at $2,500 each. These funds were to be matched by the Mineral Development Agreement for a $50,000 feasibility study.

This proposal has been somewhat slow to develop, mainly because the

seasonal demands on prospectors keep them extremely busy through the spring and summer, often in very isolated places. In addition, the Commission administration has been unable to devote time to prepare a suitable formal submission on this group's behalf for consideration by senior government and the junior mining fraternity.

In May 1986, a feasibility study funded by the federal-provincial Mineral Development Agreement undertaken for Trader Resources of Vancouver returned a favorable opinion on the viability of barge mounted milling units servicing small coastal mineral properties. Trader Resources owns a promising precious metals deposit in the Kitmat-Stikine Regional District on Banks Island, south of Prince Rupert. In addition, the feasibility study located four other properties in the northwest of eight coastal B.C. properties considered to have good potential for servicing by a portable mill (TRM Engineering, 1985). The company was not in attendance at the small mines conference in Terrace and there is no evidence that the Commission has directly helped shaped the company's development plans.

Afterword:

The Commission undertook the program to promote the small mines potential in light of tension within a local political situation. There had been serious concerns that the economic development function at the Regional District level would be terminated. By concentrating Commission resources upon resource development more closely tied with the local economy and more short term objectives,

it was hoped that the Commission could be more effective in enhancing the regional economy and could maintain the support of the local municipalities.

Promotion of the custom and portable milling technology did nothing to prevent the disintegration of the Commission. In December, 1984, only one month after the mining conference in Terrace, both the District of New Hazelton and District of Terrace gave the required one year's notice to withdraw from the function, effective January 1st, 1986. The activities of the regional Economic Development Commission during 1984 had not captured the imagination of the local municipal councils. Late in 1985 though, the decisions of both councils would be reversed.

Spurred on to find immediate economic solutions within an environment of waning legitimacy, the custom mill concept for the Commission is proving to be much more than a solution achievable in the short term. The Economic Development Commission, which raised the concept to a regional development priority and attracted government and private sector interest, no longer actively pursues its implementation. Other priorities have appropriated staff time and the make-up of the Commission at elected and administrative levels has changed considerably since 1984. Moreover, operating on annual budget years, development promotions at the local government level face prospects of a lack of continuity.

CHAPTER SIX: ANALYSIS

In Chapter Two, two sets of categories were established in order to compare the case study plans and their planning processes. In this chapter, the analysis will unfold systematically in three stages:

(1) a comparison of the two plans,

(2) a comparison of the two processes

(3) identification of causal relationships between categories of planning processes and the two plans.

Comparison of Economic Plans:

This comparison covers only the five plan categories or dimensions which were drawn from the regional development literature and from review of the plans themselves. The comparison examines the different approaches to technology, the plan positions in regard to territorial closure, the comprehensiveness of the plans, their visionary vs. incrementalist outlooks and their approaches to sustained community development. The comparison is summarized in Table 8.

1) Approach to Technology:

A distinguishing characteristic of the Regional District plan is its promotion of appropriate technology. The region considers that small scale, locally controlled technology better

AUTHORITY	APPROACH TO TECHNOLOGY	APPROACH TO SUSTAINED DEVELOPMENT	SPATIAL CLOSURE/ FUNCTIONAL INTEGRATION	COMPREHENSIVE/ SECTORAL	VISIONARY/ INCREMENTAL
Economic Development Commission	promotes small-scale, locally-controlled technology technology a malleable social institution; an "instrument of society"	promotes sustainable community development	promotes functional integration	comprehensive outlook; sectoral in implementation	visionary
Province of British Columbia	promotes large-scale, capital intensive technology technology a "determinant of development"	does not promote sustainable community development	promotes functional integration	comprehensive	incremental

Table 8: COMPARISON OF ECONOMIC PLANS

incorporates regional values and needs than the large-scale technologies supported by the provincial government. The contrast is most apparent in envisioning mineral development in the region. The B.C. government plan relies upon several large cornerstone mineral properties; the region gauges entrepreneurial interest in the portable mineral concentrator and small scale precious metals mining. The small mine option is consciously excluded by the province in its examination of regional economic potential.

Statements contained in the Northwest Studies pertaining to small mines development indicate a negative bias the province holds towards small scale technology. Little significant contribution to northwest development is accorded the small mine alternative by the province. Moreover, unpredictable precious metals prices render the small scale option awkward to plan for (Northwest Studies, Summary Report, 1983:7).

As outlined in the discussion on "development from above," Stöhr and Tödtling attribute to the functional development model a notion of technology as a "determinant of development" (Stöhr & Tödtling, 1977:154). Upon reading reports such as The New Frontier and The Northwest Region the reader is left with the impression that the provincial government similarly equates a condition of development with large-scale technology. Large-scale resource development and its associated technology represent the status quo in contemporary northwest development.

They continue to be most suited to achieving provincial goals.

The contrasting view of technology put forward by Stöhr and Tödtling is one of technology as "an instrument of society" (Stöhr & Tödtling, 1977:154). Technology can been seen as a manipulable variable in economic development, a malleable social institution. It is the Economic Development Commission plan which is the more open to considering alternative scales of technology. The Commission, more than the province, recognizes creative capacity within alternative technologies.

2. Spatial Closure vs. Functional Integration:

The province's plan strongly exemplifies several features of the functional development model. There is no exception in terms of the structure projected for the future northwest economy. Growth of the region will be encouraged through increased functional integration of northwest B.C. with international economies. Large-scale infrastructure such as port and highway development is anticipated to facilitate this integration.

Though the type of infrastructure needed may differ, the Economic Development Commission plan also determines that regional growth can be achieved through functional integration with external economies. Neither plan promotes spatial closure. There is no difference between the two plans in terms of this characteristic.

