Report:
BC REAL ESTATE ASSOCIATION

Housing & Community Priority Study

Submitted by:
IPSOS-REID CORPORATION
1100 – 1199 West Hastings Street
Vancouver BC V6E 3T5
Phone: 604-257-3200
Fax: 604-688-9568

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BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION

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1.0 OBJECTIVES AND METHODOLOGY

The British Columbia Real Estate Association (BCREA) represents the interests of twelve real estate boards and their nearly 14,000 REALTORS on all provincial issues. In 2004, as part of its overall strategic long-term planning process, BCREA's Board of Directors made the decision to enhance its lobbying and public relations role by adopting a new philosophy, encompassed under the "Quality of Life" moniker. This new philosophy will broaden BCREA's perspective on issues to include those that have an impact on the daily lives of all British Columbians, not just REALTORS. With this new direction, it is intended that BCREA's lobbying and public relations efforts will resonate more strongly with government, thereby securing its role as a legitimate player on the provincial scene. By adopting this strategic initiative, BCREA seeks to improve its ability to respond to government communications and policies on behalf of its members.

Having made the decision to take a more deliberate and focused approach to government relations using public opinion, BCREA commissioned Ipsos-Reid to conduct the first phase of a multi-year public opinion research program. This benchmark study will be used for comparative purposes with data gathered in subsequent years, and allow BCREA to track changes in public opinion and priorities.

The primary objective of this initial benchmark study was to gauge British Columbians' views on important issues related to housing and community priorities. Specifically, the research was designed to explore British Columbians':

- Interpretations of quality of life;
- Top-of-mind concerns;
- Perceptions towards growth and development;
- Perceptions of the government's performance and role in addressing growth and development;
- Satisfaction with local government performance in various areas such as transportation, housing, safety and security, economy and parks and recreation;
- Preference for tax increases versus service cuts;
- Importance of various decision drivers in British Columbians' decision of where to live and motivations for choosing one neighbourhood over another;
- Likelihood of purchasing a home in the next two years;
- Impact of various housing features on British Columbians' purchase decision;
- Awareness of BCREA; and,
- Perceptions of REALTORS and the real estate profession.

A total of 1,250 telephone interviews were conducted with a randomly selected representative sample of BC households aged 18 years or older. Our interviewing used a "head of household" approach whereby we asked to speak to the person who is either primarily or jointly responsible for paying property taxes or rent. The intent here was to speak with someone who can report on the housing and community needs and priorities of all members of their household, thereby ensuring that we have an accurate picture of the entire province. All interviews were conducted between the dates of January 3 and January 9, 2005.

Because BCREA represents the interests of real estate boards and their licensees across the province, the research was designed to allow for a regional analysis to determine whether different regions are faced with different needs and priorities. To provide a statistically robust analysis of the differences between the five designated regions (Greater Vancouver, Fraser Valley, South Interior, North Interior and Vancouver Island), a minimum of 100 interviews need to be conducted in each region. However, due to the distribution of the population in BC, a random survey of 1,250 respondents would yield less than 100 interviews in some regions. Therefore, to ensure reliable analysis in each of the five regions, sampling was conducted disproportionate to the population in each region. Overall results were then weighted to ensure that the age/gender and regional distributions reflect that of the actual population in BC according to the 2001 Census data.

The following chart summarizes the sampling scheme for this research study:

Region	% of Population	"Natural" # of Interviews in 1,250 Person Survey	Number of Completed Interviews
Greater Vancouver	51%	636	400
Fraser Valley	6%	76	200
South Interior	16%	206	200
North Interior	8%	106	200
Vancouver Island	18%	227	250

Overall results are accurate to within ±2.8 percentage points, nineteen times out of twenty. With this sample size, we can be 95% confident that the results fall within ±2.8 percentage points of what they would be if we were to poll all households in BC aged 18 or older. The following table outlines the margin of error for each of the five regional areas surveyed.

Region	Number of Completed Surveys	Margin of Error
Greater Vancouver	400	±4.9%
Fraser Valley	200	±6.9%
South Interior	200	±6.9%
North Interior	200	±6.9%
Vancouver Island	250	±6.2%
Total	1,250	±2.8%

2.0 EXECUTIVE SUMMARY

Quality of Life and Top of Mind Concerns

Overall, the survey results suggest that growth and housing issues are certainly on British Columbians' radar. However, they're not seen to be as important as some other local issues.

British Columbians have varying interpretations of the phrase 'quality of life'. A quarter (24%) of respondents say that quality of life means having/being able to afford the necessities, such as food, water, and shelter. Other interpretations of quality of life refer to being healthy/in good health (18%), comfort level/how comfortable you are with your life (18%), and how good your life generally is overall (18%).

Overall, social issues are identified as the most important issue facing local communities, mentioned by a total of 22% of respondents. Aspects of social issues that stand out as needing attention from local leaders include "homelessness" (6%), "affordable housing" (4%), general mentions of "housing" (3%), and "poverty" (3%). These results are somewhat different from what we've found in municipal surveys, where transportation is the leading issue.

