
Feature Article: What is Happening to Interprovincial Migration?

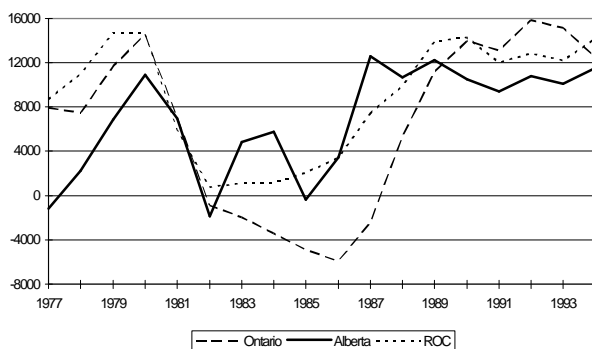
Summary

Net interprovincial migration has dropped dramatically in the last year, and in 1995 it is likely to be lower than in any of the previous six years. Recent patterns in migration from Ontario, Alberta and the rest of Canada are examined below.

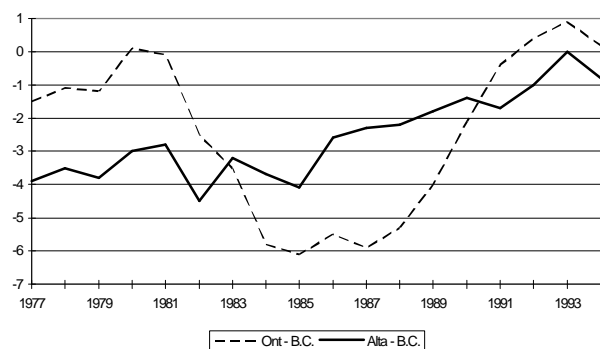
Interprovincial migrants to British Columbia come mainly from Ontario and Alberta, with all other provinces and territories contributing in total about the same number of people as each of these two provinces. The following chart shows annual net interprovincial migration since the mid-70s. Migration from Ontario has been more cyclical than that from either Alberta or the rest of Canada, and has fluctuated from a net outflow of 5,900 people in 1986 to a net inflow of 15,900 people in 1992, when the recession in eastern Canada was at its worst. Migration from Alberta has varied from a net outflow of 1,900 in 1982 to a net inflow of 12,600 in 1987. However, in the last five years net migration from Alberta has been relatively stable, ranging from 9,400 to 11,600.

There are a wide range of factors, both economic and non-economic, which affect interprovincial migration. Non-economic factors include climate, life-style, proximity to family and provincial policies. It is difficult to quantify the relationship between these factors and migration. Economic factors are related to the relative economic conditions between British Columbia and other provinces. The difference in the unemployment rate between British Columbia and another province is highly correlated with net migration from that province. The following chart shows the unemployment rate differentials with Ontario and Alberta. The Alberta unemployment rate has been lower than British Columbia's since 1977, except for 1993 when the rates were the same, but the gap has narrowed considerably over that period. The Ontario rate has been lower than British Columbia's over most of the 1977 to 1994 period, reaching a difference of 6 percentage points in the mid-80s. However, during the last three years British Columbia has had a lower rate than Ontario.

Net migration from Ontario has shown the most fluctuation



The unemployment rate differentials have demonstrated similar movements



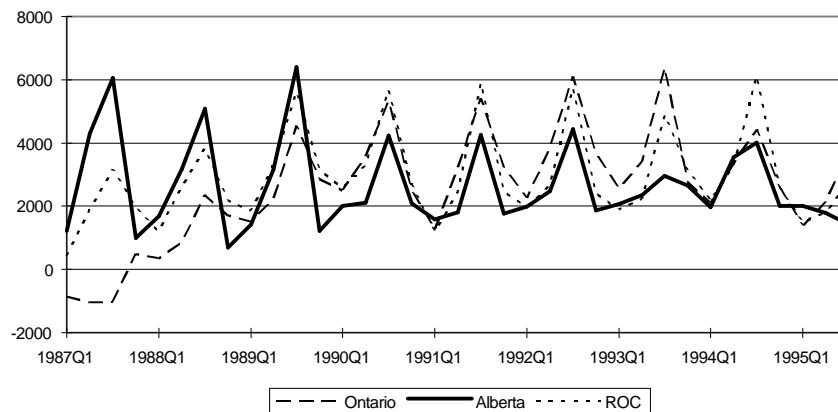
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The recent net interprovincial migration data have shown somewhat different movements. The seasonal nature of the data, which normally peaks in the third quarter of each year, makes the trends harder to identify. Net migration from Ontario dropped significantly in 1994, and continued to decline in 1995. Migration from Alberta and the rest of Canada decreased moderately in 1993, increased in 1994, but has fallen dramatically in the first three quarters of 1995. In fact, the third quarter flow from Alberta was actually lower than in the second quarter. Net migration from Alberta in the third quarter was 1,415 people, only slightly above the net flow from Quebec - 1,388 people. Net migration from

Alberta in recent years has been two to three times larger than that from Quebec.

In 1994 unemployment rates in both Alberta and Ontario improved relative to the British Columbia rate and this trend has continued into 1995. Although the unemployment rate differentials have declined since 1993, they are still relatively high. Some of the decline in interprovincial migration is related to the improvement in economic conditions in other parts of the country relative to British Columbia. However, other factors appear to be contributing to the drop, especially in the case of Alberta where net migration for the first three quarters of 1995 is 45% below the same period in 1994 and 30% below that period in 1993.

Net migration from Alberta has fallen sharply in 1995



... partially as a result of a relative improvement in economic conditions, as highlighted by the unemployment rate differentials

