

Measuring & Monitoring Impacts of the New Economy on Local Government Finances

New Economy Trends and Potential Impacts

'New Economy' Trends:

- Tangible assets to intangible
- Low-carbon, circular and sustainable
- Increasing e-commerce and remote workforces
- Rapidly evolving
- Innovation-driven

Potential Impacts:

- Decreasing relative value of commercial/industrial land
- Changing nature of employment
- Decreasing fuel consumption affecting fuel tax revenues
- Changing role of natural resources in the economy
- New industries (ride-sharing, STRs)

Objectives of Metrics Subgroup

- Identify and gather data on leading indicators and measure impacts of economic shifts affecting local government revenues and cost drivers
- Inform Working Group discussions on local government financial resiliency

Potential Indicators of New Economy Shifts

- E-Commerce sales as per cent of total retail sales
- Vacant office space / commercial space
- Employees working from home as per cent of workforce
- Fuel sales/consumption
- Major industrial plant closures or downsizing



Measuring Impacts of New Economy Shifts

- Changes in proportions of assessed values of:
Residential, Class 5 (Light Industrial), and Class 6
(Business/Other)
- Trends in Major Industrial (Class 4) value per BC Assessment
- Province-wide and regional differences (e.g. Economic
Development Regions, Census Metropolitan Areas)