

Shopping and Commuting Patterns in Terrace, B.C.

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ABOUT THE PROJECT

The University of Northern British Columbia's Rural and Small Town Studies Program works with residents, service providers, voluntary organizations, business organizations, and decision makers to identify factors that contribute to the changing social and economic nature of rural and small town places in British Columbia. This study focuses upon three key aspects of local economies including changing residential and employment patterns, changing shopping patterns, and economic leakage. In particular, this research explores shopping and commuting patterns in the Northwest region of B.C. with a specific focus upon Terrace, Kitimat, and Prince Rupert.

Over the past thirty years, transportation infrastructure has been greatly improved in northern B.C. With these improvements, and an increase in alternative media and communication methods, the rural and small town retail landscape is changing. Consumers are choosing to shop in other communities (out-shopping) where they perceive the shopping may be better or they use alternative methods, such as the Internet, to purchase goods. This 'extra-community' commuting for shopping results in economic leakage where wages earned in one town may be spent on goods and services in another town. Studies have shown that the availability of goods and services, perceptions about local shopping services, and community satisfaction are important in shopping behaviours.

This report provides information to help residents, businesses, service providers, and policy makers of each community adjust to changing circumstances. This research is funded by the Canada Research Chair in Rural and Small Town Studies. The work was carried out under the direction of Greg Halseth of the Geography Program at the University of Northern British Columbia.

AVAILABILITY

Copies of all community reports were distributed within participating sites. Additionally, copies have been posted on Greg Halseth's website (<http://web.unbc.ca/geography/faculty/greg>).

Copies of the larger Shopping and Commuting Patterns in the Northwest Region, B.C.: Final Report are available in a number of locations. In Terrace, copies were deposited with the City of Terrace and the public library. At the University of Northern British Columbia, copies have been deposited at the Weller Library or can be accessed under "Printable Research Publications" on Greg Halseth's website: <http://web.unbc.ca/geography/faculty/greg>.

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We wish to thank the business representatives and government staff for their help with local logistics. Many thanks to Northwest Community College for providing us with the space to conduct our focus groups, as well as Linda Bell, Betty Campbell, John Taylor, and Sonya and Christine from the Terrace Volunteer Bureau and Senior's Information office. We would also like to thank the Terrace Public Library, City Hall, UNBC's Terrace campus, the staff at the Regional District of Kitimat Stikine, and many others for providing us with needed information and the use of office space and photocopy services.

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GLOSSARY

In-shopping: Degree to which residents purchase goods and services locally.

Out-shopping: Degree to which residents purchase goods and services out-of-town.

Extra-community commuting: The opportunity to reside in one place and commute to another for employment or shopping.

Hamlets: These places have limited services like gasoline service stations and eating and drinking establishments.

Minimum convenience centre: These places have all the services available in hamlets, as well as a hardware store, drug store, a bank, and two other convenience functions, such as a variety store.

Full convenience centre: These places have all the services available in minimum convenience centres, as well as a laundry or dry cleaning, jewelry, appliances or furniture, clothing, lumber, building materials, shores and garden supplies, and a hotel or motel.

Partial shopping centre: These places have all the services available in full convenience centres, as well as some specialty goods and services like camera stores, florists, radio, TV stores, and women's accessories.

Complete shopping centre: These places have all the services available in partial shopping centres, as well as additional specialty goods and services.

Secondary wholesale-retail centre: These places have all the services available in complete shopping centres, as well as **less than** 32 different kinds of function services in conjunction with different types of wholesaling activities. Wholesale activities include automotive supplies, bulk oil, chemicals, paint, dry goods, apparel, electrical goods, groceries, hardware, industrial, farm machinery, plumbing, heating / air conditioning, professional, service equipment, paper, tobacco, beer, drugs, lumber, and construction material.

Primary wholesale-retail centre: These places have all the services available in secondary wholesale-retail centres, as well as **more than** 32 different kinds of function services in conjunction with 14 different types of wholesaling activities.

Metropolitan retail centre: This centre offers the widest range of services.

SITE DESCRIPTION - TERRACE, BC

Located in traditional Tsimshian territory, Terrace is located in the Skeena River Valley, approximately 150 kilometres east of Prince Rupert and 60 kilometres north of Kitimat. Incorporated in 1927, the town site was initially surveyed in 1911 as a distribution point for the construction of the Grand Trunk Pacific Railway. The economy was historically based on the forest industry, but has diversified into a service centre for the Northwest region.