3. Comprehensive or Sectoral Plans:

The provincial plan is by far the more comprehensive of the two plans. The B.C. government plan examines development potential in all the major economic sectors of the northwest economy. The plan is published as a series of reports on development opportunities, settlement, transportation and power supply options. The province makes much greater use than the region of quantitative information which would be found in the provincial government's own resource inventories.

The regional plan is comprehensive in its vision for regional growth and discusses a wide range of economic potential. However, the discussion in Chapter Five on implementing an appropriate technology states that the plan becomes narrowly focussed. The portable concentrator idea demands considerable resources from the Economic Commission as the concept challenges conventional attitudes in the mining industry and present government policy. The Commission plan is reduced to a sectoral plan, pertaining only to the mineral development sector. Reasons for the plan becoming narrowly focussed are given later in this chapter.

4. Visionary or Incremental Plans:

Both plans share a long-term planning perspective, even though, ironically, the regional plan was initiated to achieve

short-term objectives. The Commission planning process was started in order to maintain the support of the member municipalities for the regional development function.

The plan for The New Frontier foresees a massive undertaking by the private and public sectors. The strategy will undermine some existing local economies (i.e. northern native communities), will significantly impact the landscape but generally does not represent any radical departure from past practice. The province desires an accelerated rate of resource extraction and primary processing, using several large projects as development catalysts. The large project has an established history in the northwest.

The provincial plan does not reflect any deliberate exploration of new economic development models for the region. Instead, one can proclaim that the plan advocates maintaining the status quo. The plan simply extends to an "undeveloped" "New Frontier" an existing model of development.

The regional plan is the more visionary. In the face of current government policy and industry attitudes, the region counters with development proposals it considers are more appropriate. The plan disregards existing patterns of development and calls for increasing diversification of the economy and business development which more closely reflects local skill levels,

capital availability and entrepreneurial interest. The regional plan embodies a search for new development patterns.

5. Sustained Community Development:

The term "sustained development" is a concept different from "selective spatial closure" but nevertheless shares a similar inward-looking territorial perspective. Sustained community development contains the objectives of economic stability, diversification and growth for the northwest region and its individual municipalities. The concept also implies a degree of regional self-determination and control over resources.

The plan compiled by the Economic Development Commission obviously is guided by these objectives. Sustained development is an intrinsic, motivating aspect of the marketing plans. In the technocratic approach of the Commission's planning these economic objectives are proclaimed in advance of the research. The Commission plan falls short of calling for selective closure but it is guided by a territorial imperative that regional resources be mobilized to solve first pressing difficulties of high unemployment and permanent job loss.

In the B.C. government report, The Northwest Region, the stated goals are "regional balance, employment, income growth and stability" (The Northwest Region, 1982:17). On first inspection one might therefore conclude that the province

likewise supports sustained community development. However, evidence in other parts of the thesis raises doubt whether the B.C. government plan is a "regional" plan at all. The most important examples given was the policy of senior government to overcome the economic problems of the region through counter-cyclical policy such as temporary employment programs. These programs were jointly administered by the federal and provincial governments.

There was no evidence of recognition of the structural economic problem of permanent job loss in the northwest. Rather, the wealth created in the larger economy could be transferred to the region if necessary. A more cynical viewpoint is that the mega-project strategy in itself only results in continued resource exploitation and regional dependence upon external markets because of minimal diversification.

Comparison of Planning Process:

Nine categories relevant to the planning processes were brought forward in Chapter Two. In this section, the two case study processes will be described according to these categories. The nine categories are:

1) Planning Mandates
2) Centralized vs. Decentralized Control Over Planning Process
3) Degree of Public Participation

4) Spatial Interest

5) Timing of Process

6) Deterministic or Fluid Process

7) Role of Development Models

8) Background of Planner

9) Role of Planner

The comparison is summarized in Table 9.

1) Planning Mandates:

The region is at a distinct disadvantage relative to the provincial government in its ability to effect policy. To begin with, the Regional District is a creation of the provincial government, representing delegated constitutional power vested in the province. The provincial government holds ultimate power. The provincial government also has at its disposal more resources in terms of personnel and finances than the region. Though the formal government documents which declare a mandate for the regional commissions appear to transfer substantial authority for regional economic planning to regional districts, in actuality the region's capacity is limited. Responsibility for resource planning on crown land, which constitutes over 98% of the Kitimat-Stikine region, (Regional Economic Profile, 1982:1-1), remains under the auspices of provincial agencies. The authority of regional districts is thereby constrained;

AUTHORITY	PLANNING MANDATES	CONTROL OVER PROCESS (Centralized/Decentralized)	PUBLIC PARTICIPATION	SPATIAL INTEREST	TIMING OF PROCESS
Economic Development Commission	regional limited efficacy limited resources	decentralized	high level via community seminars	regional region defined as organic unit	December 1983 to December 1984+ (recession economy)
Province of British Columbia	province-wide more authority to affect policy	centralized	lower levels	supra-regional region defined as hinterland; part of larger system (systems perspective only applied for analysis purposes) liberal atomistic bias reflected in policy	October 1981 to December 1983+ (recession occurs during plan development)

Table 9: COMPARISON OF PLANNING PROCESSES

AUTHORITY	DETERMINISTIC/FLUID PROCESS	ROLE OF DEVELOPMENT MODEL	BACKGROUND OF PLANNER	ROLE OF PLANNER
Economic Development Commission	fluid, exploratory process	emerging from development model; plan not affected	interdisciplinary locally-based	Technocrat and Social Learner roles
Province of British Columbia	deterministic	model may precede process and predetermine plan outcomes	interdisciplinary based in political centre	Public Servant role (politicians establish plan goals)

Table 9 (cont.): COMPARISON OF PLANNING PROCESSES

local government's efficacy with respect to economic planning is severely circumscribed.

