

WESTERN POLICY Analyst

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- 1 Immigration and Integration
What are the immigration trends in Canada and the West?
- 6 Port Access and Regulation in a Post-Canada Wheat Board Monopoly World
Market forces will now determine how grain is handled on the Prairies.
- 8 Private and Public Investment Intentions, 2012
Investment growth and intentions are reviewed.
- 10 Underlying Health Care Cost Drivers in Western Canada
Cost drivers differ among provinces.

Immigration and Integration



Bruno Dupeyron, Assistant Professor, Johnson-Shoyama Graduate School of Public Policy and Assistant Professor of Law, University of Regina

Immigration shaped and is still shaping Canada in several ways.

- The current proportion of Canada's population born outside the country represents almost one in five of the total population. Canada benefits from immigrants demographically, economically, socially and politically.
- From a socio-historical perspective, selected waves of immigration have contributed to build what is Canada now. Those waves originated mostly from western countries until the 1960s, and diversified to southern countries after this period of time.
- From a policy perspective that is linked to the previous point, immigration has contributed to define Canadian citizenship, identity and foreign affairs during the 20th century. Significant reforms of federal immigration policies have been adopted in the 1960s, in order to abandon Canada's increasingly contested ethno-racial selection policy.
- As immigration is a shared responsibility between the Government of Canada and provincial and territorial governments, various federal-provincial agreements have been

concluded over the last 20 years. Quebec signed an accord in 1991, while the other provinces and territories did so in the 1990s and 2000s, notably British Columbia in 1998, Manitoba in 2003, Saskatchewan in 2005, and Alberta in 2007. In 2012, the western provinces seek to amend those agreements because they are not considered as compatible with the provincial workforce needs.

Western Canada is strongly embedded within the global economy and the Canadian socio-political fabric. In this article, we will examine the international and national migratory trends and then the current trends and challenges of immigration in the West. A future article for the *Western Policy Analyst* will examine the labour market experience of immigrants in western Canada.

International and National Trends

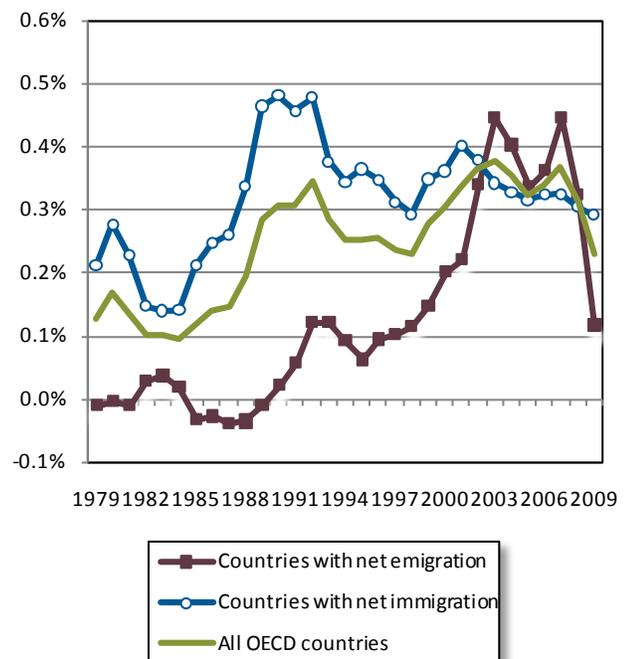
The Organization for European Cooperation and Development (OECD) provides data that offer a useful overview of trends in net migration in developed countries (see Figure 1). Migration trends are affected by two factors.

- Economic crises have a negative impact on migration in both

immigration and emigration countries, for example, the economic downturns in the early 1980s, early 1990s and the 2008 financial crisis.

- The fall of the iron curtain in 1989 has essentially reinforced a pre-existing trend linked to globalization flows. The movement of people has been justified in receiving countries by labour and demographic motives and in sending countries by economic and security reasons.

Figure 1: Emigration and Immigration as a Percentage of the Population, Selected OECD Countries, 1979 to 2009



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The 1990s and 2000s are marked by three key aspects – the regulation of illegal immigration, the growth of negative perceptions about migrants and migrations, and the diversification of sending countries with highly-skilled and low-skilled workers.

Canada has maintained its annual migration levels in recent years because of the relatively minor impact of the financial crisis and because of a sustained demand of skilled and unskilled labour. For these reasons, comparing Canada – a country that can select its immigrants – to other OECD and non-OECD countries on immigration issues should be conducted very carefully.

A historical snapshot of Canada’s immigrants and immigration rate between 1979 and 2010 shows the impact of economic crises on immigration levels (Figure 2). We observe that the 2008 financial meltdown had no noticeable impact on immigration levels that have been typically near 250,000 immigrants per year since the late 1990s.

The distribution of permanent immigrants, however, has changed considerably (Figure 3). The number of immigrants classified as “economic immigrants” is growing, unlike the family category that declined until the end of the 1990s and then remains stable. This illustrates the policy priority toward highly skilled workers, who are needed in specific sectors and are supposed to integrate socio-economically with ease.