Following social issues, the next most important local issues are health care (18%) and crime (17%). Health care mentions tend to be largely unspecified (15%), while crime is mainly composed of mentions of "drugs/drug junkies (including injection site)" (5%), and other unspecified mentions of crime (5%). Other broad issues that top the public's agenda include the economy (12%), education (10%), transportation (10%), and growth (10%).

Perceptions Towards Growth and Development

While growth appears to be a third-tier issue in comparison to other top-of-mind local issues, the majority (55%) of British Columbians say that managing growth and development should be a "very high" (12%) or "high" (43%) priority for government. Another 33% believe it should be a "mid-level" priority.

When specifically asked to identify the most important issue related to growth and development, 11% of British Columbians mention employment. Other important issues include affordable housing (9%) and preserving the environment and wilderness (8%).

British Columbians' support for different aspects of growth and development varies. Overall, support is highest for transportation initiatives, such as building or expanding transit systems (89%, 66% "strongly support") and building new roads and widening existing roads (81%, 50% "strongly support").

High levels of support are also noted for encouraging retail and commercial development (79%, 38% "strongly support"), encouraging growth that results in the expansion of outlying communities (77%, 33% "strongly support"), increasing construction of multi-family dwellings as opposed to single-family homes (69%, 27% "strongly support"), and building commercial, retail and residential buildings all in the same neighbourhood (62%, 25% "strongly support").

Meanwhile, British Columbians are less likely to support building houses, condominiums and apartments closer together with more stories and smaller lots (40%, 14% "strongly support") and replacing agricultural land with residential developments (21%, 7% "strongly support").

Government Performance on Growth and Development Issues

Generally speaking, British Columbians give favourable reviews to governments at all levels for their efforts on growth and development issues. However, their satisfaction tends to be moderate rather than strong. And, BC residents are less complimentary of steps their local government is taking to make homes more affordable.

The majority (52%) of British Columbians feel the provincial government has done a good job managing growth and development in the province. However, most (47%) of these respondents only believe the government has done a "good" job in this regard. Just 5% rate the government's performance as "very good", suggesting that British Columbians' perception of the government's performance is somewhat tempered.

For the most part, British Columbians are largely satisfied with the overall level and quality of the services provided by their municipality (81%). However, once again the majority (60%) of these respondents say they are only "somewhat satisfied" with these services, while far fewer (21%) say they are "very satisfied".

Further analysis suggests that, while specific services are rated quite highly, other services are deemed less satisfactory.

- Overall, respondents are most satisfied with their local government's provision of parks and other recreational services or facilities (86%, 40% "very satisfied").
- The majority of respondents are also satisfied with their local government's performance in terms of maintaining or upgrading the condition of local streets and highways (66%, 19% "very satisfied"), taking steps to ensure their community is safe and free of violent crime (65%, 18% "very satisfied"), encouraging economic investment that brings jobs to the area (64%, 14% "very satisfied"), providing convenient and accessible public transportation (63%, 16% "very satisfied"), and easing traffic congestion on local roads and highways (57%, 14% "very satisfied").

- In comparison, British Columbians are less satisfied with the steps their local government has taken to ensure there are homes to buy at affordable prices (44%, 8% "very satisfied").

Looking into the future, respondents express a clear preference for increasing taxes to enhance or expand services (60%) rather than reducing taxes by cutting services (25%). One in ten (12%) would prefer neither of these options. Respondents who would prefer to see an increase in taxes express the most support for an increase in property taxes (48%). Meanwhile, those who would prefer the government reduce taxes by cutting services are most willing to cut arts and cultural services (69%).

Drivers and Motivators in Deciding Where to Live

Paired trade-off analysis was conducted to better understand what motivates respondents to live in one neighbourhood over another. This analysis takes respondents through an exercise where they choose between a series of paired items, based on which one is *more important to them* when it comes to their decision of where to live.

Overall, affordability and family-oriented neighbourhood are the most important factors in British Columbians' decision of where to live. These two factors were chosen (65% and 64% of the time, respectively), when put against all other items.

However, while these factors are important to British Columbians, they are not the sole motivators for choosing to live in one neighbourhood over another. Other important considerations are the level of crime (chosen 58% of the time), proximity to amenities such as retail stores and parks (50%), and access to doctors, hospitals and other health care services (50%).

Respondents appear less influenced by factors such as proximity to work (or their spouse's work) (48%), the level of traffic (38%), proximity to schools (37%), and access to public transportation (31%).

Preference for Housing Features

Looking specifically at purchase intentions shows that just under three in ten (27%) respondents anticipate buying a home in British Columbia within the next two years. This is consistent with other research we conducted nationally in the Spring of 2004, which found that 26% of Canadians are likely to purchase a house within the next two years. The majority (68%) of those likely to purchase a home in BC within the next two years anticipate purchasing a detached house.

British Columbians consider a number of factors when buying a home. Not surprisingly, price is the most important feature, with 97% of respondents saying price is important in their decision of whether to purchase a particular home. A large proportion (73%) of these respondents indicate price is "very important".