2) Centralized vs. Decentralized Control Over Planning Processes:

The Regional District plan is dependent upon two different programs for identifying development potential but, in both instances, the control over the planning process remains with the region. Local technical experts prepared the "Economic Opportunities" report. In formulating local economic development strategies, the process is even more devolved: to the level of the general public. The content of the marketing plans is decided upon by northwest residents, with information contributed in community seminars.

For the purposes of developing the Northwest Studies, the planning process is controlled by the cabinet committee in the political centre of British Columbia. Responsibility for writing the major documents of the plan and for implementing the plan is also largely based in Victoria. The Northwest Studies were prepared by the Interministry Working Group. The input of the northwest region into the plan was achieved through the cabinet tours at the commencement of the planning process and through provincial government officials located in northwestern British Columbia.

3) Degree of Public Participation:

Participation by northwest residents in the formulation of the economic plans occurred in both processes but much more participation was used to inform the regional plan.

To inform the provincial plan, community luncheons and informal public meetings were used by the Cabinet Committee in the Northern Zone. In the Southern Zone, in Terrace, Prince Rupert and Kitimat, Cabinet relied more on established municipal and business leadership to communicate local interests. Though making notable efforts to inform and be informed by northwest residents, the Cabinet Committee did not achieve the level of public participation, and therefore did not benefit as much from the extensive personal knowledge of local people, which the Economic Development Commission obtained.

The Regional District community seminars were elitist in some respects because business and civic leaders were primary recipients of invitations but the Regional District did not restrict others from attending -- and others did attend. The seminars were small groupings and intensive three hour sessions. One can anticipate more focused discussion and more valuable interaction in 27 three hour seminars than 3 one hour luncheons. All three community strategy reports were markedly shaped by community input. The same cannot be said for the reports which comprise Northwest Studies. The technical

language of the reports is one indicator of how the provincial plan was informed.

One might argue that the basic form of the regional plan was formulated in the Technocratic Approach and therefore subsequent public participation was inconsequential. However, without the information provided from the community seminars the development ideas which had previously arisen in preparing the "Economic Opportunities" report would have lacked legitimacy, vitality and applicability. The regional plan is seen as a product resulting from the Technocratic and Participatory Approaches combined.

The elected members of the Economic Development Commission believed that the general public could and should be a part of designing the economic plan of the community. From this experiment the Commission has learned of the substantial contribution that public participation can make to economic development. Namely, the marketing plan seminars identified the small mines opportunity, the seminars assisted the Commission in defining development priorities and legitimized the Technocratic Approach. The seminars helped to justify conclusions about development priorities reached in the "Economic Opportunities" report. Effectively as authors of the marketing plans, the public contributed in a significant way to the Regional District development plan.

4) Spatial Interest:

The two plans apply to the same geographic area but very different concepts of "region" are contained in the plans. Northwestern British Columbia is described in the provincial development plan as part of a larger, essentially illimited, economic system. Moreover, the region is proclaimed a hinterland, suggesting a condition of subservience.

The Economic Development Commission plan is predicated upon organic views of the northwest. Northwest B.C. is not presented as an autonomous cultural or political system but a conception of a bounded, territorial entity is apparent. The plans' contrasting views of "space" correspond with the distinction recorded in Chapter Two between bounded, territorial "life space" (Territorial Development) and abstract, unbounded "economic space" (Functional Development).

Participants in the region's planning process identify development prospects while maintaining a view that their local areas and the northwest region are viable, territorial communities. Particularly, small-scale development opportunities described in the "Economic Opportunities" report and the Marketing Plans reflect an awareness of the local community of resources tributary to the community and local entrepreneurial interest. This in turn, provides the foundation for advocating community-level solutions to development

problems. Augmenting formation of a local or regional consciousness is that the plan is written in the context of stressful economic conditions commonly experienced throughout the northwest.

The Northwest has no significant autonomous existence given the provincial government's spatial interest. "Regional" economic planning in the domain of the provincial government is largely a misnomer. Though the province adopts a systems approach in its economic planning, the northwest is treated as an entity mostly for analytical purposes. Northwest transportation systems are devised; systems for hydro-electric power generation and transmission are conceived -- necessary ingredients in a process of integrating the northwest region into a global economy.

A motivating factor of the provincial process is that development of the region serve provincial needs. The New Frontier contains the statements:

> Few areas of the Province have as vast a potential as the North West; potential to support the Province's long-term objectives of economic growth and prosperity. In an age when there are few true frontiers left, British Columbians can proudly focus their interest and attention on the North West (The New Frontier, 1982:5).

The northwest is a hinterland of a larger, more "developed: political and economic system.

Differences between the two planning processes in the spatial interest category are attributable to the different mandates of

the planning agencies. The Economic Development Commission's jurisdiction is regional, the provincial government's interest is province-wide. However, the absence of an organic concept of region on the part of the province may be attributable to fundamental characteristics of the modern, liberal democratic state. The focus of liberal ideology on the individual is of particular importance.

Within the liberal worldview, society is guided by the rational, self-interested actions of its individual components. "The central focus of liberalism as ideology has been the individual: individual happiness, individual consumer choice, individual mobility" (Marchak, 1979:267 in Gunder, 1981:25). The liberal worldview is not organic or holistic but atomistic. When this ideology is manifested into economic policy, the kinds of "make work" employment programs and programs financially to assist workers to migrate from the region, as implemented in recent years in northwest B.C., are the result. Ironically, region-wide interests may be undermined by facilitating out-migration of skilled workers.