Figure 2: Immigration to Canada, 1979 to 2010

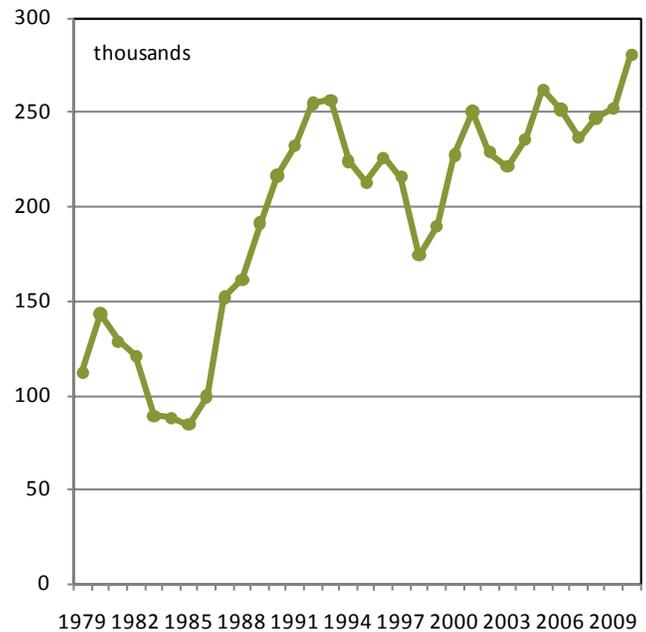
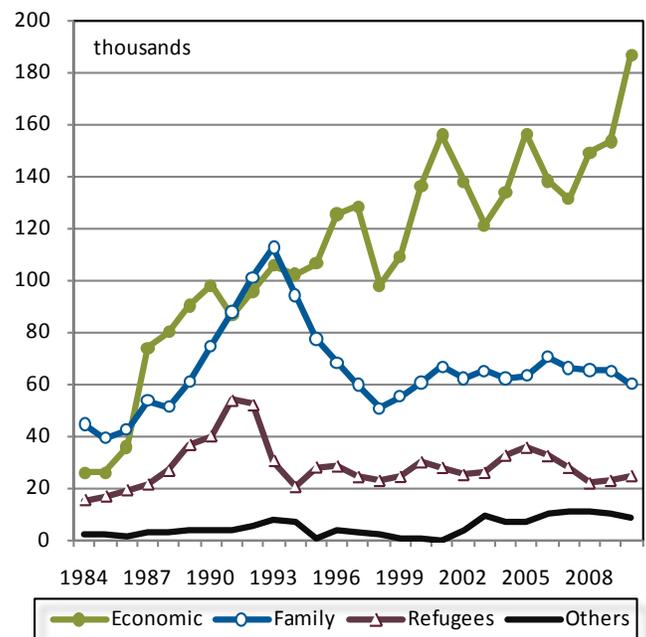


Figure 3: Immigration to Canada by Category



The number of refugees has been even since the mid-1990s, which reflects one of Ottawa’s limited international commitments. Unlike Australia, the Netherlands or Sweden, refugees in Canada have to reimburse the costs of airfare, pre-travel medical costs, and initial resettlement expenses to the federal government. In addition, refugees provide part of the necessary workforce in the service sector.

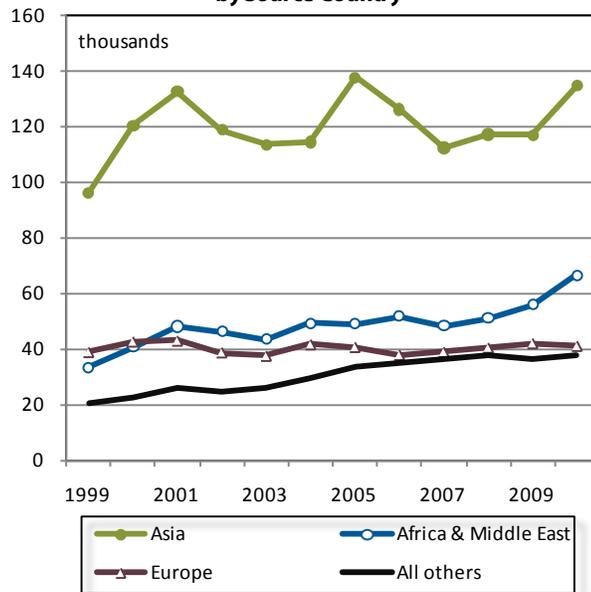
The distribution of landed immigrants in the 2000s shows a fairly stable picture of the newcomers’ region of birth (Figure 4). The number of Asian immigrants, who still represent the vast majority of newcomers, has fluctuated near 130,000 throughout the decade. The percentage of European newcomers has remained even and the number African and Middle East immigrants has grown, which reflects a measured increase in the proportional diversification of immigrants in Canada. Targeted immigrants in the economic category have a notable education attainment, e.g., in 2010, 76% of the principal applicants aged 15 and over in this category had a trade certificate, Bachelor’s, Master’s or doctorate degree; 59% of the spouses and dependents in the same category have these degrees; about 52% of Canadians have equivalent degrees.

Nevertheless, this focus on permanent immigrants in Canada should not hide the fact that temporary immigrants represent a rising category of migrants¹. These kinds of immigrants are targeted by Ottawa and the provincial and territorial governments (see Figure 5). The total number of temporary immigrants is higher than the total number of permanent immigrants – there were 981,000 temporary immigrants living in Canada in 2010 compared with inflows of 281,000 permanent immigrants.

Two subcategories of temporary residents are increasing quickly. Between 2001 and 2010, the number of foreign workers has more than doubled and the number of foreign students has grown by 50%. This reflects the priority given to the workforce since the mid-2000s.

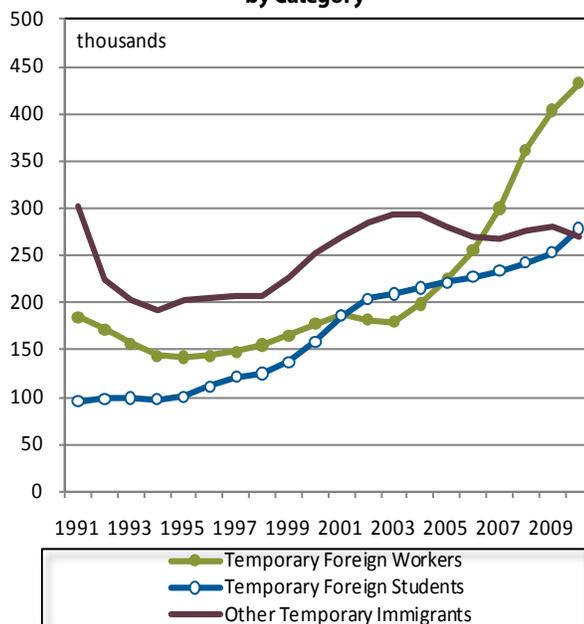
After this brief introduction to international and national immigration, we turn to the main trends and challenges in western Canada.

Figure 4: Immigration to Canada by Source Country



Canada has maintained its annual migration levels in recent years because of the relatively minor impact of the financial crisis and because of a sustained demand of skilled and unskilled labour.

Figure 5: Temporary Immigration to Canada by Category



¹ Temporary immigrants are typically temporary foreign workers or persons with student visas or those awaiting designation as refugees. Note that temporary immigration represents the number in Canada at a point in time (a stock) rather than the annual flow of immigrants.