Again however, while price is important, it is not the only feature that respondents consider when buying a home. Other highly important features include the type of home (89%, 61% "very important"), privacy from neighbours (89%, 49% "very important"), whether the house has a garage or other parking facilities (83%, 50% "very important"), and the condition of the home (81%, 45% "very important").

While somewhat less important than the features already listed, the majority of British Columbians also place considerable emphasis on the age of the home (70%, 23% "very important"), whether it has a large yard (69%, 36% "very important"), its uniqueness (65%, 30% "very important"), and its view (63%, 19% "very important").

Awareness and Perceptions of BCREA

Overall, awareness of BCREA is quite high, with 64% of British Columbians saying they have heard of the Association.

Of those who had heard of BCREA, 33% indicate they have seen, read or heard something about the organization within the past 12 months. When asked specifically what they had seen, read or heard, 15% mention real estate prices, 13% mention market trends (including how the real estate market is doing), and 11% mention real estate news or listings.

Perceptions Towards Real Estate Agents

British Columbians' impressions of the real estate profession are largely positive, with 71% of respondents indicating they feel favourably towards the profession. However, further analysis shows that the majority (55%) of these respondents only feel "somewhat favourable", while just 16% feel "very favourable".

Respondents who feel favourably towards the real estate profession indicate this is because they have had a good experience with the profession in the past (20%). Another 17% say that agents are helpful, 14% say they have friends or family members who are real estate agents, and 13% find the majority of agents to be professional/friendly/courteous. One in ten (11%) make general positive comments about agents (e.g., good, wonderful).

On the other hand, respondents who feel unfavourably towards the real estate profession tend to feel that agents are just out to make money (30%), or they perceive agents as dishonest/untrustworthy/unethical (26%). Another 19% feel that agents charge too much commission, and 17% have had a bad experience with the profession.

For the most part, respondents generally support the real estate profession advocating a variety of issues. For example, the vast majority support the profession advocating government action to reduce crime (90%, 65% "strongly support"), environmental conservation (89%, 58% "strongly support"), the rights of property owners (88%, 60% "strongly support"), responsible fiscal management (81%, 46% "strongly support"), and diverse housing options (81%, 37% "strongly support").

Many also support advocating the elimination of the Property Transfer Tax (68%, 42% "strongly support"). While support for this item is less than is reported for the preceding issues, a relatively large proportion (16%) say they "don't know" if they support real estate agents advocating for the elimination of the Property Transfer Tax.

Although a slight majority (56%) of British Columbians are unaware that real estate agents are active volunteers in their community, 43% of respondents indicate they are aware of real estate agents' volunteer activities.

Knowing that real estate agents are active as volunteers has "no impact" on 54% of British Columbians' overall impressions of the real estate profession. However, a relatively large proportion (43%) indicates this information would make them feel more favourably towards the profession (10% "much more favourably," 33% "somewhat more favourably"). As such, promoting the volunteer efforts of real estate agents might provide a good opportunity for the BCREA to boost the public's perceptions of agents.

3.0 DETAILED FINDINGS

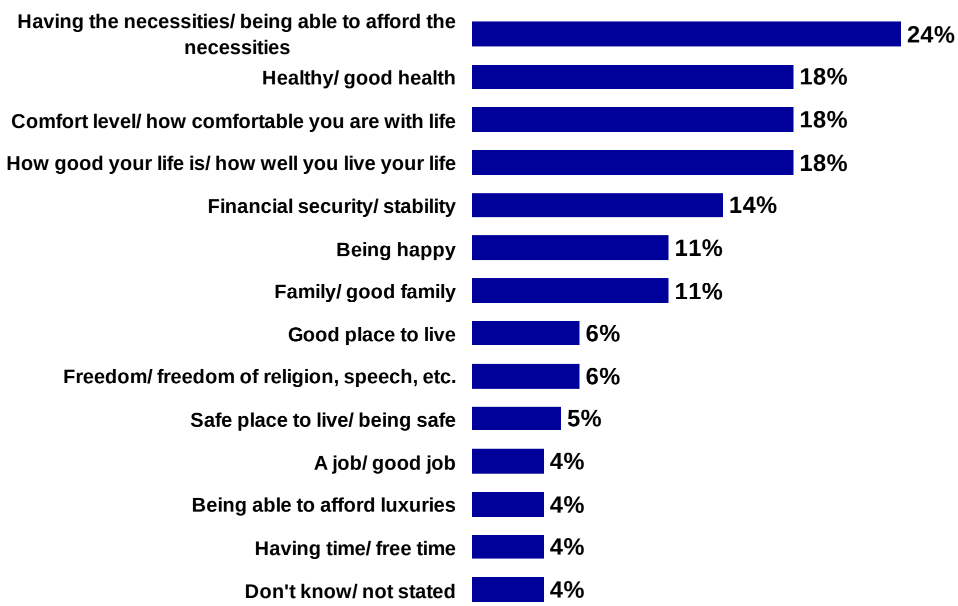
3.1 Quality of Life

British Columbians have varying interpretations of the phrase 'quality of life'. A quarter (24%) of respondents say that quality of life means having/being able to afford the necessities, such as food, water, and shelter.