Construction of Alcan in Kitimat in the 1950s contributed to the growth of Terrace by providing jobs during town site and railroad construction. In the late 1950s, highway transportation links between Kitimat and Terrace were constructed. The highway between Hazelton and Terrace was paved in the early 1970s, and in 1971 a bridge was constructed across the Nass River linking Terrace with Meziadin Lake and the Stewart-Cassiar Highway. These roads opened up the north and Terrace, as a result, became a supply centre for the region.

Terrace's central location and larger population has attracted a variety of commercial services, and thus, is able to provide more selection for regional consumers. The original Skeena Shopping Mall opened in 1978 and included stores such as K-Mart and Overwaitea. Today, there are two shopping malls, which offer a wide variety of goods and services. The recent opening of Canadian Tire and Wal-Mart stores has reinforced Terrace's role as a regional shopping hub for the Northwest region. While Terrace offers a diversified retail-commercial sector, industrial restructuring and closure of some services may draw some consumers from Terrace. These stresses impact the local retail sector and may increase the potential for out-of-town shopping.

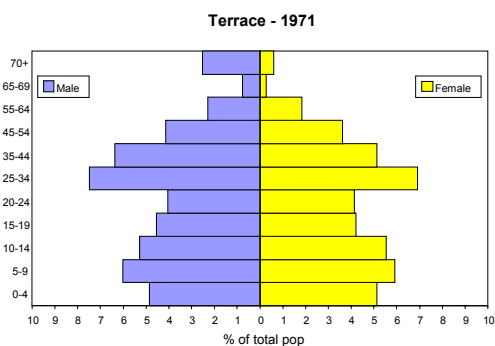


Downtown, Terrace, BC

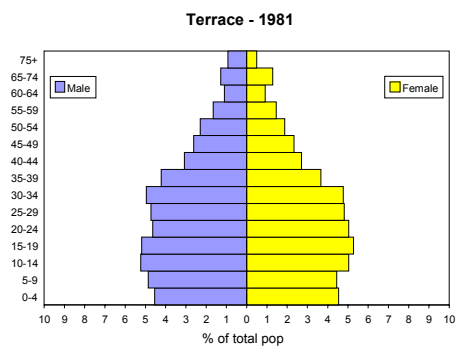
POPULATION PROFILE - TERRACE

In 1971, the population of the city of Terrace was 9,990. Just over half the population was male. The population was composed largely of young families. However, the 1970s brought uncertainty to the local economy with a rapid decline in forest industry jobs. The forest industry began to recover between 1976 and 1981, providing one-third of local employment, though concerns about the viability of the local forest industry remained. With depressed levels of employment, the province acted to locate government offices in Terrace. In 1981, the city of Terrace grew to have 10,900 people. Terrace retained a young family-oriented population. However, it is important to note that youth out-migration declined during this period as the population between 20 and 30 years of age grew.

Population of Terrace - 1971

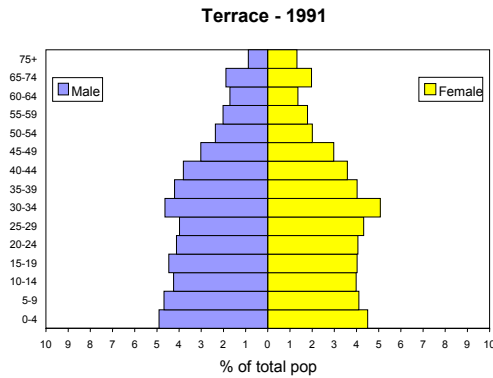


Population of Terrace - 1981



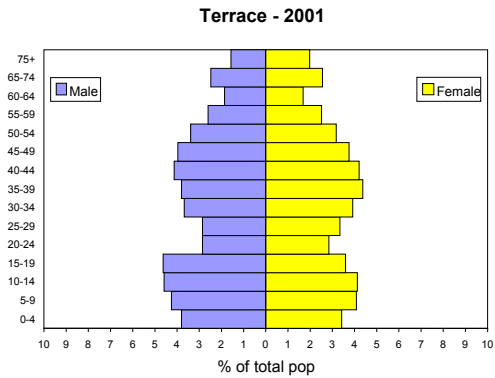
The population continued to grow to 11,430 in 1991. Youth out-migration increased during this period, but the gender gap closed. In 2001, the population of the city of Terrace increased to 12,115 people. The population for the greater Terrace area (including Thornhill) in 2001 was 19,980. However, Terrace appears to have lost younger families. The exodus of some residents may be related to troubles in the forest industry, especially the shutdown of Skeena Sawmills and the Softwood Lumber Dispute.