Furthermore, under liberalism the role of government has evolved to become one of a mediator, maintaining the "rules of the game" to prevent groups from obtaining political or economic dominance. "A classless universality is perceived to exist between all members of society (Marcuse, 1968)" (Gunder, 1981:27). When this ideology becomes translated into regional

economic policy, economic disparities are equalized with transfer payments (Gunder, 1981:27). Given senior government counter-cylical economic policy, the concept of a region as an organic entity diminishes.

5) Timing of Process:

The B.C. government planning process commenced in the Autumn of 1981 and the plan basically completed by December 1983 when The Northwest Studies were released to the public. The plan of the Economic Development Commission was begun in late 1983 and was fully conceived by January 1985 when the last of the marketing plan reports was published.

Not intending to preempt the discussion to follow on cause and effect relationships, it is sufficient at this point to state that the recession which took hold in the northwest in 1982 markedly affects the form of the regional plan. The provincial plan, though also being formulated during a period of high unemployment and permanent employment loss, was hardly affected. The provincial process may have progressed too far, and represented too substantial a commitment of provincial government resources, to change directions with the advent of recession. Alternatively, if the main reason for undertaking the plan was to provide an optimistic forecast on regional economic development, for the purposes of an election campaign,

there would be little incentive to substantially alter the planning process.

6) Deterministic or Fluid Process:

The process employed by the British Columbia government appears to be consistently leading to some inevitable conclusions. Early in the process major elements of the plan, such as reliance upon large-scale technology are determined. The remainder of the process, in which the Interministry Task Force conducts the research, is relegated to a technical exercise which supports a large-scale resource development model for the region. The provincial process is the more deterministic.

The regional process is more fluid; it is more open to considering alternative futures for the region and does not appear to be leading to any predetermined outcomes in the content of the plan. The plan's vision of a future regional economy can not be known in advance of the planning process because the process relies upon informal and often random discussion among seminar participants. The subject matter in the seminars could not be easily controlled by non-participants.

Another aspect of the seminars program was to assist local entrepreneurs or groups to mobilize to develop their own solutions to economic problems. The example of the independent

loggers was offered. Neither the solutions, nor necessarily the problems, were understood prior to engaging in the seminars exercise. The planning process is not deterministic. The planning exercise provides only an opportunity to local people to create their own futures. Achieving a preferred and clearly defined future situation, established in advance of the planning process, is not the objective of the process.

7) Role of Development Model:

A model is an abstraction, an archetype or ideal conception. In reviewing the province's planning for northwest development, it has been reported that fundamental aspects of the ensuing plan were already decided upon by the time The New Frontier and The Northwest Region were published. A model was already in place and was guiding the planning. A future for the region based on functional integration and large scale technology was formulated early on in the process or perhaps prior to the process. After the cabinet tours, the process was generally a technical exercise devoid of participation and politics. Did a model precede the process in the B.C. government plan, while the process preceded an emerging model in the regional plan?

Relative to the B.C. government process, planning by the region occurred without a well-defined vision for northwest development. For example, in the community seminars few limitations were imposed on the range of ideas or options for

development which might be discussed. A model for development must be inferred in the regional district case from the plan for regional development which, in turn, was implemented as a strategy for mineral development. The Regional District development model was an outcome of the planning process.

8) Background of Planners:

There are noticeable differences in the roles planners play in the two cases (discussed in the next category) but there are few dissimilarities in attributes or dispositions of regional and provincial planners. In spite of being limited in numbers of planners, the regional process vis-a-vis the provincial is similarly interdisciplinary and relies upon common academic backgrounds or approaches. Technical expertise is brought to bear on both plans. The most apparent difference between the regional and provincial planners is where they are located. The author of the "Economic Opportunities" report is a longtime resident of the region and would have at her disposal everyday and continuous contacts with other northwest people. Information contained in her report, and ultimately contained in the regional plan, would be based not only on "processed knowledge" but practical experience as well.

9) Role of Planner:

In Chapter One, Tom Gunton's article in Canadian Public

Administration was cited in which he develops a taxonomy of eight alternative planner roles (Gunton, 1984). This classification system will be employed to describe planner roles occurring in each of the two cases.

In the B.C. government planning process, the planner fills the role of technical expert for decision-making. Actively, or even casually relying upon scientific theory, the planner identifies alternative means to achieve the development goals defined in the political arena. Using Gunton's terminology this role is one of "Public Servant." The politician retains control over establishing the goals of planning and over the implementation of plans. Gunton claims this is the most popular view of planning (Gunton, 1984:404). "According to this view, planning was a professional activity in the sense that it involved expert analysis of means-ends relationships as well as a political activity in the sense that it sought to realize specific ends determined through a political process" (Gunton, 1984:404). Planning is seen as "a general decision-making process comprised of three components: value formulation, means identification and effectuation" (Gunton, 1984:404). Planners might assist clients in articulating values and ends but would mostly limit their activity to evaluating alternative means.

In the "Technocratic Approach," used by the Economic Development Commission, the process of plan formulation is

clearly dominated by planners assuming a technician's role. The small mines opportunity is first identified by one individual and then defined through a referral process by other technicians. It has already been stated that it is probably critical to the process, as well, that the author of the "Economic Opportunities" report possesses a combination of academic training and familiarity with the northwest region.

Importantly, the Technocratic Approach makes no overt attempt to define through a political process any regional economic goals and values. It is the decision of the planners that small and medium sized resource development opportunities be a priority; the planners decide on what the regional development problems are and the planners assume what the selection criteria for appropriate development opportunities should be. Only after the review process by various government officials and selected members of the business community is completed is the "Economic Opportunities" report presented to a representative political board and then to the general public.

