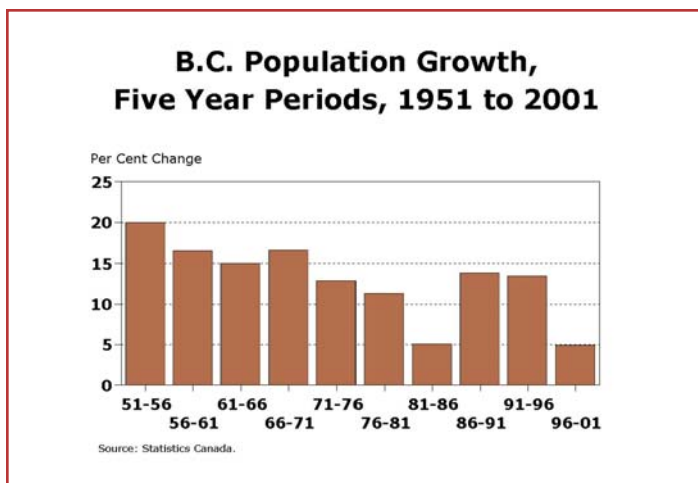




Census captures slow growth

Census 2001 released total population counts for Canada and its constituent parts, confirming the slowing growth trend evident from other data sources. B.C.'s population growth was at its slowest pace in the five years ending June 2001 than in any comparable period since 1951. In fact, the same observation can be made using data that begins in 1926, although those figures are not strictly comparable. A net interprovincial outflow from B.C. of about 35,000 persons during the most recent five-year period pulled down the overall growth rate, along with lower net natural increase and immigration. A lack of job opportunities in B.C. relative to other provinces, in particular Alberta and Ontario, was behind the outflow.



Population growth prospects look to be better in the next five-year period, owing to expectations of a turnaround in net interprovincial migration. Census 2006 is expected to show a total population growth rate of 6.5% to 7% from the baseline in the latest census. Net natural increase will continue declining, as birth rates remain low (or more likely drop further) and the death count rises. Higher immigration to B.C. is expected when job opportunities improve and national targets are raised.

Regional growth skewed

Another striking, though not surprising, aspect of the Census 2001 results is the urban-rural growth split in B.C. Sixteen of B.C.'s 28 regional districts experienced a drop in total population between 1996 and 2001, and all of these were outside the main population centres. The resource-based economies in rural B.C. have seen job declines, which translate directly into out-migration. The regional districts that saw growth were in the more highly urbanized or desirable retirement areas. In the unique case of Squamish-Lillooet RD, Whistler is a strong draw for resort and tourism activity and hence related jobs.

This urban-rural population shift is a long and well-established trend not only in B.C., but also in the rest of Canada and in most other parts of the world. It reflects the relative decline of resource-based industries and the prices of those products, along with the expansion of new industries, typically service based, and their need to locate where infrastructure, factor inputs, and markets exist. Greater capital investment in the commodity sectors to increase productivity and to reduce per-unit production costs results in relatively less labour demand in those industries. Increased global supply competition and supply-expanding technology has contributed to the long-term decline in real commodity prices. These trends will continue well beyond the foreseeable future.

Some of the largest percentage declines in regional districts occurred in Skeena-Queen Charlotte, Mount Waddington, Stikine, Kitimat-Stikine, and Alberni-Clayoquot. By municipality, Tumbler Ridge saw the steepest drop, at 51%, followed by Tahsis at 36% and Gold River at 33%. Of the almost 200 municipalities, census sub-divisions, and Indian Reserves that had less population in 2001 than in 1996, almost all of them were rural, with populations of less than 10,000.

At the other end, Squamish-Lillooet had the highest growth rate, at 12.3%, followed by Greater Vancouver at 8.5% and Central Okanagan at 8.2%. The Fraser Valley's 6.8% rounded out the regional districts that grew more than the provincial average.

The fastest growing municipality was Pemberton, which nearly doubled with a 91% gain. Surrey led in absolute gain, at 43,348 persons.

These regional population trends present considerable policy challenges in providing public services and in social and economic development.

Census Population, Regional Districts, B.C.

	2001 Population	Percent Change in Population 1996-2001
Alberni-Clayoquot Regional District	30,345	-4.1
Bulkley-Nechako Regional District	40,856	-1.9
Capital Regional District	325,754	2.4
Cariboo Regional District	65,659	-1.2
Central Coast Regional District	3,781	-3.6
Central Kootenay Regional District	57,019	-1.9
Central Okanagan Regional District	147,739	8.2
Columbia-Shuswap Regional District	48,219	0.2
Comox-Strathcona Regional District	96,131	-1.6
Cowichan Valley Regional District	71,998	1.4
East Kootenay Regional District	56,291	-0.1
Fraser Valley Regional District	237,550	6.8
Fraser-Fort George Regional District	95,317	-3.7
Greater Vancouver Regional District	1,986,965	8.5
Kitimat-Stikine Regional District	40,876	-6.3
Kootenay Boundary Regional District	31,843	-3.2
Mount Waddington Regional District	13,111	-10.2
Nanaimo Regional District	127,016	4.3
North Okanagan Regional District	73,227	2.3
Northern Rockies Regional District	5,720	-2.3
Okanagan-Similkameen Regional District	76,635	0.9
Peace River Regional District	55,080	-2.5
Powell River Regional District	19,765	-0.9
Skeena-Queen Charlotte Regional District	21,693	-12.5
Squamish-Lillooet Regional District	33,011	12.3
Stikine Region	1,316	-5.5
Sunshine Coast Regional District	25,599	2.7
Thompson-Nicola Regional District	119,222	0.4
British Columbia	3,907,738	4.9

Source: Statistics Canada, BC Stats.

New auto sales continue upward

Sales of new motor vehicles in B.C. continued their upward trend in January. Driven by dealer incentives and low interest rates, sales of both passenger and commercial vehicles posted unseasonably high increases. Both unit sales and dollar volumes are rising.

Passenger vehicle sales began this upward trend around February last year, while commercial vehicle sales began rising again around August. Consumer demand remained buoyant during last year's mild recession, which was mainly a slowdown in various business sectors.

Manufacturer and dealer incentives such as price discounts and low-rate financing tend to lower suppliers' profits and are probably only temporary. The growth rate in new vehicle sales is likely to slow once these incentives have run their course. Even so, new vehicle sales are expected to continue their long-term rising trend through 2002 as the provincial economy revives.

January's sales totalled 13,737 new vehicles worth \$432 million, up from 10,600 units valued at \$328 million in January 2001. Average price of a new vehicle was \$31,450, up 1.6% from January 2001.

U.S. industrial production rebounding

The important U.S. manufacturing sector is on the mend as businesses restock their depleted inventories. Industrial production rose for the second consecutive month in February. Capacity utilization also increased last month to the highest level since October.

February's gains in manufacturing signal the recession trough in the U.S. may have been reached in December or January. As Federal Reserve Board Chairman Alan Greenspan indicated in a recent speech, the U.S. recession is over and it's up from here. This bodes well for stronger economic growth in Canada and B.C.

New Vehicle Sales Trends: B.C.