Other relatively common interpretations of quality of life refer to being healthy/in good health (18%), comfort level/how comfortable you are with your life (18%) and how good your life generally is overall (18%). Meanwhile, 14% of respondents mention financial security/stability, 11% mention being happy, and another 11% say that quality of life means having a good family.

'Quality Of Life' Can Mean Many Different Things (Top Mentions)

"To begin, what does the phrase 'quality of life' mean to you?"



Base: All respondents (n=1,250)

Respondents' interpretations of quality of life vary by region. For example:

- Healthy/good health: Mentioned more often by residents of the Fraser Valley or Vancouver Island (24% and 23%, respectively) than those living in Greater Vancouver (14%).

- Being happy: Mentioned more often by residents of the Fraser Valley or the South Interior (16% and 14%, respectively) than those living on Vancouver Island (6%).
- Having a safe place to live/being safe: Mentioned more often by residents of the Fraser Valley or South Interior (both 6%) than those living in the North Interior (1%).

Gender also appears to play a role in respondents' interpretations of quality of life. Specifically:

- Women are more likely than men to mention having/being able to afford the necessities (27% compared to 21%), healthy/good health (21% compared to 15%), and being happy (16% compared to 7%).
- Men are more likely than women to mention financial security/stability (18% versus 11%).

Interpretations of quality of life also vary by age. The most significant differences by age are summarized below:

- Young respondents (18 to 34 years of age) are more likely than any other age group to mention being happy (18% compared to an average of 8% among those aged 35 or older).
- Young and middle-aged respondents (i.e., those under the age of 55) are more likely to mention having time/free time (average 5%) than are older respondents (1% of those aged 55 or older).
- Middle-aged respondents (35 to 54 years of age) are more likely than any other age group to mention safe place to live/being safe (8% compared to an average of 4% among respondents outside this age bracket).
- Middle-aged and older respondents (i.e., those 35 years of age or older) are more likely to mention freedom/freedom of religion, speech etc (average 7%) than are young respondents (3% of those aged 18 to 34).

3.2 Most Important Local Issues

Overall, the survey results suggest that growth and housing issues are certainly on British Columbians' radar. However, they're not seen to be as important as some other local issues.

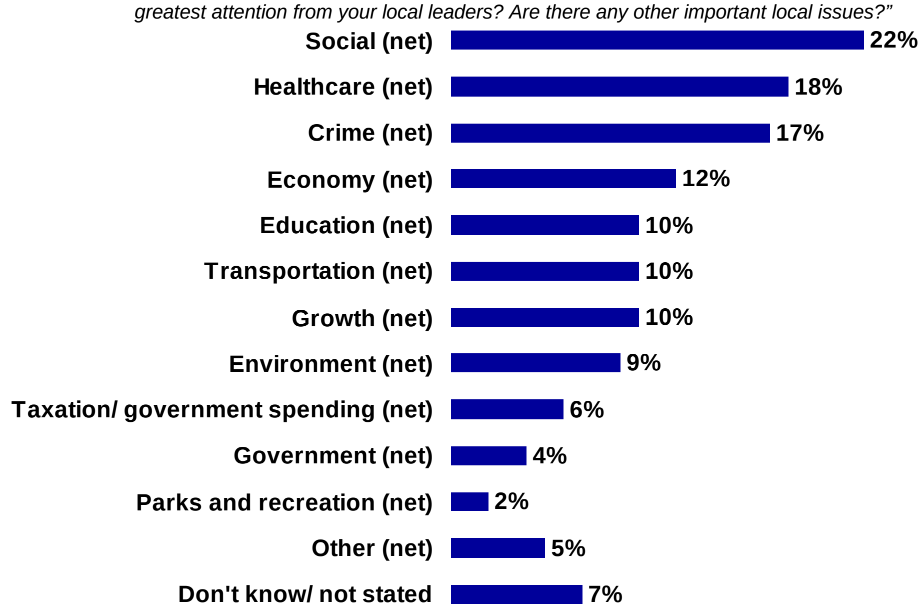
Overall, social issues are identified as the most important issue facing local communities, mentioned by a total of 22% of respondents. Aspects of social issues that stand out as needing attention from local leaders include "homelessness" (6%), "affordable housing" (4%), general mentions of "housing" (3%) and "poverty" (3%). These results are somewhat different from what we've found in municipal surveys, where transportation is the leading issue.

Following social issues, the next most important local issues are health care (18%) and crime (17%). Health care mentions tend to be largely unspecified (15%), while crime is mainly composed of "drugs/drug junkies (including injection site)" (5%) and general mentions of crime (5%).

Other broad issues that top the public's agenda include the economy (12%), education (10%), transportation (10%) and growth (10%).

Social Issues Top The Public Agenda - Healthcare And Crime Not Far Behind

"In your view, what is the most important issue facing your community: that is, the one issue you feel should receive the greatest attention from your local leaders? Are there any other important local issues?"