Given that the regional district planners not the politicians assumed for the region its economic goals and objectives, and decided on methods by which economic development alternatives would be identified, the planning role of "Technocrat" as defined by Tom Gunton (Gunton, 1984:400-403) and not "Public Servant" should be ascribed to the Regional District. The Technocrat role is historically associated with physical

planning, planning which was applied to problems stemming from urban-industrial growth in the nineteenth century. The planner establishes community goals, identifies and chooses means. "The idea of conflicting interests and competing ends seemed conspicuously irrelevant" (Gunton, 1984:400).

The role of the planner in the community economic strategy exercise is very different. It is one of limited intervention, more as a catalyst in a situation calling for face-to-face dialogue. The planner assists clients to establish goals, to determine alternative means and implement policy. The objective of the Economic Development Commission staff members is to facilitate the exchange of information among members of the community. The community is therefore conceived as a system; its economic well-being aided by the flow of information.

The seminars provide a vehicle by which the personal knowledge of participants can be included in an economic strategy. This is in comparison with preparation of the "Economic Opportunities" report, in which the "processed knowledge" or technical expertise of the planner dominates.

Accepting for the moment that "social learning" can be applied at will to specific planning problems rather than as a method for comprehensive societal guidance, in this portion of the Regional District planning process, the planner's role is as a "Social Learner" (Gunton, 1984:413,414). Social learning

recognizes that there is disagreement in society over ultimate ends and that planners' technical skills often fail to provide the solutions to social problems. Planning as exclusively a rational, scientific activity is susceptible to failure according to this viewpoint.

The alternative provided by theorists such as John Friedmann (1973) is that planning (societal guidance) should be a continuous process in which action or policy flows from "mutual learning." Planning is informed by the practical and intimate "personal knowledge" of clients and by the "processed knowledge" of planners. Trained planners can provide analytical abilities, theories and systematic methodology to problems. Clients contribute values and norms but also realistic solutions because they know best the context. The traditional technical skills of planners are augmented by "communication and group dynamic skills" (Gunton, 1984:414).

The community seminars prove to be very productive "transactive" planning exercises. Several innovative economic development ideas were identified and community development objectives redefined. The economic strategy formulation process amounted to something akin to community "self-actualization" in which seminar participants were forced to redefine the community's basic values, goals and economic objectives. The process had strong normative characteristics.

Given the crisis proportions of the economic recession, transactive planning seemed admirably suited as a method for composing an economic plan. Nevertheless, judging from the regional case study, social learning offers little information on how one might implement those economic opportunities identified in the planning process. In the Regional District case, the process of implementing the alternative small mines technology progressively excluded involvement of the general public, whereas the social learning method demands public participation. The implementation process was characterized by negotiation among government officials and between government officials and private companies. It is a closed, political process in which the planner's skill is in bargaining and mobilizing opinion.

Causal Relationships:

This chapter has described variations which can emerge in two economic development plans which were formulated for the same area at approximately the same time. The plans differ significantly in their approaches to technology and sustained community development. There are also differences in the plans' visionary outlooks and their comprehensiveness. No difference was found in terms of promoting spatial closure over functional integration.

The analysis is intended to locate differences in the planning processes which seem to account for these variations in the plans.

Nine planning process characteristics were surveyed. From the information provided in the narrative the analysis will infer causal relationships between planning process variables and plan characteristics. These relationships will be described systematically by reviewing each process category (independent variables) and discussing their impacts on plan characteristics (dependent variables). These relationships are also shown in matrix format in Figure 7.

One finding can be presented in advance of this analysis: that the spatial closure/functional integration dimension is not affected by planning process characteristics. Very different processes are used in the cases, but there is agreement concerning functional integration in the plans. No causal relationship can be concluded from situation.

1) Planning Mandates:

The limited jurisdiction of the Regional District's Economic Development Commission contributes to the regional plan becoming reduced to a sectoral plan in its implementation. Lacking in a mandate and resources the Commission does not have the capacity to implement a comprehensive development plan. Commission staff are obliged to negotiate with senior government representatives to advance the small mines concept. The Commission adopts a selective approach to realize plan priorities. The B.C. government exercises much greater control

PLAN CHARACTERISTICS

PROCESS CATEGORIES	APPROACH TO TECHNOLOGY	APPROACH TO SUSTAINED DEVELOPMENT	SPATIAL CLOSURE/ FUNCTIONAL INTEGRATION	COMPREHENSIVE/ SECTORAL	VISIONARY/ INCREMENTAL
PLANNING MANDATES				limited jurisdiction of region vis-a-vis province limits plan to mining sector	
CENTRALIZED/ DECENTRALIZED CONTROL	appropriate (small-scale) technology an assumed value of a local process	sustained development an assumed value of a local process			
PUBLIC PARTICIPATION	participation encourages a search for appropriate solutions; appropriate technology a consequence of a local participatory process	participation encourages community self-identification; sustained development, an intrinsic value in local, participatory process			community seminars represent a fluid process; plan is visionary in outlook
SPATIAL INTEREST	regional perspective effects a search for technologically appropriate (small-scale) solutions	provincial interests do not coincide with regional; province less likely to adhere to concept of sustainable development			
TIMING OF PROCESS	recession encourages region to pursue technological alternatives; indirect effect	recession encourages self-help approaches to economic development			

