

BUILDING ON OUR PROGRESS – STRIVING FOR EXCELLENCE

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.

This document is Volume II of the BC Progress Board's sixth annual benchmarking report, *Building On Our Progress: Striving for Excellence*.

Special Focus: Update on Demographics and Population Patterns in BC

Over the next four decades, many developed countries will likely experience a significant ageing of their populations. This is driven by the combination of declining fertility rates since the late 1960s and increasing life expectancy in recent years, and is most commonly discussed in relation to the ageing of those born between 1944 and 1964, the baby boom generation. An ageing population is a concern for a number of reasons, but the main one is pressure on public finances in general and health care spending in particular as most health spending occurs late in life.

British Columbia is going through a transition period, with growth in larger urban centers and population ageing expected to continue to impact BC's economic evolution. There is considerable variation among BC's Development Regions in expected population growth and dependency ratios. A general pattern of increased dependency ratios at or around 2011 is seen in all Development Regions.

Benchmarking Regional and Urban Performance

The Progress Board broadly benchmarks Regional and Urban Performance on 18 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:

- 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 since 1999. In 2003, Vancouver was responsible for 47.8% of all shipments, Victoria for only 2.2%, Abbotsford for 3.7% and Regional BC for the remaining 50.0%.
- Real per capita retail sales were \$8,379 in the Vancouver CMA and \$10,373 in the Victoria CMA, Abbotsford CMA and Regional BC combined in 2005. The Vancouver CMA witnessed decreases in real per capita retail sales in every year between 1996 and 1999 and again between 2003 and 2005; areas outside of the Vancouver CMA had decreases in 1998 and 2003.
- Housing starts per 1,000 population in 2005 were up 118% in the Vancouver CMA, 127% in the Victoria CMA, 131% in the Abbotsford CMA and 145% in Regional BC over their

levels in 2000. Unfortunately, 2000 was a trough year for the CMAs while 2001 was a trough for Regional BC.

- The value of real per capita non-residential building permits had been steady or falling for much of the 1993 through 2002 period, the average annual growth was negative 4.5%. BC experienced growth of 3.0% between 2002 and 2003, 6.7% between 2003 and 2004 and 50.2% between 2004 and 2005. All regions in BC shared in the recent growth.
- The percentage of BC's population with a university education grew by 28.5% between 1996 and 2005. Over the same period, the Victoria CMA had growth of 30.4%, the Vancouver CMA had growth of 27.6%, Regional BC had growth of 17.9% and the Abbotsford CMA's proportion of the population (aged 25-64) with a university education grew by 15.5%.

Supplemental indicators benchmarking inter-regional performance outcomes on: Jobs (employment rate), Employment Income, and Manufacturing Shipments by Development Region are included. 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 2005 and for the 1996 through 2005 average. Over the period of analysis, the lowest employment rate among the development regions was 53.7% – in the Vancouver Island and Coast Development Region in 2001. Over the same period, the highest rate observed was the Northeast's 2003 value of 72.6%.
- Seven Development Regions saw increases in their real per capita income between 1995 and 2004. The exception was the North Coast which had a decrease of 8.9%. The increases range from 2.4% in the Nechako Development Region to 16.2% in the Thompson-Okanagan.
- The Cariboo and Nechako Development Regions had the highest real per capita manufacturing shipments in 2003 at \$19,718 and \$18,557, respectively, and, in reverse order, the highest 1999-2003 average values as well. The Vancouver Island & Coast Development Region had the lowest level of manufacturing shipments in 2003 at \$4,540 and for 1999-2003 at \$5,090.
- In 2004/05, BC had a completion rate of 79% for all students and 48% for Aboriginal students. British Columbia's high school completion rate varies considerably by school district, from 93% in Richmond to 59% in Vancouver Island West.
- 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 participation rate (65.3%), a significantly higher employment rate (59.6%) and a significantly lower unemployment rate (8.5%). The median income of all British Columbians 15 years of age and over was \$22,095, while the province's Aboriginal population was \$13,242.

Of eight indicators of urban versus regional performance related to *environment, health and society*, Regional BC outperforms the Vancouver CMA on two: low birth weight infants and social condition

(low income incidence) and is essentially tied for the personal and property crime rate. British Columbia's largest urban region – the Vancouver Census Metropolitan Area – performs better than Regional BC on local air quality, cancer mortality rates, life expectancy at birth, employment insurance and income assistance. Among the findings:

- On average, life expectancy at birth increased by 3½ months per year in the Vancouver CMA between 1996 and 2005. Similarly, it increased on average, by 2 months per year in the Victoria CMA and in Regional BC, by 1½ months per year in the Abbotsford CMA and by 2½ months a year in BC as a whole.
- Powell River had the lowest annual average concentration of particulates (PM_{2.5}) over the 2001 through 2005 period at 3.4 micrograms per cubic metre (µg/m³). Nanaimo was the next lowest at 4.5 µg/m³, followed by Chilliwack at 4.8 µg/m³ and Abbotsford at 5.2 µg/m³. Vancouver and Victoria came in at 5.7 µg/m³ and 6.0 µg/m³, respectively and Prince George had the highest annual average concentration of particulate matter at 9.6 µg/m³.
- The proportion of the population collecting income assistance has consistently been higher in Regional BC than in the Vancouver, Victoria or Abbotsford CMAs although the differences are not large.

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 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 1996 to 2005, the Vancouver Coastal Health Authority had the lowest cancer mortality rate of 14.7 deaths per 10,000 population. The cancer mortality rate in 2005 was lower than in 1996 throughout the province. Overall, British Columbia's cancer mortality rate was 11.2% lower in 2005 than in 1996.
- The lowest 2005 mortality rate from cardiovascular disease (13.6 deaths per 10,000 population) was in the Vancouver Coastal Health Authority. Mortality rates from cardiovascular disease were significantly lower in 2005 than in 1996 all across BC.
- The Fraser Health Authority had the highest 2005 rate of low weight births (6.0%) and the highest rate, on average between 1996 and 2005, at 5.4%. The Northern Health Authority had the lowest rate of low weight births in 2005 (4.8%) and the lowest 1996 through 2005 average rate (4.6%). No strong trend in the incidence of low weight births is evident over the period 1996 through 2005.
- 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.