

# WESTERN POLICY Analyst

Bi-Weekly Briefing

Volume 2, Issue 13

JOHNSON  
SHOVANA GRADUATE SCHOOL OF  
PUBLIC POLICY

AUGUST 2, 2011

This Week...

Crime Rates  
Consumer Price Inflation  
Retail Sales  
Fertility and Mortality



## Crime Rates

By Doug Elliott, Editor

Crime rates in Canada have been on a general downward trend since the mid 2000s. Rates in the West are higher

than in other provinces but they are following that same pattern<sup>1</sup>. The recently released statistics indicate that this trend has continued into 2010.

In 2010, there were just over one million incidents reported to the police that were substantiated as valid. This is the most comprehensive measure of police-reported crime that includes all criminal code offenses and violations of federal statutes. The number of incidents declined by 3.4% from 2009 to 2010 with the largest drop (-4.6%) in Alberta. However, there was a slight (0.6%) increase in Saskatchewan. Adjusted for population by calculating the number of incidents per capita, the crime rate has declined by 3.7%.

Figure 1 shows a more sophisticated measure of crime, namely the crime severity index (CSI), which takes into account both the number of crimes and their severity. The CSI has declined in all four western provinces with a drop of 1.5% in Saskatchewan and declines of 6% to 8% in the other three western provinces. Notwithstanding the declines, the CSI is still above the national average in each of the four western provinces.

Figure 2 ranks the largest Canadian metropolitan areas according to the value of the CSI in 2010. Among the 32 largest cities, western cities occupy seven of the top nine spots with Calgary being the only western city with a CSI below the national average.

Figure 1: Crime Severity Index (Canada 2006 = 100)

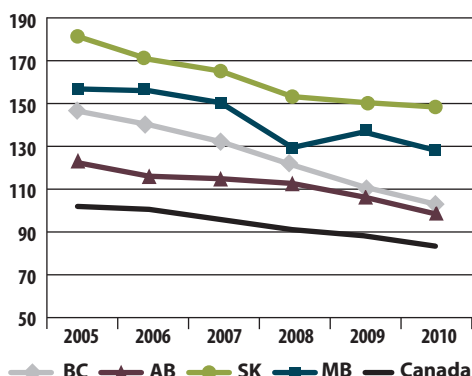
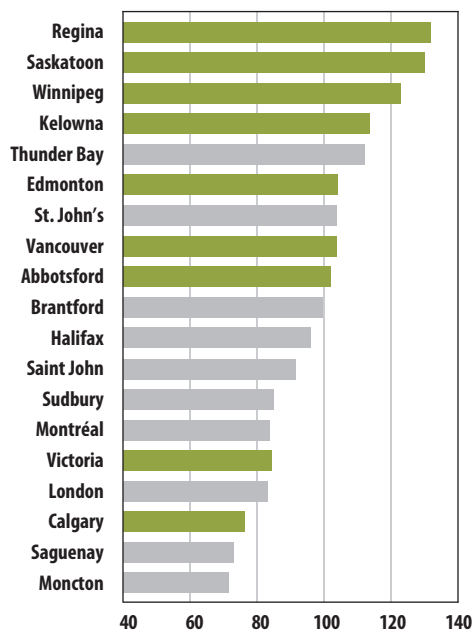


Figure 2: Crime Severity Index, Metropolitan Areas with the Highest Values, 2010



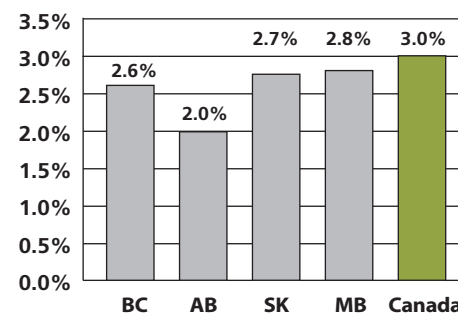
## Consumer Price Inflation

In June, a litre of regular gasoline at a self-serve station ranged in price from \$1.10 in Edmonton to \$1.36 in Vancouver. This was about 5% less than in May although still 25% higher than a year ago. The rate of inflation in the West averaged 2.6% in June compared with 3.3% in May; the declining price of gasoline was one of the reasons for the declining rate of inflation.

The other dampening factor on consumer prices is the value of the Canadian dollar. In June, a loonie would buy \$1.02 US dollars whereas a year ago it would have bought only \$0.96. The change in the exchange rate means that, all else being equal, goods imported from the US cost 6% less than they did a year ago.

The Canadian dollar has remained high and the price of gasoline is still dropping so the inflation rates should stay below 3% for the next few months. Higher commodity prices in general and food prices in particular will keep the inflation rate relatively high over the medium term.

Figure 3: Annual Inflation Rate, 2011 Year To Date (Jan to Jun)



<sup>1</sup> See Volume 1, Issue 1 of the Western Policy Analyst for an extensive review of western crime rates.

## Retail Sales

After nearly double-digit growth rates in 2006 and 2007, consumer spending slowed dramatically in the West during 2008 and fell by 5.3% in 2009. Sales recovered with a 5.4% increase in 2010. Western retailers are having a reasonably good year so far in 2011 with a 3.8% increase in sales over the first five months compared with the same period in 2010.