Western Trends

With regard to immigration to the West, the first observation is related to the distribution of immigrants across the four provinces. British Columbia and Alberta remain the destinations of choice for landed immigrants, due to the attraction of major urban centers like Vancouver, Calgary or Edmonton, with perceived employment, education and community opportunities. However, Figure 6 also shows that the number of landed immigrants coming to British Columbia has slowed down during the late 1990s, and is growing only slowly in the 2000s. In contrast, Alberta, Saskatchewan and Manitoba benefit from a reasonable growth of landed immigrants since the early 2000s. This general increase in the percentage of landed immigrants in western Canada can be explained by the economic growth, employment opportunities and services offered in urban areas. Immigration to the West accounted for 36% of the national total in 2010 compared with 25% in 2001.

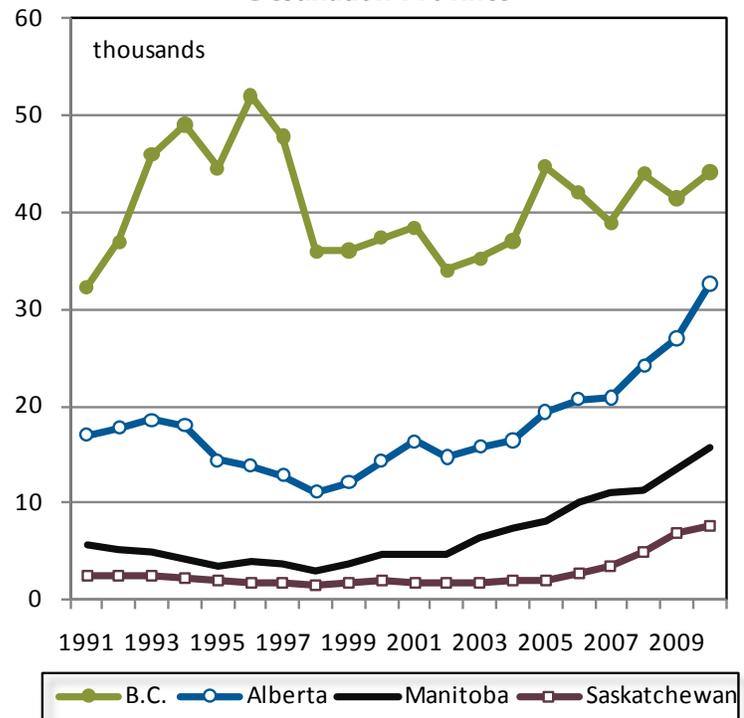
A closer look at the distribution of permanent immigrants by category reveals differences across provinces. Figure 7 shows an over-representation of refugees in Alberta, Saskatchewan and Manitoba, which can be explained by the federal policy of resettlement that considers labour and demographic needs. There is an under-representation of the family class in Saskatchewan and Manitoba, as opposed to an over-representation in British Columbia and Alberta. Considering that sponsoring family members requires substantial financial resources, this difference between the provinces may suggest that immigrants

in Saskatchewan and Manitoba have fewer resources than those in British Columbia and Alberta. Nevertheless, Saskatchewan is the least advantaged province, due to the stagnation of employment growth and the moderate size of urban areas, such as Saskatoon or Regina.

Figure 8 shows the trends in origins of immigrants to western Canada. Asia is clearly the dominant source for immigrants to the

West. The single country with the largest number of immigrants to British Columbia is China – in the other three western provinces immigrants from the Philippines represent the largest single group. Relative to Canada as a whole, immigrants to the West are more likely to be from Asia (63% in 2010 compared with 48% nationally) and less likely to come from Africa and the Middle East (14% compared with 24%).

Figure 6: Immigration to Western Canada, by Destination Province



There is an under-representation of the family class in Saskatchewan and Manitoba, as opposed to an over-representation in British Columbia and Alberta.

Figure 7: Distribution of Permanent Immigrants, by Category, 2010

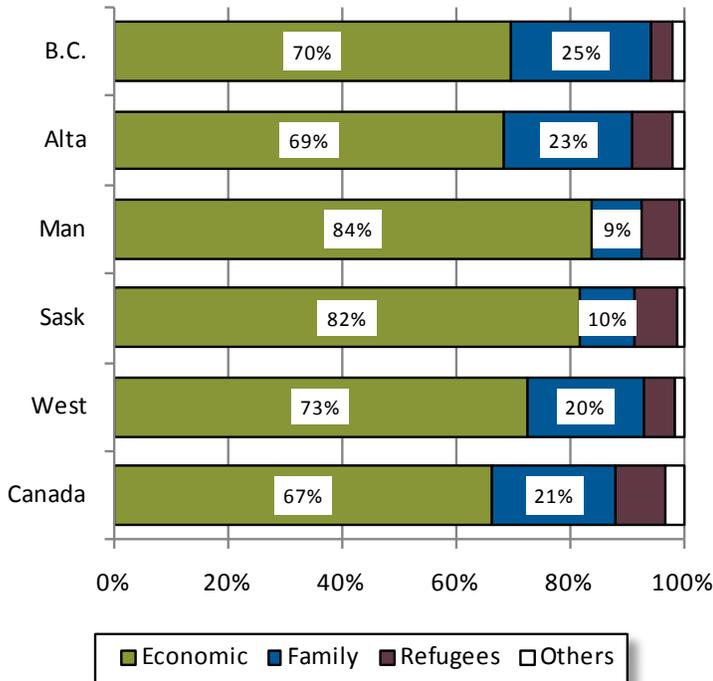
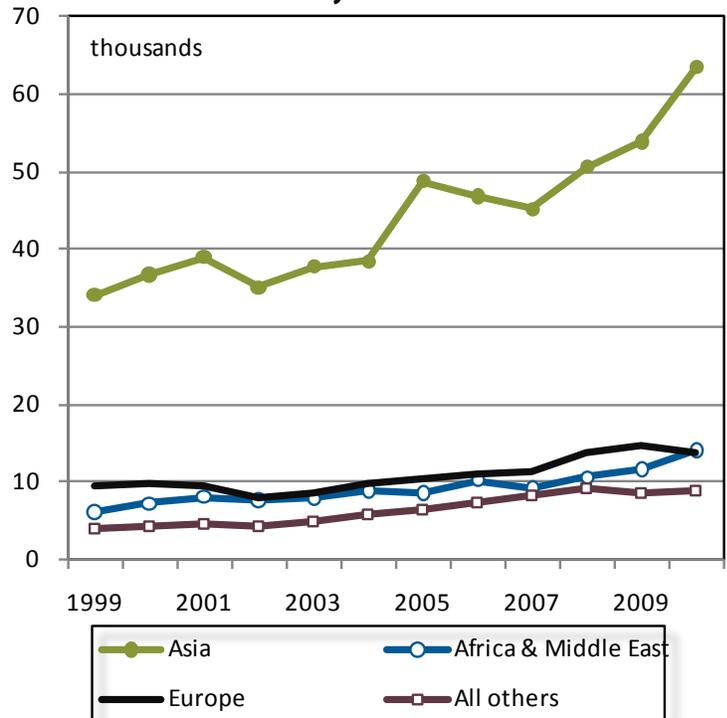