Base: All respondents (n=1,250)

Respondents' perceptions of the most important local issues vary by region. The most significant differences between regions are as follows:

- Social issues: More important in Greater Vancouver (27% mentions) and on Vancouver Island (25%) than in the North Interior (12%).
- Crime: Much more important in the Fraser Valley (34%) than all other regions of the province, especially the North Interior (5%).
- Economy: Much more important in the North Interior (26%) than in Greater Vancouver (5%).
- Education: More important on the Island (14%) than in the Fraser Valley (6%).
- Transportation: Much more important in Greater Vancouver (15%) than in all other regions (average of 6% mentions elsewhere in BC).
- Growth: More important in the South Interior (14%) and on Vancouver Island (12%) than in the North Interior (5%).
- Environment: More important in the Fraser Valley (18%) than elsewhere in the province (average 7%).
- Taxation: More important in the South Interior (10%) than in the Fraser Valley (3%) or on Vancouver Island (4%).

Gender also appears to play a role in which issues are perceived as the most important:

- Women are more likely than men to mention social issues (29% versus 15%), health care (20% versus 15%), and education (13% versus 8%).
- Men are more likely than women to mention growth (13% versus 8%), taxation (8% versus 4%), and government (6% versus 2%).

Similarly, age is also a factor in which issues are perceived as the most important. The most significant of these differences are summarized below.

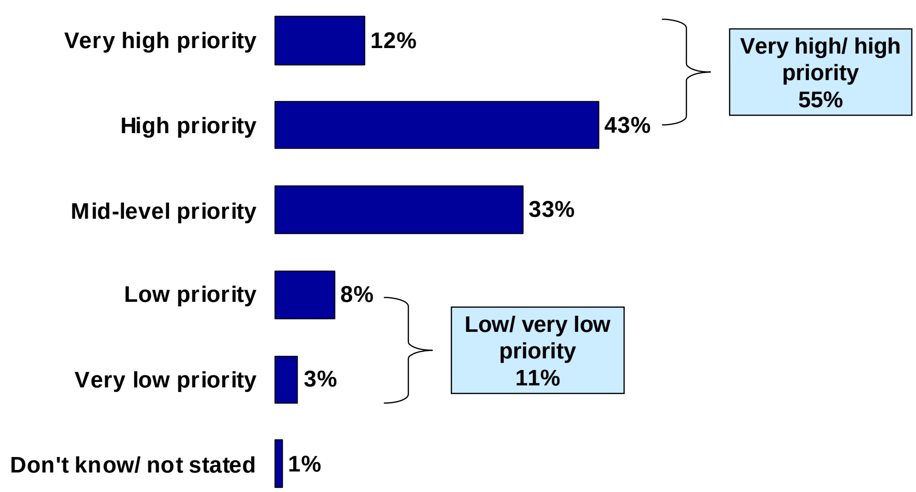
- Young or middle-aged respondents (i.e., those under the age of 55) are more likely to mention social issues (average 26%), crime (average 21%), and education (average 13%). In comparison, only 16% of older respondents (aged 55 plus) mention social issues, 11% mention crime, and 5% mention education.
- Middle-aged or older respondents (i.e., those 35 years of age or older) are more likely to mention health care (average 20%) and transportation (average 12%). Only 13% of younger respondents (aged 18 to 34) mention health care, while 5% mention transportation.
- Older respondents (55 plus) are more likely than any other age group to mention growth (15% compared to an average of 8% among those under the age of 55), and taxation (10% compared to an average of 3% among those under the age of 55).

3.3 Perceptions Towards Growth and Development

The majority (55%) of British Columbians believe that managing growth and development should be a "very high" (12%) or "high" (43%) priority for government. Another 33% believe it should be a "mid-level" priority. Very few (11%) suggest that managing growth and development should be a "low" (8%) or "very low" (3%) priority for government.

Most Agree That Managing Growth And Development Is A High Priority

"There has been a lot of discussion about the level of importance governments should place on managing growth and development. By growth and development I mean an increase in the number of people, houses, and businesses in an area. When compared to all the issues currently facing British Columbia these days, do you think that managing growth and development should be a very high priority for government, a high priority, a mid-level priority, a low priority, or a very low priority?"



Base: All respondents (n=1,250)

The perceived importance of managing growth and development varies by region:

- Respondents living in Greater Vancouver are the most likely to think that managing growth and development should be a very high/high priority (61%).
- Those living on Vancouver Island or in the Fraser Valley are the least likely to think so (48% and 50%, respectively).

Gender and income also appear to play a role in the perceived importance of managing growth and development.

- Men are more likely than women to say that managing growth and development should be a very high/high priority for government (61% versus 50%).

