Traditionally based on forestry, ranching, agriculture, and mining, Kamloops’ economy has successfully transitioned in the last two decades towards one more based on high-technology, tourism, and manufacturing. This economic transition has helped Kamloops to attract a diverse array of corporations and businesses to locate in the city (Venture Kamloops 2006).

Prince George on the other hand has remained a “classic resource town” (Nelson, 2005, p.99) and is considered to be the service sector hub of Northern British Columbia, where big box retailers, shopping centers, and service outlets meet consumer demands and take advantage of people accessing the city via two major highways from surrounding regions (Mack, 2004). In addition to having a service-based economy, the city relies on forestry and mining in the primary economic sector, rail and air transportation, and a technology and research-based university to fuel its economy (ibid).

Many small cities and regional municipalities have sought to address demographic stagnation or decline by stimulating economic growth through a process of transitioning from a primary resource extraction base to an economy with secondary and quaternary oriented jobs (Nelson, 2005; Portnov and Wellar, 2004). For a number of small cities, success in expanding job opportunities came from a higher level of economic well-being and a broadening of industrial diversity (Siegle and Waxman 2001; Mackinnon and Nelson 2005; Cutler and Davies 2007; Bourne and Simmons 2003). Cities which have not yet transitioned from the “classic resource town” remain vulnerable to cycles of economic boom and bust (Nelson 2005, p.99). A host of problems follow a declining economy based on primary industry such as declining population, a shrinking tax base and fewer employment opportunities (Bourne and Simmons 2003; Siegle and Waxman 2001; Hoekstra 2008; Nelson 2005; Ray 2008).

Methodology

Variables used to reproduce Meyer and Hecht’s primary economic vitality indicators (Table 1) are taken from the 1996 and 2006 Canadian Census of Population. Quaternary sector employment includes occupations in management, professional and secretarial occupations in business and finance, natural applied sciences and related occupations, health occupations, social science, education, government services and religion occupations, and arts, culture, recreation and sports occupations. Variables for both census years were extracted for Kamloops and Prince George to study the evolution of the trends in the indicators.

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</thead>
<tbody>
<tr>
<td>Total Population</td>
<td>78,394</td>
<td>71,250</td>
<td>80,376</td>
<td>72,881</td>
<td>5.2</td>
<td>5.6</td>
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<tr>
<td>Total Employed</td>
<td>15,830</td>
<td>13,495</td>
<td>16,063</td>
<td>15,775</td>
<td>65.5</td>
<td>63.9</td>
<td>0.7</td>
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<tr>
<td>Manufacturing Employment</td>
<td>1,665</td>
<td>1,283</td>
<td>1,460</td>
<td>1,203</td>
<td>3.6</td>
<td>3.6</td>
<td>-2.4</td>
<td></td>
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<tr>
<td>Quaternary Employment</td>
<td>13,560</td>
<td>12,780</td>
<td>17,000</td>
<td>14,170</td>
<td>36.0</td>
<td>25.4</td>
<td>16.8</td>
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<tr>
<td>Median Income</td>
<td>36,345</td>
<td>40,299</td>
<td>38,518</td>
<td>34,947</td>
<td>8.5</td>
<td>13.2</td>
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<td>Average Value of Dwellings</td>
<td>146,914</td>
<td>135,857</td>
<td>207,242</td>
<td>178,738</td>
<td>75.6</td>
<td>31.5</td>
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</tbody>
</table>

Source: Statistics Canada 1996 and 2006

Overall in Canada, small cities like Kamloops and Prince George are experiencing different degrees of economic growth. The objective of our research was to test if Meyer and Hecht’s (1996) economic vitality indicators that were originally developed to study the impact of university campuses as regional economic growth poles, could be used to provide researchers with a simple method of empirically and objectively analyze the demographic and economic vitality of small Canadian cities. Results have shown that while certain indicators such as population change, average value of dwellings, employment rates and quaternary employment appear to correctly index the trends observed to exist between Kamloops and Prince George, others like manufacturing, employment levels and median income levels were less successful, even misleading.

From this research also make us question the wisdom of undertaking a vast analysis of the economic vitality of small cities from a small number of simple indicators. As shown, it is impossible with just a few indicators to fully capture the complexity of regional economies and to assess the nature and the timing of the transitions they may be experiencing. Smaller scale, regional analyses informed by a strong knowledge of local economic, demographic, and social conditions may be a superior tactic in assessing the economic vitality of small cities, than the system – wide solution originally sought after by our research.
Conclusion