Figure 8: Immigration to Western Canada by Source



One key policy question will remain unanswered for at least another year, namely the extent of interprovincial migration among recent immigrants to the West. The data from the 2011 census will not be released until early 2013. This can be one of the challenges for some of the provinces. Nonetheless, after examining the major trends in the western provinces, challenges related to the socio-

economic integration of immigrants should be studied now.

In conclusion, the economic growth in western provinces serves to attract permanent and temporary immigrants. Nevertheless, British Columbia and Alberta still dominate in this landscape, both qualitatively and quantitatively. Saskatchewan and Manitoba are not in a bad

shape, but could definitely be more creative in their immigration public policies. They could observe, for instance, what has been done in other jurisdictions and adjust pertinent solutions to their needs.

In the next issue of the *Western Policy Analyst*, issues of economic integration for immigrants to the West will be discussed.

Source: The international data are from the OECD's *Immigration Outlook 2010 Report*. The national data are from *Citizenship and Immigration Canada's Facts and Figures* reports.

Port Access and Regulation in a Post-Canada Wheat Board Monopoly World



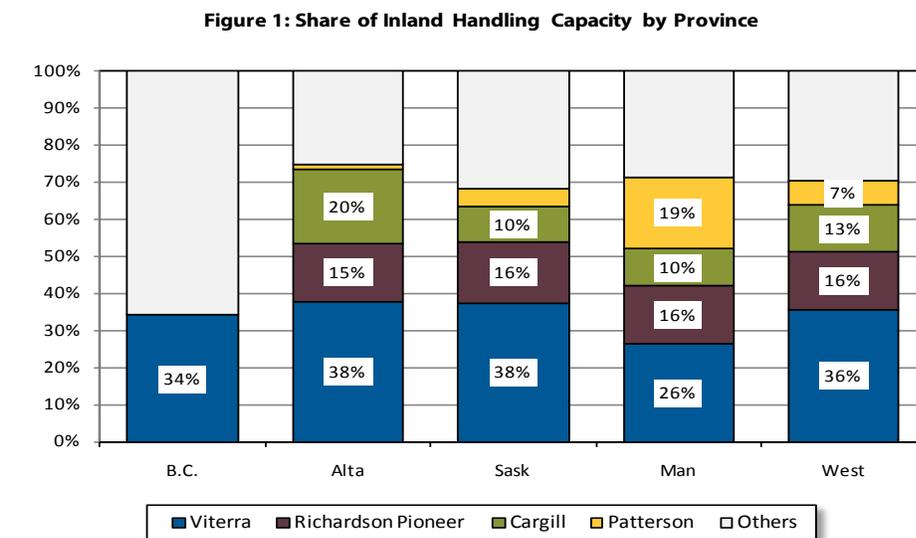
By Murray Fulton, Johnson-Shoyama Graduate School of Public Policy and Monika Çule, Department of Economics, University of Regina

Significant changes are underway in the grain handling industry in western Canada. As of August 1, 2012, the Canadian Wheat Board (CWB) will no longer be the sole seller of wheat and barley produced by farmers in this region. As a result of this change, market forces rather than administrative fiat will determine how grain is handled on the Prairies.

A number of conditions are required for markets to perform well. One of these is that there is sufficient competition in the industry so that buyers and sellers have assurance of access to grain supplies and grain customers at a reasonable price.

Given the considerable concentration in the grain handling industry, questions are being raised as to whether this competition is present. The top four grain handling companies (the big three are Viterra, Richardson Pioneer Limited, and Cargill Limited) have on average 73 per cent of the primary grain handling capacity in western Canada (see figure 1 for a breakdown by province). This concentration is even higher at the ports, with the top four grain handling firms having 94, 97 and 100 per cent of the capacity at Thunder Bay, Vancouver and Prince Rupert, respectively (see figure 2). Although these percentages will change when the recently announced purchase of Viterra is complete, the result will still be a highly concentrated industry (one effect of the purchase will be to enlarge Richardson's share; Glencore's share will be less than Viterra's current share).

Concentration is particularly important at port position, where the concern is whether the companies that own the port facilities will make

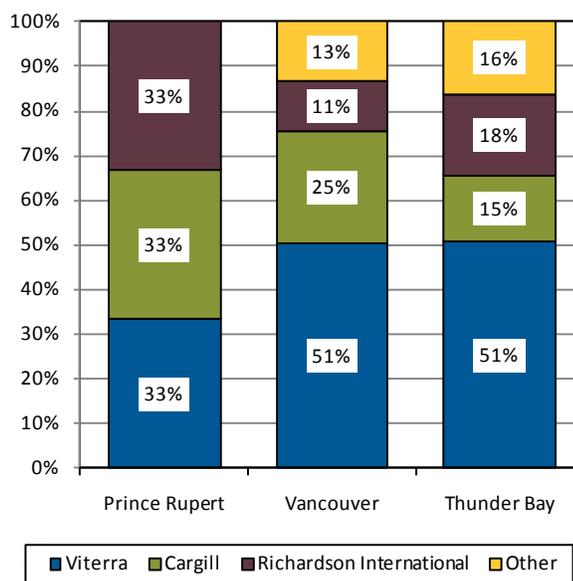


access to their terminals available to other exporters at a reasonable price. Specifically, the question is being raised as to whether the new voluntary CWB, producer loading facilities, producer-owned terminals and newly emerging grain exporting firms will be able to access export markets at a price that allows these players to compete with the existing grain handling firms.