Population of Terrace - 1991



Source: Statistics Canada 1991

Population of Terrace - 2001



Source: Statistics Canada 2001

Terrace now has an older, family-oriented, population with a growing number of seniors. Youth out-migration continues to be notable as individuals between 20 and 29 years of age may leave to seek education and employment opportunities elsewhere. This will have important implications for the planning and delivery of a range of services that have traditionally served a young population. Again, this shift in population demographics and increase in the number of older residents will have important implications for the planning and delivery of services such as housing, recreational services, health services, and shopping.

ISSUES IN SHOPPING, COMMUTING, AND ECONOMIC LEAKAGE

The vitality of a town's retail sector, including access to a variety of goods and services and the ability to maintain a viable consumer base, is not only a gauge of the economic health of a community, but one that helps to contribute to the quality of life in rural and small town places. Within this context, the retail sector is influenced by shifting patterns of consumption behaviour such as where people live and work, community satisfaction with goods and services, and local socio-demographic characteristics.

The issues of size, location, and accessibility are important when analyzing economic leakage from the retail sector. This leakage of local retail dollars happens as consumers commute to larger regional centres to access a greater variety of goods and services. The regionalization of economic and trade activities, and improvements in transportation, have created the possibility for increased 'extra-community' commuting from rural and small town places. Consumers are also visiting larger centres for multiple reasons, such as for work, leisure, or to access services unavailable in their home communities. This separation can diminish attachment to their local community. As such, community satisfaction and quality of life play an important role in determining one's satisfaction with local retail opportunities.

Consumer behaviour is also influenced by the level of overall satisfaction with local shopping opportunities. In rural and small town retail centres, the number of shopping alternatives can be limited in terms of the actual number of establishments and the selection of goods and services. As well, some prices may be higher compared to urban centres.

Income, age, gender, education levels, and access to transportation may influence who is most likely to engage in out-of-town shopping. Different socio-economic variables can be positively or negatively related to in-shopping. For example, the older a consumer is, the more likely they are to spend a greater proportion of their resources in the local community. Many are long-term residents with social and business relationships that affect their shopping patterns. As well, the issue of mobility, or lack of mobility, plays an important role in where the older population shops. Access to income can influence shopping patterns. Individuals with lower incomes and limited transportation options may be more likely to make purchases closer to home in multi-purpose shopping trips. Residents with higher incomes tend to out-shop more than those with lower incomes. Understanding the socio-economic characteristics of a place, and hence the shopping patterns and behaviours of its members, can permit rural and small town merchants to determine which retail methods are most appropriate.

It is important to develop measures that identify areas of economic leakage within a place. In the summer of 2003, a survey was conducted to explore shopping and commuting patterns in the Northwest region of BC. This report focuses on the shopping and commuting patterns of Terrace residents and compares these patterns to the overall regional results. The study's methodology to explore the shopping and commuting patterns of each community is outlined. The first section briefly describes the historical development of Terrace. The second section examines where people live versus where they purchase goods and services. This is followed by exploring how

the accessibility of goods and services has changed over the past five years. Our study also explores alternative methods of shopping consumers may engage in. As well, consumer satisfaction with business, community, health, and government services is examined. Finally, we identify the challenges and opportunities for the retail sector as well as for community development in Terrace.

METHODOLOGY

In the spring of 2003, our research team visited Terrace, Kitimat and Prince Rupert to conduct focus groups for the shopping and commuting project, as well as to create inventories of the services that exist in each place. The focus groups were conducted with women, seniors, baby-boomers, and business members in these communities and identified a range of important topics associated with shopping. We then conducted a random household survey to further explore issues identified by focus group participants. A total of 987 surveys were sent (230 surveys in Kitimat, 344 surveys in Prince Rupert, and 413 surveys in Terrace) (Table 1).

The household survey included questions on four topic areas. Data were collected on the following items:

- location of where people lived and where people worked,
- shopping patterns for goods and services,
- community satisfaction with goods and services, and
- socio-demographic questions.

As required by UNBC, the methodology and questions for both the focus groups and survey were reviewed and approved by the UNBC Research Ethics Board.

Table 1: Response Rates

	Northwest Total	Terrace
Total Mailouts	987	413
Total Completed	384	169
Response Rate	39%*	41%

Source: Random Household Survey 2003.

*The response rate yields an error between 3.0 and 5.0%

SHOPPING PATTERNS IN TERRACE

Shopping services play an important role in retaining residents and improving the quality of life of small towns. Satisfaction with one's living situation and location may decrease if access to consumer goods and services is difficult. One way to explore economic leakage in Terrace is to examine where people live versus where they purchase goods and services. This provides a better understanding of demand, and provides an important context when examining the relationship between these services, where they are available, as well as where they are most frequently purchased or obtained. Table 2 lists the percent of Terrace respondents who purchase goods and services in the following places.