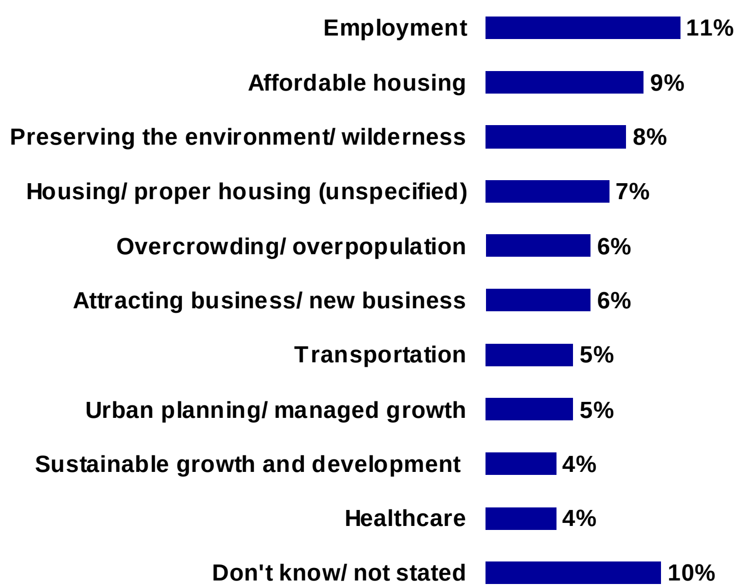
- Respondents earning high incomes are more likely to say this should be a very high/high priority (61% of those earning $60,000 or more compared to an average of 52% among those earning less than $60,000).

3.4 Most Important Issues Related to Growth and Development

When specifically asked to identify the most important issue related to growth and development, 11% of British Columbians mention employment. Other important issues include affordable housing (9%) and preserving the environment and wilderness (8%).

Employment Is The Most Important Issue Related To Growth And Development (Top Mentions)

"In your view, what is the most important issue related to growth and development in your community?"



Base: All respondents (n=1,250)

Regional variations are noted in the most important issues related to growth and development. Specifically:

- Employment: More of a salient issue in the North Interior (23%) than anywhere else in the province (average 9%).
- Affordable housing: Perceived to be of *less* importance in the North Interior (2%) than anywhere else in the province (average 10%).
- Preserving the environment/wilderness: The main concern of many more people on Vancouver Island (14%) than elsewhere in BC (average 7%).

- Overcrowding/overpopulation: Of greater importance in Greater Vancouver (11%) than in all other regions (average 3%).
- Attracting business: Of greatest importance in the North Interior (15%) compared to Greater Vancouver (3%) and the Fraser Valley (4%).
- Natural resource management: More important in the North Interior (11%) than in all other regions (average 2%).
- Managing Agricultural Land Reserve: More important in the Fraser Valley (7%) than elsewhere in BC (average 2%).

Gender also plays a role in determining the most important issues related to growth and development:

- Women are more likely than men to mention housing/proper housing (8% versus 5%) and health care (5% versus 2%).
- Men are more likely than women to mention transportation (7% versus 3%).

Two other factors that impact which issues are deemed the most important are own versus rent, and income. A summary of the most significant differences between these groups can be found below:

- Respondents who rent their home are more likely than homeowners to mention affordable housing (15% versus 6%) and other general mentions of housing/proper housing (9% versus 5%).
- Low to mid-income respondents (i.e., those earning less than $60,000) are more likely to mention affordable housing (average 11%) than are high-income respondents (5% of those earning $60,000 or more).

3.5 *Support for Various Aspects of Growth and Development*

British Columbians' support for different aspects of growth and development varies.

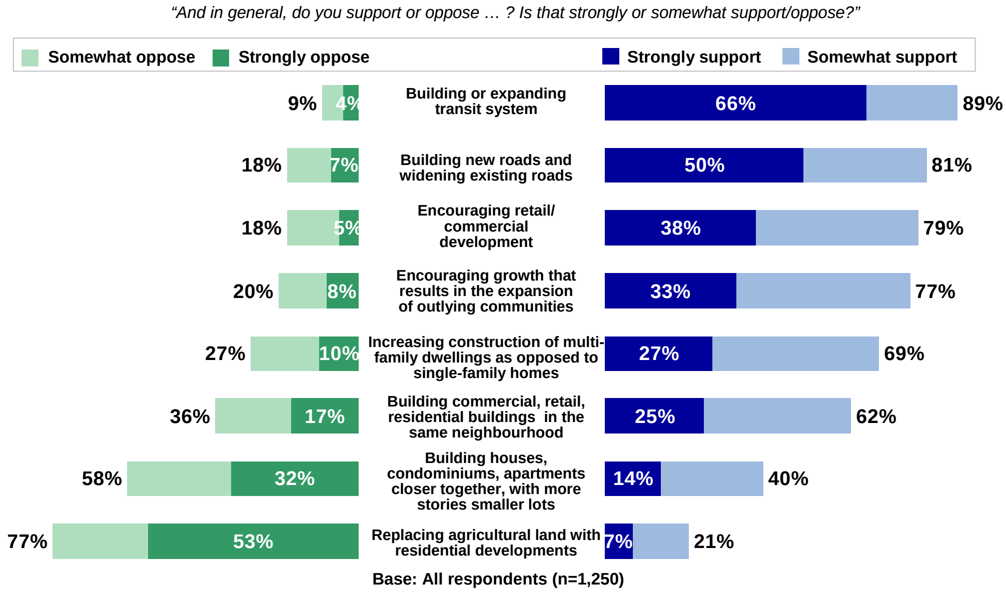
The vast majority of respondents support building or expanding transit systems (89%, 66% "strongly support") and building new roads and widening existing roads (81%, 50% "strongly support"). The high proportion of "strongly support" responses suggests that these are not only two aspects of growth and development that many British Columbians support, but also feel quite strongly about.