Access to export markets has direct implications for competition on the Prairies. A good example is the so-called producer car. The right of producers to bypass the elevator system and load their own producer cars was first provided for in the *Manitoba Grain Act of 1900* – the cars were introduced as a response to farmers' complaints about lack of competition among grain elevator companies – and has been a feature of the Canadian system ever since.

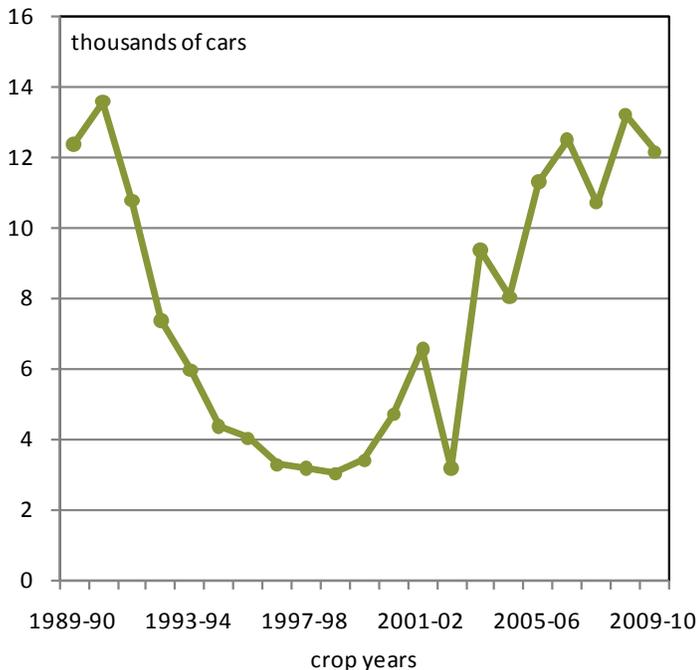
Farmers' use of producer cars has ebbed and flowed over the years in response to market and policy conditions. After moving up sharply

Figure 2: Share of Port Capacity by Location



in the period of low grain prices in the late 1980s and early 1990s, producer car shipments fell through most of the 1990s. Since 2000, however, they have risen dramatically (see figure 3).

**Figure 3: Producer Car Shipments
(from Western Canada)**



This rise is due to a number of factors, including increased freight rates, lower grain prices in the early 2000s, the abandonment of branch lines, and the consolidation of the grain elevator industry. Despite this increase, producer cars still make up less than five per cent of the grain that is exported. Nevertheless, they provide an important element of competition, since farmers can always turn to producer cars if grain elevator charges become too large. However, if farmers do not have access to port loading facilities and hence export markets, then the ability to load producer cars becomes rather meaningless, threatening both competition and the financial viability of the producer loading facilities that have been constructed.

Port access – and indeed access to elevator facilities on the Prairies – will also be critical for the success of the new voluntary CWB. Since

was highly concentrated, with each of the three major players having a spatial monopoly in both inland and port facilities (CBH in the West; Viterro (which purchased ABB in 2009) in the South and GrainCorp in the East and Southeast). This high level of concentration was viewed as a major issue in the removal of the single-desk marketing powers of the Australian Wheat Board (AWB) (1939-1999) and its privatized successor AWB International (1999-2008) that took place on July 1, 2008.

To address the issue of market concentration, Australian wheat exporters were required to be accredited. One of the accreditation requirements was the “access test,” which required companies with terminal facilities to provide access to other exporters and to publicize the terms and conditions of this access.

the CWB does not own grain-handling facilities, it must rely on other companies to handle the grain that it sources and wishes to market. If access is not provided for at a reasonable price, the new CWB will be disadvantaged in either sourcing and/or marketing grain, thus making it less effective as a competitor.

The importance of such access can be clearly seen in the case of Australia. As a result of consolidation in the late 1990s and early 2000s, the Australian grain handling industry

A July 2010 report by the Productivity Commission indicates that, “Access to ports is the most critical issue in ensuring the success of deregulation” (p. 29). As a result, the Productivity Commission recommended that while accreditation should be ended in November 2011, the “access test” should be maintained until 2014.

Port access in Australia appears to have created the conditions conducive to competition and allowed new entrants to establish and gain market share. For instance, as of July 2010, 25 out of 28 accredited exporters had no port facilities. In 2009, players with no port facilities had 59 per cent of exports and the AWB had 27 per cent of exports.

The Canadian policy to deregulate the grain industry stands in sharp contrast with that of Australia. In the case of port access, the approach has been to acknowledge the potential for anticompetitive behaviour but not to intervene in any way. For instance, the Marketing Choice Working Group, which was formed last fall to provide feedback on the impact of the removal of the CWB’s single-desk selling powers, recommended that the government monitor the grain companies and deal with competition issues if and when they arise.

Thus, for the time being, Canada does not have any policy initiatives directed specifically at the issue of elevator access. The experience over the next few years will determine the importance of this issue. Although the CWB has recently announced a deal whereby it will use the primary and port facilities of Cargill Ltd., it will take a number of years to determine if arrangements such as these will allow the access necessary to make the Western Canadian grain handling system competitive and dynamic.

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Working Group on Marketing Freedom. 2010. *Report of The Working Group on Marketing Freedom*. Submitted to The Honourable Gerry Ritz, PC, MP, Minister, Agriculture and Agri-Food Canada, September 22, 2011. Accessed at: http://www4.agr.gc.ca/resources/prod/doc/pdf/CWB-CCB/Report-Rappot_eng.pdf

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Private and Public Investment Intentions, 2012



By Jim Marshall, Senior Policy Fellow, Johnson-Shoyama Graduate School of Public Policy

Statistics Canada recently released the results of its annual survey of investment intentions and it appears that the four western provinces are expecting another year of high investment activity with the emphasis taking a slight shift to the West from last year.