Figure 7: CAUSAL RELATIONSHIPS: PLAN AND PROCESS VARIABLES

	APPROACH TO TECHNOLOGY	APPROACH TO SUSTAINED DEVELOPMENT	SPATIAL CLOSURE/ FUNCTIONAL INTEGRATION	COMPREHENSIVE/ SECTORAL	VISIONARY/ INCREMENTAL
DETERMINISM/ FLUIDITY	exploration of technological alternatives is encouraged by region's fluid process; determinism in provincial process limits consideration of alternatives				fluidity and visionary categories correspond; determinism and incremental categories correspond
ROLE OF DEVELOPMENT MODEL	model may predetermine aspects of the provincial plan and prevent exploration of development alternatives				a predetermined vision for development may explain the determinism in the provincial plan
BACKGROUND OF PLANNER	local technocrat is first to identify appropriate technology	local technocrat consciously advocates sustained development in "Economic Opportunities" report			
PLANNER ROLE	Social Learner role facilitates consideration of technological alternatives Public Servant role surrenders goals of plan to politicians	Social Learner role facilitates awareness of community of itself			Social Learner role encourages fluidity Public Servant role reinforces status quo

Figure 7 (cont.): CAUSAL RELATIONSHIPS: PLAN AND PROCESS VARIABLES

over the economy and the natural resource base. The province has much greater capacity to effect a comprehensive plan.

2) Centralized vs. Decentralized Control Over Planning Process:

There is a strong correlation between the "appropriateness" of technology and for whom planning is undertaken. The regional case study shows that emerging from a locally-based planning process -- which is reinforced by a high level of public participation -- is identification of small scale technology solutions to development problems. As the functional development model predicts, senior government relies upon a centralized planning process and comes to advocate large scale technology. Appropriate technology in the regional case seems to be almost a natural outcome of a local process, but by definition, appropriate technology is technology which fosters local control and is suitable to local conditions.

Sustained community development is also an intrinsic value of the decentralized planning process. Where the control over the planning process is based in the region, sustainable northwest economic development becomes a pre-eminent priority. Where the control over planning is located in the political centre, the interest in sustained development diminishes. The provincial attitude is to contain regional economic problems within a larger economy. The spatial interest of each process is also affected by where control over process is located.

3) Degree of Public Participation:

The community seminars used by the Economic Development Commission encouraged an unhindered exploration of development opportunities for the region. Regionally appropriate solutions such as the portable mineral concentrator are logical outcomes of a local, participatory process.

The seminar exercise further assists the community to recognize its development potential, its constraints to development and to formulate community goals. The process becomes one of community self-identification, and sustained development again an intrinsic value in the process. Informed very differently, the provincial plan reaches different conclusions regarding technology and community development.

4) Spatial Interest:

The differing spatial interests of the actors involved in the planning processes noticeably affect the outcomes in the plans. Different approaches to technology and to community sustainability are found in the cases to correspond with different spatial interests. From a regional perspective, appropriate, small-scale technology is identified; from the provincial perspective large-scale technology is recommended. The province views the northwest as a hinterland and part of a

larger economic system, and does not promote sustained development for the region.

5) Timing of Process:

The most important occurrence which happened during the course of the two planning processes was the recession. It has a marginal impact on the conclusions made in the B.C. government plan; yet, the recession indirectly but substantially shapes the regional plan. The recession and the more permanent structural transformations occurring in the northwest economy gave credence to self-help approaches to economic development. By creating the conditions for a purposeful search by the region into development alternatives, a regional self-interest is developed, sustained community development becomes an even more salient motivator and technological alternatives are uncovered.

6) Deterministic or Fluid Process:

The seminars used by the Regional District were open-ended and exploratory, hence, constitute a fluid process. As with several of the other variables, an exploration of development alternatives is facilitated and the two plans acquire different approaches to technology. The determinism which characterizes the province's process seems to reinforce a development status quo. The province does not consider alternative development options and does not steer away from the prevailing large-scale

resource development model. The regional plan is consequently the more visionary plan. The B.C. government plan is incremental.

7) Role of Development Model:

This category is similar in effect as the previous category. If a model for development precedes and influences the provincial planning process, it would partly explain the determinism in the process and some of the variations in the plans. Not constrained by a pre-determined vision for development, the region is more likely to explore new development courses. This could affect the respective approaches to technology, as well as render the regional plan the more visionary.

8) Background of Planner:

The cases do not provide much evidence on attributes of planners which affect the variations in the plans. One observation, however, is that it was a planner based in the region who first identified the smaller-scale technologies and who consciously advocated sustained community development, but the plan was not a product only of a professional planner. The regional plan could have been generated exclusively from a participatory process.

9) Role of Planner:

None of the roles taken on by the planners in either case cause variations between the plans to occur but they facilitate a divergence. In the Technician role, the planner surrenders to the politician the critical ingredients of the plan. In this case study, the provincial cabinet committee advocates a large scale technology, functional integration development model. Playing the role of Technician, provincial planners' work only maintains a status quo. The provincial plan is incremental as a result, and technological alternatives not sought.

The Social Learner role facilitates the opposite result. The community seminars are exploratory and visionary, they encourage a regional or community-based consciousness and establish the conditions for identifying appropriate technologies. In the Technocratic role, the planner sets specific criteria for appropriate forms of development which necessarily lead to approaches on technology and community sustainability different from those of the province.

CHAPTER SEVEN: CONCLUSIONS

The thesis has compared two economic plans for northwestern British Columbia and the two processes which generated the plans. Nine planning process categories were used in the analysis, the objective being to identify variations in the planning processes which cause differences to occur between the plans. The British Columbia government advocates a large-scale technology, functional integration model for regional development. The regional Economic Development Commission supports continued functional ties between the region and external economies but promotes small-scale, appropriate technology and sustainable community development.