Table 2: Where do you purchase the following goods and services? - % of Terrace Respondents

Service	Kitimat	Prince Rupert	Terrace	Prince George	Other	N=
<i>Financial/Professional Services</i>						
ATM	0.7	0.0	98.6	0.0	0.7	146
Banking	0.0	0.0	99.4	0.0	0.6	167
Legal Services	0.7	0.0	90.4	3.7	5.2	135
Professionals	0.0	0.0	92.6	2.0	5.4	149
Travel Agency	0.0	0.0	94.5	0.7	4.8	146
<i>Clothing</i>						
Children's clothes	0.0	0.9	87.9	3.4	7.6	116
Men's clothing	0.0	0.0	80.4	6.8	12.8	148
Women's clothing	0.6	0.0	76.1	6.5	16.8	155
Shoe stores	0.0	0.0	83.2	3.7	13.0	161
<i>Automotive, Appliances, & Equipment</i>						
Automotive	0.0	0.0	98.7	0.0	1.3	159
Camera Store	0.0	0.7	89.4	5.7	4.3	141
Construction	0.0	0.7	97.2	2.1	0.0	145
Furniture	0.0	0.0	93.4	2.6	3.9	152
Hardware	0.0	0.0	100.0	0.0	0.0	160
Home furnishings	0.6	0.0	92.9	2.6	3.9	154
Lawn & garden	0.0	0.0	99.4	0.0	0.6	160
Major appliances	0.0	0.0	93.3	3.3	3.3	150
Motor vehicles	0.0	1.4	82.4	2.7	13.5	148
Radio/T.V. store	0.0	0.0	90.8	3.3	5.9	153
<i>Convenience & Specialty</i>						
Books	0.0	0.6	93.7	2.5	3.2	158
Convenience goods	0.0	0.0	100.0	0.0	0.0	168
Drug store	0.0	0.0	100.0	0.0	0.0	165
Dry cleaners	0.0	0.0	100.0	0.0	0.0	136
Florists	0.0	0.0	97.3	0.0	2.7	150
Gas station	0.6	0.0	98.1	0.0	1.3	160
Groceries	0.0	0.0	100.0	0.0	0.0	166
Hairdresser	0.6	0.0	99.4	0.0	0.0	160
Music store	0.7	0.0	87.4	1.5	10.3	135
Paper/art supplies	0.0	0.0	94.8	0.7	4.4	135
Specialty food	0.0	0.0	99.3	0.0	0.7	147

Source: Random Household Survey 2003.

Overall, there appears to be a relationship between the frequency in which goods and services are purchased and out-of-town shopping. Financial and professional services, as well as frequently needed convenience goods and groceries, were largely purchased in town. Items more likely to be purchased out-of-town by Terrace respondents include clothing, motor vehicles, and shoes. Such purchases are made less frequently and respondents may purchase these goods in larger centres, including Prince George, Vancouver, Edmonton, Kelowna, and Victoria. Larger centres such as these draw upon a greater market area and are able to provide a wider selection of products and choice of stores for specialized goods and services.

How Shopping Services Changed Over the Last 5 Years

Commuting for services, such as health care or government offices, can lead to multi-purpose trips that may include shopping, and subsequently, may lead to economic leakage. Therefore, the health of the retail sector will also be impacted by the accessibility and availability of services. Terrace respondents were asked to rate whether a range of professional and retail services became easier or more difficult to access in their local community over the past five years (Table 3).

Table 3: Change in Accessibility of Services
 Rating: 1=easier; 2=same; 3=more difficult.

Service	Northwest		Terrace	
	Rating	N=	Rating	N=
<i>Financial/Professional Services</i>				
ATM	1.65	322	1.58	141
Banking	1.85	362	1.79	160
Legal Services	2.06	249	1.98	104
Professionals	2.00	274	1.90	115
Travel Agency	2.02	303	1.95	133
<i>Clothing</i>				
Children's clothes	2.23	227	2.10	104
Men's clothing	2.25	312	2.05	131
Women's clothing	2.35	315	2.14	143
Shoe stores	2.36	342	2.11	151
<i>Automotive, Appliances, & Equipment</i>				
Automotive	2.00	324	1.77	140
Camera Store	2.11	281	1.97	113
Construction	2.15	300	2.00	130
Furniture	2.48	309	1.96	136
Hardware	2.10	340	2.00	148
Home furnishings	2.18	316	1.99	137
Lawn & garden	2.02	327	1.78	145
Major appliances	2.18	296	1.99	128
Radio/T.V. store	2.23	300	1.97	131
<i>Convenience & Specialty</i>				
Books	2.01	311	1.92	134
Drug store	2.04	356	1.82	160
Dry cleaners	1.97	271	1.93	123
Florists	1.98	304	1.90	131
Gas station	1.87	346	1.82	151
Hairdresser	1.95	349	1.92	154
Music store	2.23	268	2.00	114
Paper/art supplies	2.07	268	1.98	114

Source: Random Household Survey 2003.