Nationally, investment in capital and equipment in 2012 is expected to reach \$293.6 billion, up by 7.2% from the estimate for 2011. Capital expenditures will be led in the West by Alberta at \$97.8 billion and British Columbia at \$50.8 billion followed by Saskatchewan at \$20.2 billion and Manitoba at \$11.9 billion.

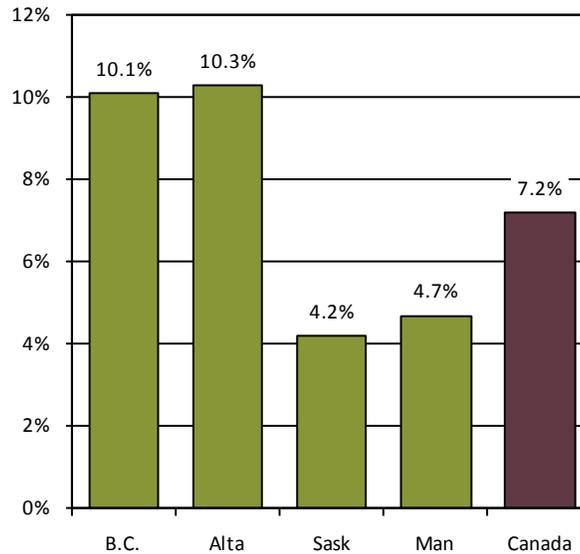
A comparison of these intentions to the 2011 estimates is provided in Figure 1.

Growth in investment activity is very high in Alberta (at 10.3%) and British Columbia (at 10.1%) as compared to the national average expected growth of 6.2% and as compared to the more easterly Prairie provinces which are expected to see growth of 4.2% (in Saskatchewan) and 4.7% (in Manitoba). These high growth rates for 2012 represent an increase in growth in three of the western provinces as Manitoba saw growth in investment of only 1.5% in 2011 while Alberta's growth was 9.0% in 2011 and British Columbia's was 8.4% in 2011.

Investment growth seems to be slowing nationally where the growth fell from 8.5% in 2011 to an expected 7.2% in 2012 and in Saskatchewan where the expected growth of 4.2% is down from the estimated growth of 10.3% in 2011.

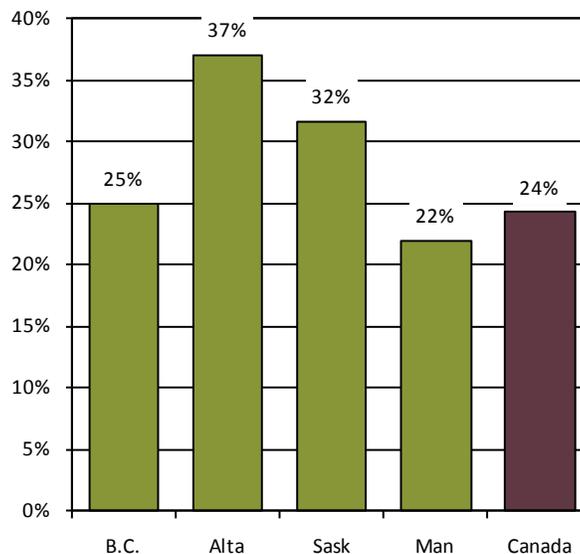
A slightly different view of investment intentions is provided in Figure 2 which presents the investment intentions in each province as a percentage of the latest available estimates of GDP (2010). This presentation allows comparison of investment levels in each jurisdiction relative to the size of its overall economy.

Figure 1: Capital Investment Intentions for 2012, Percentage Change from 2011 Estimates



Nationally, investment in capital and equipment in 2012 is expected to reach \$293.6 billion, up by 7.2% from the estimate for 2011.

Figure 2: Capital Investment Intentions for 2012 as a Percentage of 2010 GDP



Investment growth seems to be slowing nationally where the growth fell from 8.5% in 2011 to an expected 7.2% in 2012 and in Saskatchewan where the expected growth of 4.2% is down from the estimated growth of 10.3% in 2011.

In this case, national investment levels are up from their expected level for 2011 a year ago and now stand at 24% of the size of the national economy, a very health rate of investment. Generally the West continues to outperform the national average as only Manitoba's expected investment level of 22% of the 2010 GDP level is below the national level. British Columbia is expected to see investment slightly higher than the national average at 25% of GDP and Saskatchewan and Alberta investment will be much higher than the national average at 32% and 37% of GDP, respectively.

Construction vs. Equipment

A breakdown is provided between two types of capital investment in the survey. Generally, investment activity can take the form of "construction", which represents the building of new facilities including exploration and development activities in the resource sector. The purchase and installation of production equipment, including computers, is classified as "machinery and equipment".

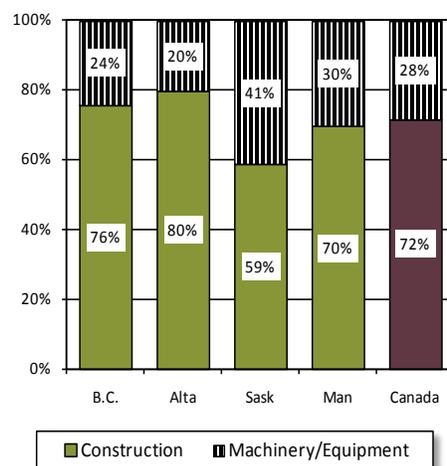
Figure 3 provides an illustration of that breakdown for the western provinces and for Canada as a whole. The share of investment from construction is shown in the dark portion of the bars at the bottom with the share from equipment is shown in the lighter portion on top.

Nationally, the split between construction and equipment will average 72%/28% with Manitoba seeing a very similar ratio with 70%

from construction and 30% from equipment purchases. Both Alberta and British Columbia will have higher ratios of construction-to-equipment with construction activity being three times the purchases of equipment in British Columbia and four times the equipment purchases in Alberta.

