

LEADERSHIP AND VISION – BENCHMARKING FOR NORTH STAR 2010 Volume II – Internal Performance Review: Regional

Backgrounder

The BC Progress Board has two mandates:

- Benchmarking BC’s performance over time and relative to other jurisdictions; and,
- Providing strategic advice to the Premier and government on measures to improve BC’s economic performance and its social policy supports.

The two volume fourth annual benchmarking report, *Leadership and Vision: Benchmarking for North Star 2010*, confirms the leadership benchmarks established in the Progress Board’s first report. The Board believes that British Columbia has all the attributes to be a leader in Canada by 2010.

Special Topic: A “Primer” on Energy Supply

In some of its past work, the BC Progress Board has suggested, among other things, the province actively pursue large scale, private-sector financed and managed growth-driving projects. Underlying this suggestion was the development of off-shore oil and gas in the Northwest, the prospect of on-shore exploration and development in the Bowser and Nechako Basins, further oil and gas development in the Northeast and possibly hydro- and other electric power generation.

The case for exploring and, if feasible, exploiting untapped oil and gas reserves (both on- and off-shore) is compelling when judged against the success of the Northeast during the last decade, the positive experience of other similar sized jurisdictions elsewhere, and the renewed focus on securing domestic and North American energy supplies in the wake of the 9/11 terrorist attacks in the United States.

Securing a low-cost domestic supply of electricity will be necessary to meet future industrial, commercial and residential requirements in British Columbia. At the same time, the province could benefit from the additional “basic income” that surplus energy destined for United States markets could offer as part of overall efforts to provide additional quality employment and income on the Coast and in the Interior, while contributing provincial revenue in support of health care, education and other government services.

Benchmarking Regional and Urban Performance

The Progress Board continues to broadly benchmark Regional and Urban Performance on 17 indicators of economy, innovation, education, environment, health and society.

On indicators of *economy, innovation and education*, urban British Columbia (defined as the Vancouver Census Metropolitan Area - CMA) outperforms regional BC (outside the Lower Mainland) on eight out of ten performance indicators: employment rate, taxfilers’ employment income, housing starts, non-residential building permits, secondary school graduates, university completion, employment in natural sciences and related occupations, and net new business formation. Regional BC continues to perform better than urban BC on retail sales and manufacturing shipments. Some key findings include:

- Slightly more than half of all manufacturing shipments originate outside of Vancouver and Victoria. The proportion of shipments from these two cities fell between 1990 and 1999 but rebounded somewhat since

1999. In 2002, Vancouver was responsible for 47.2% of all shipments, Victoria for only 2.0%, and Regional BC for the remaining 50.9%.

- Real per capita retail sales were \$8,544 in the Vancouver CMA and \$9,110 in the Victoria CMA and Regional BC combined in 2003. The Vancouver CMA witnessed decreases in real per capita retail sales in every year between 1995 and 1999 and again in 2003; areas outside of the Vancouver CMA had decreases in 1995 and 1998.
- Housing starts per 1,000 population in 2003 were up 58.1% in Regional BC, 82.7% in the Vancouver CMA and 128.1% in the Victoria CMA over their level in 2000. Unfortunately, 2000 was a trough year for the Vancouver and Victoria CMAs while 2001 was a trough for Regional BC.
- The inflation adjusted value of non-residential building permits in 2003 in the Vancouver CMA was 15.8% (\$144.1 million) lower than the value of permits in 1994. Similarly, the real value of permits was 8.1% (\$52.4 million) lower in 2003 in Regional BC than in 1994 but was 67.6% (\$78.8 million) higher in the Victoria CMA.
- The percentage of BC's population with a university education grew by 29.5% between 1994 and 2003. Over the same period, the Vancouver CMA had growth of 29.8%, Regional BC had growth of 27.2% and the Victoria CMA had growth of 2.4% in the proportion of the population (aged 25-64) with a university education.