High levels of support are also noted for the following four aspects of growth and development (while support for these initiatives is high, the intensity of support is lower than what is noted for the preceding aspects of growth and development):

- Encouraging retail and commercial development (79%, 38% "strongly support");
- Encouraging growth that results in the expansion of outlying communities (77%, 33% "strongly support");
- Increasing construction of multi-family dwellings as opposed to single-family home (69%, 27% "strongly support"); and,
- Building commercial, retail and residential buildings all in the same neighbourhood (62%, 25% "strongly support").

British Columbians are less likely to support building houses, condominiums and apartments closer together with more stories and smaller lots (40%, 14% "strongly support"), and replacing agricultural land with residential developments (21%, 7% "strongly support").

Support For Different Aspects Of Growth And Development Varies



Support for individual growth and development initiatives varies by region:

- Building or expanding transit systems: Much *less* support in the North Interior (76%) than elsewhere in the province (average 91%).
- Building new roads and widening existing roads: More support in the Fraser Valley (89%), the South Interior (89%) and the North Interior (86%) compared to Greater Vancouver (75%) and Vancouver Island (78%).
- Encouraging retail and commercial development: More support in the South Interior (87%), the North Interior (88%) and the Fraser Valley (84%), compared to Greater Vancouver (76%) and Vancouver Island (72%).
- Encouraging growth that results in expansion of outlying communities: More support in the South Interior (91%) and the North Interior (86%) than elsewhere in BC, especially Vancouver Island (69%).
- Increasing construction of multi-family dwellings: More support in Greater Vancouver (74%), the South Interior (73%) and on Vancouver Island (72%) than in the Fraser Valley (60%) and the North Interior (58%).

- Building commercial, retail and residential buildings in the same neighbourhood: More support in Greater Vancouver (69%) than in other areas of the province (average 57%).
- Building houses, condominiums and apartments closer together: More support in Greater Vancouver (48%) than in all other areas of the province, particularly the North Interior (27%).
- Replacing agricultural land with residential developments: Low support is consistent across all regions.

The level of importance that respondents place on managing growth and development also impacts support for these initiatives:

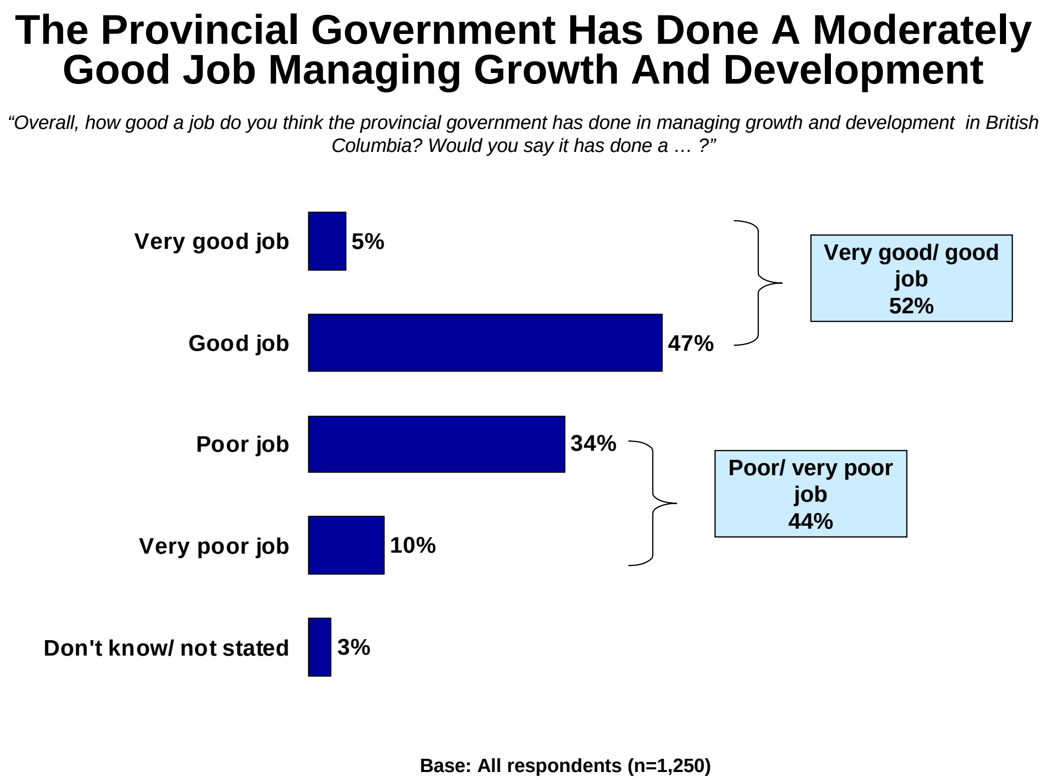
- Generally, respondents who believe that managing growth and development should be a mid to high priority are the most likely to support these initiatives. Conversely, those who believe that this should be a low priority are generally the least likely to support these initiatives.
- For example, support for building or expanding transit systems stands at 92% among those who say that managing growth and development should be a high priority and 88% among those who say this should be a mid-level priority; in comparison, support for this initiative drops to 79% among those who think managing growth and development should be a low priority.
- The one exception to this is for replacing agricultural land with residential developments – in this instance, low levels of support are noted across all three groups.