Saskatchewan is expected to see equipment purchases representing 41% of the total and construction representing only 59% of the

Figure 3: Capital Investment Intentions for 2012, by Category



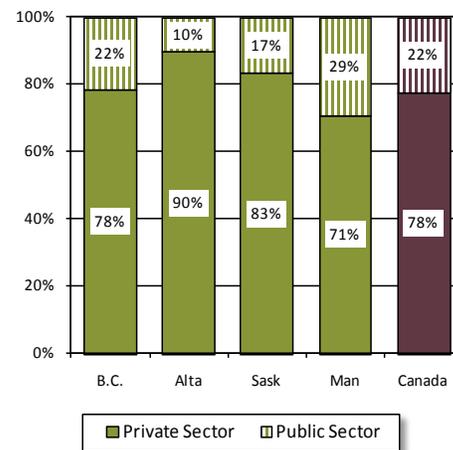
total. This ratio is significantly different from the national average and from the ratio in the preliminary results for 2011 which were much more like a traditional split with 73% of investment coming from construction and 27% from equipment purchases. No explanation has been offered for the apparent shift in investment in Saskatchewan from construction to equipment.

Public vs. Private

The survey of investment intentions also provides a breakdown by the type of investor, namely the public sector or the private sector. The public sector is broadly defined to include health and education services, crown corporations, and government proper.

Figure 4 shows that the bulk of the investment will be made by the private sector. This is particularly the case in Alberta where only 10% of the total is expected to come from the public sector.

Figure 4: Capital Investment Intentions for 2012, by Sector



Sources: Statistics Canada CANSIM Tables 029-0004 and 032-0002

Underlying Health Care Cost Drivers in Western Canada

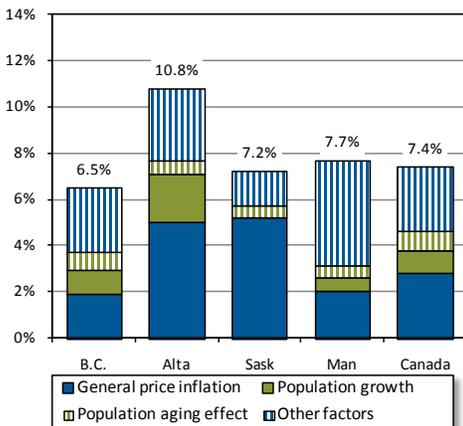


By Gregory P. Marchildon, Canada Research Chair (Tier 1) and Professor, Johnson-Shoyama Graduate School of Public Policy

In the last issue of the *Western Policy Analyst*, an overall picture of health care spending in the four western provinces was presented. In this issue, the underlying health care cost drivers covering the decade are analysed based upon data for individual provinces covering the most recent decade for which data are available, 1998 to 2008.

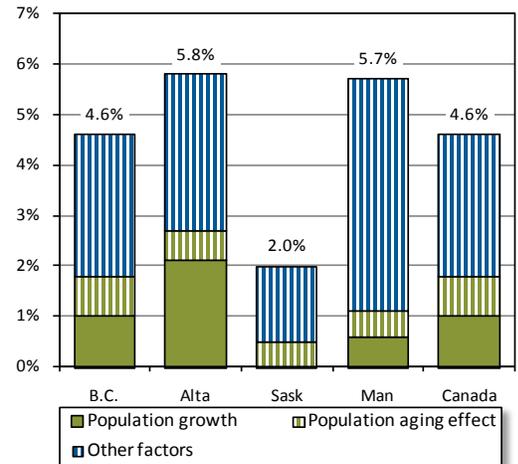
As seen in Figure 1, the inflation rate varied considerably by province, with Saskatchewan and Alberta experiencing rates that were over double those in Manitoba and British Columbia and well in excess of the Canadian average¹. This combined with the fastest population growth in Canada and other factors produced an average nominal increase in health care spending of 10.8% per year in Alberta – an astonishing rate of growth. In contrast, Manitoba and Saskatchewan exhibited rates of health care spending that hovered around the Canadian average while British Columbia’s average annual rate of growth of 6.5% was well below the other provinces and the Canadian average.

Figure 1: Average Annual Growth Rate for Health Cost Drivers, 1998 to 2008



From a policy standpoint, there is little a provincial government can do about the general rate of inflation. To get a clearer view of more policy relevant cost drivers, Figure 2 strips away general inflation. In real growth terms, Alberta and Manitoba each averaged annual growth rates that almost reached 6% per year, no doubt putting enormous pressure on government budgeting in those provinces given the fact that health care constitutes roughly up to 40% of provincial government spending. British Columbia’s growth rate equalled the national average while Saskatchewan enjoyed the lowest annual growth rate in real health expenditures – 2% per year – less than one-half the Canadian average.

Figure 2: Real Average Annual Growth Rate for Health Cost Drivers, 1998 to 2008



All new technologies generally require high upfront investments but the real difficulty is knowing in advance whether they will be cost-increasing or cost-reducing in the longer term.

In all cases, aging was a minor factor in the real growth of health spending in every province. Moreover, the contribution of aging to health care costs in the Prairie Provinces (as opposed to British Columbia) was well below the Canadian average. This flies in the face of the prevalent belief that aging is a major contributor to health costs.

The contribution of population growth to health care spending over this period varies markedly by province, with Alberta at the very

high end (in excess of 2% real average annual growth) and Saskatchewan registering zero at the low end. British Columbia matched the Canadian average of 1% real growth per annum (the Canadian average) while Manitoba’s rate was 0.5% due to low population growth between 1998 and 2008. Of course, as population growth accelerates due to the economic boom in western Canada, most notably in Saskatchewan, population growth will have a correspondingly larger impact on health care spending.