Given the limitations inherent in the study method, it is not possible to provide deterministic knowledge about causality. In an ex post facto study, variables cannot be controlled, nor necessarily known, as would be the case in most formal studies relying upon experiment. Causal relationships can only be inferred in this case study. Nonetheless, the case study suggests that the critical variables which affect plan orientations are the level of public participation, the spatial interest of key actors in the process and the manner in which control over the planning process is centralized or decentralized.

It has not been the purpose of this exercise to evaluate the two plans--to state that one plan is better than the other. In fact,

the narrative records positive features about both plans. For example, the "top-down" plan of the province will have considerable value when commodity prices increase and the interest of large institutions in large-scale resource development in the region resumes. The plan prepares the northwest for that which is almost an inevitable future for development of the region.

An interesting opportunity to test some of these findings in future research is presenting itself in northwestern British Columbia. A change in leadership in the governing provincial Social Credit Party has brought about substantial changes in the style of government. The new premier is a populist and an advocate of decentralized government. It may be worth reviewing the process the new leadership uses to plan northwest regional development and compare it with the findings of this thesis.

In spite of not wanting to make evaluative judgements about the appropriateness of either plan, it is difficult not to be attracted by the fluidity and creativity which is part of the regional process, and which results in unusual approaches to technology and sustained community development. In contrast, a technocratic and centralized process used by the province seems to lead to predictable outcomes in the plan for The New Frontier.

The research indicates that a local, participatory process is more likely to create an orientation to sustained community development and appropriate technology than a centralized alternative such as

that of the B.C. government. The local process appears to be the more creative and more sensitive to that which is appropriate locally. Goals such as sustained development and appropriateness in technology (i.e. small-scale, local control) are intrinsic aspects of the locally-based, participatory process. They are guiding principles.

The two case studies further suggest that if there is a desire to produce economic plans which consider the goals of sustainable community development and appropriate technology, a process which is locally-based and participatory can suffice. However, this conclusion does not necessitate an interventionist role for the professional planner within the process. Though a technocratic approach was used in one component of the regional planning process, a high level of participation in the community seminars was sufficient to develop a well-conceived plan for local economic development. The Social Learner role demanded only that the planner create an environment of face-to-face dialogue. A more involved, political or advocacy role may however be required in implementing a locally initiated plan. Achievements in promoting the small mine alternative required the perseverance of local officials.

There are territorial development dimensions to the Economic Development Commission plan, such as the sustained development goal and the organic conception of the region, but the regional plan does not advocate spatial closure. In examining the territorial development model, closure and sustained community development can be

interpreted as interconnected characteristics; whereas the regional case shows that they can be seen as independent.

Early in the analysis chapter, it was determined that process variables do not have a causal relationship with the territorial closure/functional integration aspect of the economic plans. Yet, participation affects the orientation towards sustained community development in the regional plan. The concepts of spatial closure and sustained development must be disaggregated for analysis. Influences outside the nine process categories must be examined to explain why both cases support functional integration. Perhaps explanations are to be found in, simply, the market characteristics of the natural resources of the northwest region, or in more fundamental and commonly held value premises of local and provincial actors.

John Friedmann states that for regional planning to maintain its "legitimate mission," it should facilitate the articulation of community needs and suggest new avenues for development (Friedmann, 1981:15). The provincial plan, unfortunately, does not represent a visionary exploration of new development opportunities. The Economic Development Commission process is more successful in fulfilling this obligation and demonstrates the potential of a region consciously defining for itself development priorities. The process reflects an attitude of region as an organic entity, combines personal and processed knowledge from the region, and results in the identification of appropriate technological solutions to pressing

regional economic concerns. The planning program, which is taken furthest with the portable milling concept, establishes the foundations for an interesting development model. The fact that senior government and mining sector interests are now examining the suitability of portable concentration shows that the region's planning procedure was not an inconsequential exercise. In times when planning is being viewed as an incumbrance, that it hinders development, the program employed by the Economic Development Commission discloses constructive potential for planners.

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Appendix One: An Appropriate Technology: The Portable Mineral Concentrator:

Though the economic problems of northwestern British Columbia have many causes and solutions will have economic, political, and social dimensions, there was one solution prescribed at the local level which was to be largely expressed in technological terms. As outlined in the "Economic Opportunities" report, several smaller scale technologies were promoted by the Regional District to foster small enterprise development more closely tied to the kinds of natural resources available in the region and the skills and financial capacity of people resident in the northwest. It was hoped that implementation of the smaller technologies would counter the employment losses occurring within the larger industrial plants and assist economic diversification.

The technology which is central to this thesis is the portable or regional custom mineral concentrator. These are easily transportable mineral ore processing facilities which physically or through chemical action extract valuable mineral concentrates from waste rock material. Used at the mine site or within an economic hauling distance the concentrator will prepare material for later conversion at a mineral smelter.

Unlike the usual method of mine development, which requires construction of an ore processing facility on site, the custom concentrator is either completely portable and is transported to

numerous mine properties within an area or is centrally located within a region and services several properties. The portable concentrator can be carried by one or a series of trucks and is either fixed to a truck or off-loaded onto skids (Sala, 1981). In coastal areas, barge mounted portable concentrators are another alternative.

Though most uses of a portable concentrator in North America have been as bulk testing facilities to assist in determining metallurgical characteristics of properties being assessed for large mine potential, use of the concentrator for northwest B.C. is being proposed here as a production unit servicing the many small precious metals mineral deposits of the region.