Overall, Northwest respondents (including all respondents from Kitimat, Prince Rupert, and Terrace) indicated that service accessibility has remained generally the same. There were some notable exceptions with ATM and banking services becoming easier to access. Certain larger items and specialty goods, such as furniture, radio/TV equipment, and clothing, were cited as more difficult to access across the region. While the Terrace findings generally follow the regional results, the respondents indicated that some goods and services were thought to be easier to access in recent years. This bodes well for Terrace as residents are less likely to engage in out-of-town shopping.

Reasons Products/ Services Are Not Purchased Locally

Terrace respondents identified reasons why certain goods and services are purchased in other places (Table 4). Respondents were asked to rate which reason was most important to least important for purchasing products and services out-of-town.

Table 4: Reasons Products / Services Not Purchased Locally

Rating on 7 point scale:

1 = most important

4 = neutral

7 = least important

Reason	Northwest		Terrace	
	Rating	N=	Rating	N=
Selection	1.93	263	1.84	98
Price	2.19	265	2.19	97
Quality	2.81	257	2.53	93
Service	3.43	250	3.35	89
Hours of operation	4.95	243	4.84	88
Like to travel out-of-town	4.93	244	4.81	86

Source: Random Household Survey 2003.

Limited selection, prices, and quality of service were cited as reasons why shoppers in Terrace, and throughout the Northwest, purchase goods or services in other communities. The implications of the out-of-town multi-purpose shopping trip, whether it be for recreational purposes, price comparison, or to access a wider variety of goods and services, decreases demand for local retail and contributes to a cycle that can perpetuate stagnation and decline of small town retail service centres.

Technology

The potential for technology to change the rural landscape permeates all facets of life, including consumer shopping habits. This can have a major impact on consumers' habits. The advent of cyber-shopping via the Internet, along with other methods of direct home shopping, such as mail and TV ordering, has created another means of out-shopping. As such, respondents were asked to identify if, and how often, they use alternative methods of shopping (Table 5).

Table 5: Alternative Methods of Shopping

Note: 1=daily; 2=weekly; 3=monthly; 4=seasonally; 5=rarely.

Service	Northwest	User %	Terrace	User %
Catalogue	4.22	89.1	4.30	88.7
Craft sales	4.42	58.9	4.44	52.7
Farmer's market	4.01	63.5	3.71	71.0
Garage sales	4.15	57.8	4.13	59.8
Home parties	4.74	47.7	4.80	49.7
Internet	4.18	57.8	4.35	48.5
Newspapers	4.19	54.9	4.17	55.6
Pawn shops	4.79	32.0	4.73	28.4
Teleshopping	4.87	33.3	4.86	30.8

Source: Random Household Survey 2003.

Across the Northwest region, at least half of all respondents have used catalogues, craft sales, the Internet, garage sales, farmer's markets, thrift stores and newspapers as alternative methods of shopping. Most used these alternative methods on a seasonal or rare basis. Overall, Terrace respondents also used alternative methods to purchase goods and services on a seasonal or rare basis. However, findings indicated that the farmer's market was an alternative method used most frequently by Terrace respondents.

Summary

Shopping services play an important role in local quality of life. Shopping is also a form of recreational and social activity that helps to build community relationships through routine social interaction. As such, shopping services may help to retain and attract residents and business development. However, satisfaction with shopping services can be influenced by a range of socio-economic factors, transportation changes, and new technology, as well as by selection, price, and quality of goods and services.

In Terrace, most respondents purchased financial, professional, and convenience goods and services locally. However, there were important exceptions, such as men's clothing, women's clothing, shoes, and motor vehicles. They were more likely to in-shop for items used or purchased on a more frequent basis. Price, selection, and quality of service were all listed as important factors in resident's decisions to shop in centres such as Prince George, Vancouver, or Victoria. Out-of-town shopping is not the only way economic leakage can occur. Respondents were also asked how often they used alternative methods for shopping such as the Internet or catalogues. Findings indicate, however, that alternative methods of shopping were not as yet used frequently. These questions are important because the consequences of spending local dollars in another place, or by other methods, can lead to a decreased local customer base and the decline of retailing in rural and small town places.