Supplemental indicators benchmarking inter-regional performance outcomes are included for: Jobs (employment rate), Employment Income, and Manufacturing Shipments by Development Region. High school completion by school district and benchmarking of Aboriginal employment, income and education against the general population are retained and updated where possible. While there is little in the way of data updates for the Aboriginal population, the importance of the topic merits its continued inclusion. Some key findings include:

- The Northeast had the highest employment rate among the Development Regions in 2003 and for the 1995 through 2003 average. Its average employment rate was 4.0 percentage points (6.1%) higher than 2nd ranked North Coast & Nechako. Over the period of analysis, the lowest employment rate among the Development Regions was the Thompson – Okanagan's 53.7% in 2002. Over the same period, the highest rate observed was the Northeast's 1995 and 2003 values of 71.4%.
- Seven Development Regions saw increases in their real per capita income between 1992 and 2001. The exception was the North Coast which had a decrease of 0.7%. The increases range from 4.2% in the Vancouver Island and Coast Development Region to 28.7% in the Northeast.
- The Nechako and Cariboo development regions had the highest real per capita manufacturing shipments in 2002 at \$22,161 and \$20,212, respectively, and the highest 1998-2002 average values as well. The Vancouver Island & Coast development region had the lowest level of manufacturing shipments in 2002 at \$4,733 and for 1998-2002 at \$4,914.
- In 2002/03, BC had a completion rate of 79% for all students and 46% for Aboriginal students. British Columbia's high school completion rate varies considerably by school district, from 92% in West Vancouver to 25% in the Stikine.
- BC's Aboriginal population (ages 15 and older) reported a 62.9% labour force participation rate in 2001, with a 48.7% employment rate and a 22.5% unemployment rate. In contrast, BC residents in total (ages 15 and older) reported a slightly higher 65.2% participation rate with a 59.6% employment rate and a significantly

lower 8.5% unemployment rate. The median income of all British Columbians 15 years of age and over is \$22,095, while the province's Aboriginal population is \$13,242.

Of seven indicators of urban versus regional performance related to *environment, health and society*, Regional BC outperforms the Vancouver CMA on three: low birth weight infants, personal and property crime rate and social condition (low income incidence). BC's largest urban region – the Vancouver Census Metropolitan Area – performs better than Regional BC on local air quality, the percentage of the population served by wastewater treatment, life expectancy at birth and cancer mortality rates. Some key findings include:

- On average, life expectancy at birth increased by 4½ months per year in the Vancouver CMA between 1994 and 2003. Similarly, it increased on average, by 3½ months per year in the Victoria CMA, by 2½ months a year in Regional BC, and by 3½ months a year in BC as a whole.
- Air quality, as measured by the annual mean concentration of PM₁₀ particulates, improved in Vancouver, Langley, Kamloops, Kelowna, and Prince George between 1994 and 2000 by at least 6.8% (Vancouver) and by as much as 26.1% (Kelowna). Campbell River's air quality increased by 10.0% between 1998 and 2000.
- In 2002, the low income ratio in the Vancouver CMA was 5.5% (1.1 percentage points) lower than the city's 10 year average. The ratio in the Victoria CMA was 7.8% (1.3 percentage points) lower than its average and Regional BC's ratio was higher by 20.0% (2.4 percentage points).

Supplemental benchmarking using data from the five regional health authorities is included, featuring: cancer mortality, cardiovascular disease mortality, and low birth weight infants. The report also compares income assistance and employment insurance rates on an urban versus regional basis, crime rates by Municipality and includes a special topic box benchmarking Aboriginal population and health versus the general population. Some key findings include:

- Over the period 1994 to 2003, the Vancouver Coastal Health Authority had the lowest cancer mortality rate of 13.4 deaths per 10,000 population. The cancer mortality rate in 2003 is lower in every Health Authority than in 1994. Overall, British Columbia's cancer mortality rate was 10.4% lower in 2003 than in 1994.
- The lowest 2003 mortality rate from cardiovascular disease (15.4 deaths per 10,000 population) was in the Vancouver Coastal Health Authority. Mortality rates from cardiovascular disease were significantly lower in 2003 than in 1994 all across BC.
- The Vancouver Island Health Authority had the highest 2003 rate of low weight births (5.7%). The Fraser Health Authority had the highest rate of low weight births, on average between 1994 and 2003, at 5.3%. The Northern Health Authority had the lowest rate of low weight births in 2003 (4.0%) and the lowest 1994 through 2003 average rate (4.6%). No clear trend in the incidence of low weight births is evident over the period 1994 through 2003.
- British Columbia's Status Indian population is growing more rapidly than the overall population. As with employment and education indicators of economic well-being, the Status Indian population is generally showing improvement relative to both past performance and to the BC population as a whole. However, despite improvements, a gap between BC's Status Indians and the general population persists on key health outcome indicators such as life expectancy and low birth weight infants. For example, life expectancy among the Status Indian population in BC in 2002 was 77.2 years – three and a half years shorter than BC's overall life expectancy of 80.8 years.