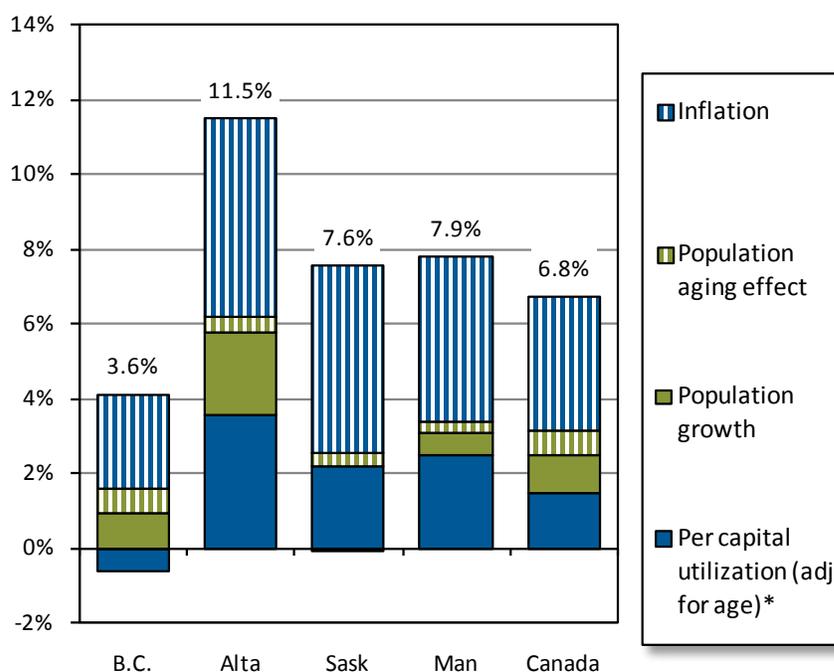
¹ CIHI used the “GDP deflator” rather than the Consumer Price Index (CPI) to measure the rate of price inflation. The deflator is a broader measure of price change than the CPI because it includes inflation in all goods and services produced in the economy, not just those purchased by consumers.

For the period 1999-2004, prescription drugs, clipping along at 12.7% per year, were the single fastest growing sector in health care.

In all four western provinces, and indeed in Canada as a whole, the single largest cost driver falls into the “other” category. This is a residual made up of factors such as technology and health sector inflation that is above the rate of general inflation. Due to the manner in which data are assembled in Canada, it is extremely difficult to separate the factors in the “other” category. However, based on individual studies on the contribution of technology to health care spending, it is generally thought that technology is the single most important cost driver in the “other” category. Technology includes medical devices and equipment (e.g. MRIs and CT Scans), information and communications technology including electronic health records, and even prescription drugs. All new technologies generally require high upfront investments but the real difficulty is knowing in advance whether they will be cost-increasing or cost-reducing in the longer term.

In its recent report on cost drivers in health care, the Canadian Institute for Health Information provided a summary of nominal growth by health sector on a national basis. For the period 1999-2004, prescription drugs, clipping along at 12.7% per year, were the single fastest growing sector in health care. By 2004-2009, this had dropped to 6.9% per year. In the latter period, physicians had become the fastest growing sector in health care spending, increasing at a nominal annual average of 8.1%. Now the fastest growing health sector, it is worth examining the cost driver components of physician expenditure on a provincial basis.

Figure 3: Average Annual Growth Rate for Physician Service Costs, 1998 to 2008



* the contribution of this factor is negative in B.C.

Although Figure 3 only includes fee-for-service remuneration, this remains the predominant form of physician payment in both Canada and the four western Canadian provinces. In all four provinces, the single largest contributor to physician cost escalation has been fee schedule increases. This has been a more important factor than any increase in aging or physician utilization, the more commonly identified culprits associated with escalating health budgets. One of the main structural

reasons for significant price increases has been the increased bargaining power exerted by provincial medical associations in their respective negotiations with ministries of health, due to the real and perceived shortages of physicians in recent years.

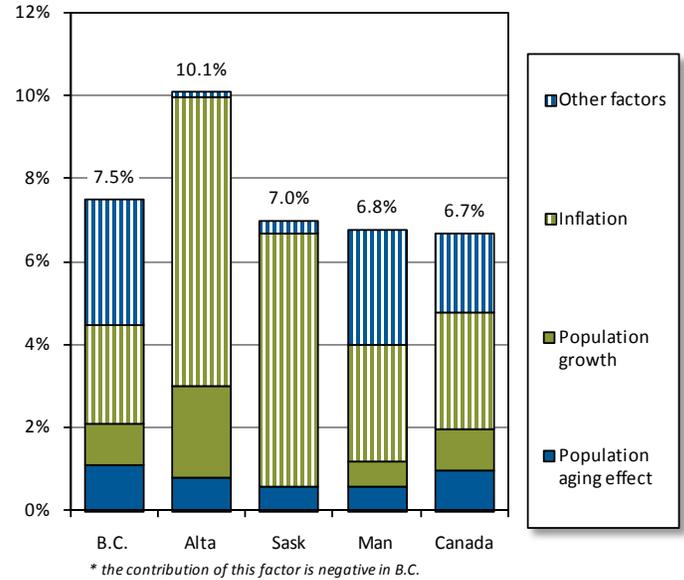
When it comes to per capita physician utilization, it is interesting to note the extent to which British Columbia is an outlier relative to the Prairie Provinces. For reasons which should

be further explored, the utilization rate for physicians in British Columbia actually declined by an annual average of 0.6% from 1998 until 2008. In contrast, the utilization rate in the Prairie Provinces was well above the Canadian average. In Saskatchewan and Manitoba, it contributed 2.2% and 2.5% respectively, while in Alberta, the utilization rate contributed an incredible 3.6% to the annual growth rate.

Price inflation is not unique to physicians. As Figure 4 illustrates, inflation has also been a major driver in hospital spending. In Saskatchewan and Alberta, inflation is the single major cost driver, contributing respectively 6.1% and 7.0% to annual growth on average over the years 1998 to 2008. Indeed, in the case of Alberta, inflation combined with population growth contributed the lion's share to its remarkable spending growth on hospitals of 10.1% per year, the fastest growth in the country. In contrast, hospital spending, while still comparatively high in the other three western Canadian provinces, was much closer to the national average.

As can be seen, the provincial breakdown of cost driver data demonstrates the extent to which differences exist among the western Canadian provinces. Continued tracking of these differences, as well as the public dissemination of cost driver data on a provincial basis, should provide provincial governments with better information on which to select policies designed to bend the cost curve in health care.

Figure 4: Average Annual Growth Rate for Hospitalization Costs, 1998 to 2008



The author would like to thank the Canadian Institute for Health Information for providing data on a provincial basis and for agreeing to allow him to present the results to the subscribers of the *Western Policy Analyst*.

STATISTICALLY SPEAKING...

○ CONSUMER PRICE INDEX (CPI)

(JANUARY 2011 TO JANUARY 2012)

The inflation rate is starting 2012 lower than in 2011.

□ EMPLOYMENT GROWTH

(FEBRUARY 2011 TO FEBRUARY 2012)

Employment continues to grow more quickly in the West than in Canada as a whole.