SATISFACTION WITH SERVICES

When consumers are not bound by trade areas, then socio-demographic factors and community satisfaction become more important in explaining the location of shopping patterns. Specifically, out-of-town shopping trips may be facilitated by dissatisfaction with local services or the need to access services outside of the community.

Business Services

Small businesses provide a range of activities within a place that can enhance local quality of life, as well as its viability and stability. Business members also play a key role in the community through membership or leadership roles in volunteer organizations, as well as through the sponsorship of local events. Respondents were asked to rate whether they were very satisfied with local businesses (Table 6).

Table 6: Satisfaction of Business Services in Northwest Communities

Rating on 5 point scale:

1 = very dissatisfied

3 = neutral

5 = very satisfied

Business Services	Northwest		Terrace	
	Rating	N=	Rating	N=
Accountants/Bookkeeper	3.82	209	3.97	96
ATM	4.11	337	4.18	147
Banks	3.90	366	3.98	161
Clothing Store	2.61	359	2.92	157
Credit Unions	3.92	251	4.02	101
Drug Store	3.75	369	4.09	164
Entertainment	2.95	347	3.07	152
Financial Advice/Services	3.46	277	3.67	121
Gas Station	3.99	359	3.47	159
Grocery Store	3.95	370	4.10	163
Furniture Store	3.02	322	3.61	145
Inter-Community Bus Service	3.35	233	3.69	90
Legal Services	3.51	241	3.73	99
Passenger Rail	2.88	212	3.18	89
Second-Hand Clothing Store	3.51	236	3.76	115
Sit Down/Dining Restaurants	3.21	372	3.36	166
Take-Out/Fast Food	3.17	353	3.63	152
Vegetarian Dining	2.59	144	2.87	55

Source: Random Household Survey 2003.

Respondents throughout the Northwest were generally neutral with respect to business services. Terrace respondents were the most satisfied with ATMs, grocery stores, and credit unions.

These services were used most frequently by respondents. High satisfaction rates regarding credit unions in Terrace may be due to improved operations through the adoption of technology. Recently, the credit unions have become connected to the Internet. However, there were some important sources of dissatisfaction, especially with clothing services and vegetarian dining. In the past year, the Jeans North store in Terrace announced they would be closing. Though Terrace has been less impacted by business closures than other Northwest communities, any retail or commercial closures or dissatisfaction with current services may increase out-of-town trips in search of a wider selection of goods and services. The loss of shopping services also affects the social fabric of a community as shopping plays an important role in fostering daily social interaction. This places additional pressures on local businesses to support the community.

Health Services

Health services, such as long term residential care, home support, meals-on-wheels, and doctors, have experienced new pressures and demands from a growing seniors' population in Northwest BC. Terrace has experienced a loss of young families and a proportional increase in retirees, as well as residents who are close to retirement. This will have important implications for a range of health and social services. In order to gauge satisfaction with local health services, respondents were asked to rate these services from very dissatisfied to very satisfied (Table 7).

Table 7: Satisfaction of Health Services

Rating on 5 point scale:

1 = very dissatisfied

3 = neutral

5 = very satisfied

Health Services	Northwest		Terrace	
	Rating	N=	Rating	N=
<i>General Health Services</i>				
Ambulance Services	3.56	252	3.41	104
Dentist	4.05	356	4.03	154
Emergency Room	3.44	321	3.39	145
Family Doctor	3.98	375	3.92	167
Public Health Nurse	3.85	192	3.94	82
Social Services	2.77	159	2.90	62
Therapy Services	3.02	119	3.38	42
<i>Specialized Health Services</i>				
Chiropractor	3.79	212	3.93	94
Dietician	3.41	163	3.38	55
Homemaking Services	3.18	116	3.38	39
Home Support Services	3.92	143	3.35	54
Long Term Res. Care	2.95	141	3.13	54
Massage Therapist	3.64	163	3.93	70
Meal Programs	3.06	96	3.30	40
Occupational Therapist	3.30	132	3.37	46
Optometrist	3.76	332	3.97	147
Orthodontist	3.43	183	3.53	85
Physiotherapist	3.58	192	3.83	89
Pre/Post Natal	3.56	124	3.63	52
Respiratory Therapist	2.97	78	3.17	30
Respite Care	2.97	93	3.26	39
Speech Therapist	3.06	108	3.56	39

Source: Random Household Survey 2003.