Sales have increased the most in Saskatchewan and Alberta with year-to-date increases of:

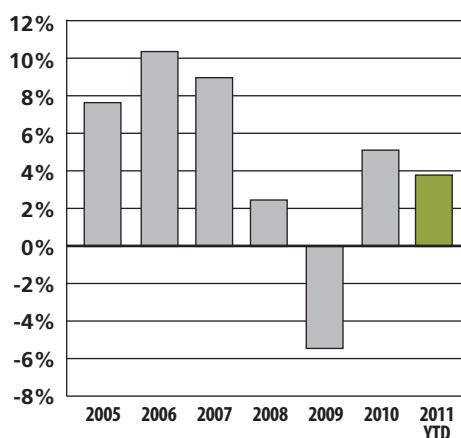
- 6.7% in Saskatchewan;
- 5.7% in Alberta;
- 3.9% in Manitoba; and
- 1.2% in B.C.

The national average is 3.0%.

Motor vehicle sales are one of the main reasons for the increase in sales. Unit sales of new motor vehicles are up 5.4% in the first five months of 2011 compared with the same period in 2010. Manitoba had the largest increase with an increase of 7.8% compared with 7.2% in Alberta, 7.0% in Saskatchewan, and 2.1% in B.C.

The increase in motor vehicle sales is exclusively in the “truck” category which includes SUVs and vans as well as the ubiquitous half-ton truck. Truck sales are up 12% compared with a decline of 7% in car sales.

**Figure 4: Annual Increase in Retail Sales, Four Western Provinces Combined**



## Fertility and Mortality Rates

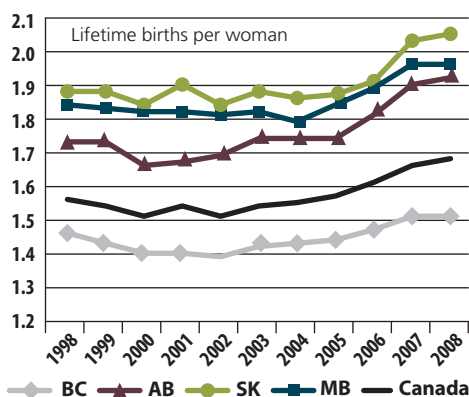
The long slide in fertility rates may be over. The “total fertility rate” is the number of births that a woman would have over the course of her lifetime. Nationally, the rate has declined from 1.7 in the early 1990s to a low of 1.5 around the turn of the decade. Fertility rates in the prairie provinces are higher but they were on a similar downward trajectory (see Figure 5). Rates in B.C. are lower but followed the same pattern as in Canada as a whole. Since that low point, the total fertility rate has increased steadily with the largest increases in Alberta and Saskatchewan.

The increase in fertility rates together with an increase in the number of women in the childbearing age group (the “echo” generation is entering their twenties) has led to an increase in the number of births. In 2008, there were 124,354 births in the four western provinces compared with 106,761 in 2003.

At the other end of the age scale, the number of deaths is also increasing. This is not, however, because of changes in the mortality rate – it is simply a consequence of the fact that the population is aging. In 2007, there were 70,351 deaths in the four western provinces compared with 65,877 in 2002. This is in spite of the fact that the life expectancy has increased over the five-year period. The increase in births will more than offset the increase in the number of deaths so the natural growth rate in the population is increasing.

The cause of the increase in fertility rates is harder to determine. The West has an increasing immigrant population and growing Aboriginal population. Both of these groups have traditionally had higher fertility rates so this will be a contributing factor. Another may be the general increase in economic prosperity. In any case, fertility rates are still well below the replacement rate – generally assumed to be 2.1 births per woman.

**Figure 5: Total Fertility Rate**



## Upcoming Releases

In the next two weeks Statistics Canada will be releasing data describing:

- June building permits on August 5;
- July labour force data on August 5; and
- June international trade data on August 11.

### Sources:

The figures are adapted from the following sources:

**Crime Rates:** Statistics Canada, CANSIM Tables 252-0051 and 252-0052

**Consumer Price Inflation:** Statistics Canada, The Consumer Price Index, 62-001-X

**Retail Sales:** Statistics Canada, New Motor Vehicle Sales 63-007-X and Retail Trade 63-005-X

**Fertility and Mortality:** Statistics Canada, Report on the Demographic Situation in Canada, 91-209-X

AUGUST 2, 2011

The Western Policy Analyst is published bi-weekly and quarterly by the Johnson-Shoyama Graduate School of Public Policy. No reproduction of any material is allowed without express consent of the publishers.

### EDITOR

Doug Elliott

### EDITORIAL BOARD

Peter Phillips  
Lihui Zhang  
Jim Marshall

COPYRIGHT JSJS 2010

### Johnson-Shoyama Graduate School of Public Policy

University of Saskatchewan Campus  
Diefenbaker Building  
101 Diefenbaker Place  
Saskatoon, SK, Canada  
S7N 5B8

Tel: 306 966-8525

Fax: 306 966-1967

Email: public.policy@usask.ca

University of Regina Campus  
3737 Wascana Parkway  
Regina, SK, Canada  
S4S 0A2

Tel: 306 585-5460

Fax: 306 585-5461

Email: gspp@uregina.ca

### Outreach and Training

University of Regina  
College Avenue Campus,  
Gallery Building, Second Floor  
Regina, SK, Canada  
S4S 0A2

Tel: 306 585-5777

Fax: 306 585-5780

Email: js\_outreach@uregina.ca

ISSN 1923-9971



University  
of Regina

www.schoolofpublicpolicy.sk.ca