In terms of geological development many areas of northwestern British Columbia are characterized by granitic intrusions into older sedimentary and volcanic rocks, resulting in small, faulted or vein-like mineral occurrences, often of economic significance (Kerby, September, 1984). Many of these so-called "hydrothermal deposits," resulting from "contact metamorphism," are of interest because they contain high grades of the precious metals of gold and silver. These properties are also of interest because many are located near the larger population centers of the region including Smithers, Stewart, Hazelton and Terrace. Access to these mineral properties is often already provided through forestry development or mines access roads. In addition, many of these mineral occurrences have been explored or developed in the past providing cost savings in new exploration work

while supporting the likelihood of encountering further mineral deposits with potential for economic exploitation.

Many of the deposits are too small to justify construction of an ore dressing facility on site, which is the most common and efficient method of mining. Because transportation costs in the northwest to move bulk commodities to a smelter are prohibitive, and the nearest smelter in British Columbia is at Trail, without concentration the only option for the small property holder is to hand sort ore. This means that only the highest valued pieces are selected (i.e. high grading) which can lead to inefficiencies in resource use.

The custom concentrator alternative is to provide ore processing facilities in a region of small deposits of similar mineralization and operated on a toll charge basis. High capital costs for equipment are reduced for the property owners, cash flow problems are improved because the small mine can generate revenue at a very early stage in development and thirdly, custom concentrators can be still used as bulk testing facilities to permit better delineation of mineral resources and resource chemistry. Where a mining company chooses to own and operate its own portable mill, the company can take "advantage of lower off-site construction costs," and can anticipate through re-sale value "greater recapture of the capital investment upon cessation of mine operations" (B.C. Mineral Quarterly, volume 2, 1986:11). Reclamation expenses may also be reduced (B.C. Mineral Quarterly, volume 2, 1986:11).

As tools to assist regional development the custom concentrator and development of small mines are proposed as are attractive by the Regional District because skills already available in the region could be transferred to this industry. Moreover, smaller technologies are appropriate for the particular geology of the northwest, the size of the capital investment is within the reach of residents of the northwest and, finally, small mines development would assist diversification and economic stability of the region.

Custom concentrators could be owned and operated by a cooperative of mineral claim holders or be government owned and operated at cost (Kerby, 1984:10). In Mexico, for example, a country which has a highly developed small mine sector, there is a strong government presence in many aspects of the industry. This assistance includes assistance in exploration and provision of regional concentrators (Salas, 1980:279-285). Other nations have established government marketing agencies for mineral concentrates (Unitar, 1980). Ownership of a portable concentrator is a critical issue as under conditions of monopoly the mine owners can become subservient to the custom mill operator.

There are a variety of technologies available which employ the custom mill concept. The most likely systems which would be used in the northwest owing to the polymetallic ore characteristics would be flotation systems or possibly gravimetric systems. A bulk concentrate would be produced containing several metals. Lead, zinc

and silver or copper and gold, for example, are often discovered in association.

As many ores of the region contain arsenic, it would be preferable to establish a stationary regional mill rather than a portable mill visiting numerous mine sites. By delivering ores short distances to a central place, tailings disposal would be much more manageable.

The most extravagant of the portable mills costs approximately $3 million Canadian (Sala, 1981). Substantially cheaper systems are available or an enterprising developer could fabricate a system using used equipment which is presently widely available. In the northwest, precious metal grades are very high, such that grades exceeding 1 oz. of gold per ton of rock are not uncommon. In a hypothetical case, assume that 20,000 tons are present grading .5 oz./ton. Over 400 working days (less than two years) 10,000 ounces of gold could be produced at a rate of 50 tons/day. At $300 U.S./oz of gold, this property has an in situ value of $3 million U.S.

For a small company, this simple arithmetic may be the beginning of a viable business. However, a production rate of 50 tons/day is a very small mine by today's industry standards (some would say anything in the North American industry below 500 tons/day is a small mine) and a larger mining company with high overhead costs demanding high returns on invested capital will rarely consider this opportunity.

Though mining has historically been at a small scale (Unitar, 1980), the prevailing structure of the mining industry in North America is characterized by a small number of very large companies engaged in capital intensive, large scale mining techniques. Small scale mining is most likely to be pursued by junior mining companies, family operations or individuals.

It can be conjectured that the existing structure of the mining industry prevents an examination of the small scale opportunity in several ways:

1. By paying high wages larger mines attract the limited mining expertise.
2. A momentum is formed drawing research monies, training and technological development into examining mining opportunities from a capital intensive perspective. There is some evidence that economic models used to calculate the viability of mines (ie. large mines) do not apply to the smaller property and therefore may show on paper that an economic small mine is uneconomic (Glanville, 1984).
3. The influence of larger mining companies on government policy and government administrative practices hinders the rebirth of small mine development.

Small scale mining need not be seen as an alternative to large scale, capital intensive mining but can coexist with large mining. The supposition here is that prevailing attitudes and perceptions on mineral resource development constrain the development of small scale

mining. By facilitating information flows among successful entrepreneurs in small scale mining, industry leaders and policy makers, the Kitimat-Stikine Regional District attempted to have this economic opportunity re-evaluated.

Finally, while the discussion thus far has been about a particular technology, and this technology was the centerpiece of a promotional strategy by the Economic Development Commission, in actuality, the custom concentrator was used as a vehicle to encourage a new industry. It was the technique of small scale mining which was of greatest importance, not the specific technology being promoted. This leaves the decisions regarding the adoption of particular technologies at the mine site up to the individual entrepreneur.

Similarly, it became the opinion of the Economic Development Commission staff that for small mining to develop, other problems beyond the technical had to be solved. This included the need to enhance the skills of prospectors, geological surveys and amendments to taxation policy regarding the small miner. However, all these issues were piggy-backed onto promotion of the custom concentrator idea, mostly to give a simple demonstration of what could be done to enhance the regional economy and to render the problems of the small miner simpler and better understood by a wider audience.