Across the Northwest, the general pattern indicates that respondents were satisfied with dentist and family doctor services. Overall, satisfaction levels with health services in Terrace were high with services continuing to develop in the community. Mills Memorial Hospital has increased access to surgical services by becoming a regional medical service centre. As well, in recent years the hospital has gained ten beds. However, Terrace respondents expressed some dissatisfaction with social services. It is important to note that these services also received dissatisfaction scores on a regional level. As well, residents from Terrace must travel to Kitimat for bone scans. The closure or lack of health and social services has important implications for economic leakage. With service closures, residents may shop during out-of-town trips to access health and social services. An increase in out-of-town trips for a variety of purposes may lead to community dissatisfaction and even out-migration.

Community Services

Community services are an important local foundation, especially during times of economic and social stress. Recreational amenities and support can also enhance the quality of life of the population and special interest groups such as seniors and youth. Such services provide an opportunity for engagement and interaction to build community development relationships. Respondents rated their satisfaction levels with the following community services (Table 8).

Table 8: Satisfaction with Community Services

Rating on 5 point scale:

1 = very dissatisfied

3 = neutral

5 = very satisfied

Community Services	Northwest		Terrace	
	Rating	N=	Rating	N=
<i>Community Support</i>				
Adult Education Services	3.16	263	3.25	107
Animal Welfare/Services	3.64	274	3.71	109
Counseling Services	3.12	187	3.26	81
Public Transportation	3.58	297	3.29	119
Senior Services	3.42	172	3.44	77
Support Groups	3.35	156	3.38	61
<i>Community Recreation</i>				
Bowling	3.35	263	3.52	118
Golf Course	4.11	265	4.23	109
Movie Theatre	3.16	339	2.56	140
Municipal Parks	3.61	358	3.66	157
Museum/Archives	3.62	325	3.26	129
Public Library	4.01	359	4.10	155
Indoor Recreation Facilities	3.72	336	3.20	139
Outdoor Recreation Facilities	3.65	329	3.56	136
Recreation Programs	3.67	310	3.50	127
Stage Theatre	3.71	256	3.63	104
Swimming Pool	3.90	338	3.66	145

Source: Random Household Survey 2003.

Northwest respondents indicated they were generally satisfied with community services. The results also indicated high satisfaction rates with public library services, counseling and support group services, and municipal parks. These are positive findings as recreational activity and facilities have been positively associated with community satisfaction, and therefore, play an important role in attracting and retaining residents and businesses. Terrace respondents expressed some dissatisfaction with the movie theatre (particularly with movie theatre seats). However, Terrace respondents were more satisfied with the golf course and the public library. In the past few years, the Skeena Valley Golf and Country Club benefited from the expansion of a 9 hole golf course to an 18 hole golf course, the installation of a new irrigation system, development of a pro shop, and the expansion of the clubhouse.

Provincial Services

Terrace has faced some closures and downsizing of provincial services over the past few years. We asked respondents to rate their satisfaction with provincial services in their community (Table 9).

Table 9: Satisfaction with Provincial Services

Rating on 5 point scale:

1 = very dissatisfied

3 = neutral

5 = very satisfied

Provincial Services	Northwest		Terrace	
	Rating	N=	Rating	N=
Court Services	2.77	209	3.12	82
Elementary Education	2.92	264	2.90	111
Secondary Education	2.88	256	2.87	106
Post Secondary Education	2.77	255	3.12	105
Employment and Benefits Centre	2.73	197	2.88	80
Liquor Store	3.90	327	3.88	138
Ministry of Forests	2.88	208	2.87	102
Ministry of Highways	2.56	263	2.63	122
Skills and Labour	2.70	203	2.86	85
Social Worker	2.79	161	2.81	64
WCB Assistant	2.56	205	2.48	89

Source: Random Household Survey 2003.

Across the Northwest respondents were generally dissatisfied with services by the Ministry of Children and Family and the Ministry of Highways. Terrace respondents were particularly dissatisfied with WCB assistance, the Ministry of Highways, social worker services, and elementary and secondary education. This may be a reflection of service closures. In 1998, there were cutbacks to school music programs in Terrace. As well, the newly constructed Mountainview Elementary School was closed before it opened due to a decline in enrolments that was felt to be related to closures associated with Skeena Cellulose. In 2003, the Coast Mountain School Board, which serves both Kitimat and Terrace, announced a four day school week to begin in September. Consequently, support staff services are not required on Fridays. However, over the past decade, a number of jobs have been regionalized in Terrace, such as the BC Assessment Office. Pacific Natural Gas opened a call centre in Terrace in 2000 and UNBC opened a northwest regional office in Terrace that same year.

Federal Services

In recent years, the Northwest has faced closures and downsizing of federal services, which may place additional strain on the local retail sector as residents have to leave town to access these

services. Respondents were asked to rate their satisfaction with the following federal services (Table 10).

Table 10: Satisfaction with Federal Services

Rating on 5 point scale:

1 = very dissatisfied

3 = neutral

5 = very satisfied

Federal Services	Northwest		Terrace	
	Rating	N=	Rating	N=
Employment Insurance	2.89	215	3.14	92
HRDC Office	2.99	172	3.27	70
Port/Harbour Commission	2.97	137	3.40	30
Post Office	3.71	365	3.74	160
RCMP	3.81	350	3.79	149
Revenue Canada	3.07	290	3.18	127

Source: Random Household Survey 2003.

Throughout the Northwest region, respondents were generally neutral with respect to federal services. However, respondents were more satisfied with RCMP and post office services, which scored higher satisfactory rates. Terrace respondents expressed more satisfaction with the Port/Harbour Commission, Employment Insurance, and HRDC services. With a regionalization of services to larger centres, Terrace may not be as greatly affected by federal service closures as other Northwest communities.

Reasons for Out-of-Town Trips

Changing local access, improvements to transportation infrastructure, the development of other centres, and socio-economic factors can place pressure on smaller retail markets. Commuting to another city for services and other reasons can lead to out-shopping, thereby contributing to the leakage of local dollars. Respondents were asked to identify reasons for out-of-town trips (Table 11).

Table 11: What are some of your reasons for out-of-town trips?

Reason	Northwest	Terrace
	Percent	Percent
Social	26.4	29.5
Vacation/Entertainment	25.4	28.2
Shopping	22.3	16.9
Medical Reasons	12.8	10.8
Business	6.2	8.5
Professional Services	4.6	4.1
Volunteering	1.2	1.0
Other	1.3	1.0
	n=955	n=390

Source: Random Household Survey 2003.

More prominent reasons for out-of-town trips by Northwest respondents included vacation and entertainment, social trips, and shopping. This was followed by respondents who made out-of-town trips for medical reasons, business trips, to access professional services, and volunteering. Again, the findings reinforce the role of non-shopping related trips as potentially contributing to out-of-town shopping opportunities.

Summary

Out-of-town shopping and economic leakage may occur as residents travel to access a range of services outside of their community. Large distances and low population densities create challenges to maintaining services with high delivery costs in rural and small town places. At the same time, federal and provincial governments in Canada have been reducing government expenditures in rural service delivery. In the Northwest region of BC, community services received the highest satisfaction levels, while greater concerns were expressed about provincial government and business services. In some cases, dissatisfaction with services were associated with downsizing or closures, and while there appeared to be a relationship between dissatisfaction with business services and out-of-town trips (specifically clothing services), there did not appear to be a strong relationship between the dissatisfaction with other services and out-of-town trips. The loss of government services can lead to not just a loss of jobs, but also a loss of skilled residents and leadership in the community.

CHALLENGES AND OPPORTUNITIES FOR TERRACE

The retail landscape is changing in the Northwest region of British Columbia. With transportation and communication improvements, access to a variety of goods and services outside one's community can have a profound affect on the health of a small town retail centre. Shopping services play an important role in retaining and attracting residents and businesses. The success of a retail centre not only helps to keep local dollars in the community, but also provides employment and a form of recreation, as well as facilitating local social interaction. This can be particularly important in rural and small town places, as a range of services can provide local quality of life. At present, many services are delivered through cost-effectiveness models, which too often ignore the context of rural and small town places, with the result that services become concentrated in larger centres. Unfortunately, if an exodus of services leads to a decline in the population of a place, this can place additional pressures on the remaining retail and services sectors.

Within this context, we wanted to explore the linkages between commuting and shopping patterns in three northwest communities and identify issues that affect the availability of services. This report identifies issues that affect Terrace's local retail economy and looks at comparisons between the community and the Northwest region generally.

With a diversified economy and a strong retail-commercial base, Terrace has solidified its role as a regional service hub in the Northwest. While downsizing and closures exist in Terrace, selection, price, and quality of service appear to be key factors affecting out-of-town shopping. In order to access such goods and services, Terrace shoppers are purchasing some items in larger centres such as Prince George, Vancouver, and Victoria. Residents are more likely to shop in larger urban centres for items such as clothing, shoes, and motor vehicles.

Terrace residents also face challenges in accessing provincial services as a result of the closure or transferring of services to other communities. As such, difficulty in accessing services may lead to out-migration. Fortunately, Terrace has a wide range of shopping, community, and recreation services, which have been positively associated with community satisfaction. These assets will go a long way, not just in attracting economic activity, but also for retaining residents and local businesses.

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