Support for some of these initiatives is also impacted by gender. Specifically:

- Men are more likely than women to support building houses, condominiums and apartments closer together (46% versus 34%), encouraging retail and commercial development (84% versus 75%), and replacing agricultural land with residential developments (25% versus 18%).

3.6 Government Performance in Managing Growth and Development

The majority (52%) of British Columbians feel the provincial government has done a very good/good job managing growth and development in the province. However, most (47%) of these respondents only believe the government has done a "good" job in this regard, while just 5% rate the government's performance as "very good". Meanwhile, 44% of respondents feel the government's performance in this area has been "poor" (34%) or "very poor" (10%).



Regional variations are noted in respondents' perceptions of the government's performance in managing growth and development:

- Residents of the Fraser Valley are the most likely to think the provincial government has done a very good/good job in this regard (64%).

- Those living on Vancouver Island (45%), the North Interior (47%), Greater Vancouver (52%), and to a lesser extent, the South Interior (54%), are less likely to think so.

Perceptions of the government's performance also vary depending on the level of importance respondents attach to managing growth and development. Specifically:

- Those who feel that managing growth and development should be a high or mid-level priority are the most likely to say the government has done a very good/good job in this regard (55% and 53%, respectively).
- In contrast, this sentiment is echoed by only 37% of those who feel that managing growth and development should be a low priority.

Differences in perceptions are also noted by age and income. Respondents who are the *most* likely to say the government has done a very good/good job managing growth and development are:

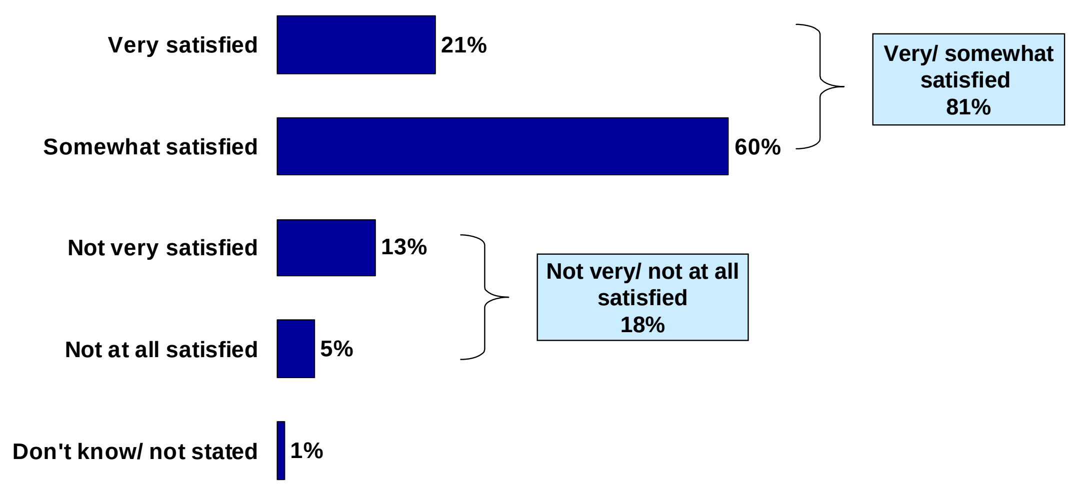
- Young (59% of 18 to 34 year olds compared to an average of 49% of those aged 35 or older).
- Mid to high-income earners (average of 55% among those earning $30,000 or more compared to 42% of those earning less than $30,000).

3.7 Satisfaction with Local Government Performance

For the most part, British Columbians are largely satisfied with the overall level and quality of the services provided by their municipality (81%). However, once again, the majority (60%) of these respondents say they are only "somewhat satisfied" with these services, while far fewer (21%) say they are "very satisfied". Meanwhile, 18% of respondents say they are "not very satisfied" (13%) or "not at all satisfied" (5%) with the level and quality of services provided by their municipality.

Overall, Most British Columbians Are Satisfied With The Level And Quality Of Service

"Now using a scale of very satisfied, somewhat satisfied, not very satisfied, or not at all satisfied, please tell me how satisfied you are with your local government's performance in each of the following areas. The overall level and quality of the services provided by your municipality?"



Base: All respondents (n=1,250)

Satisfaction with the overall level and quality of municipal services varies by region:

- Respondents living in Greater Vancouver are the most likely to be satisfied with the overall level and quality of their municipal services (83%).
- Those living in the North Interior are the least likely to be satisfied (74%).

Own versus rent and income are two other factors found to impact satisfaction:

- Homeowners are more satisfied than renters (83% compared to 77%).
- High-income earners are the most satisfied (86% of those earning $60,000 or more, compared to an average of 77% among those earning less than $60,000).

Further analysis suggests that while specific services are rated quite highly, other services are deemed less satisfactory.

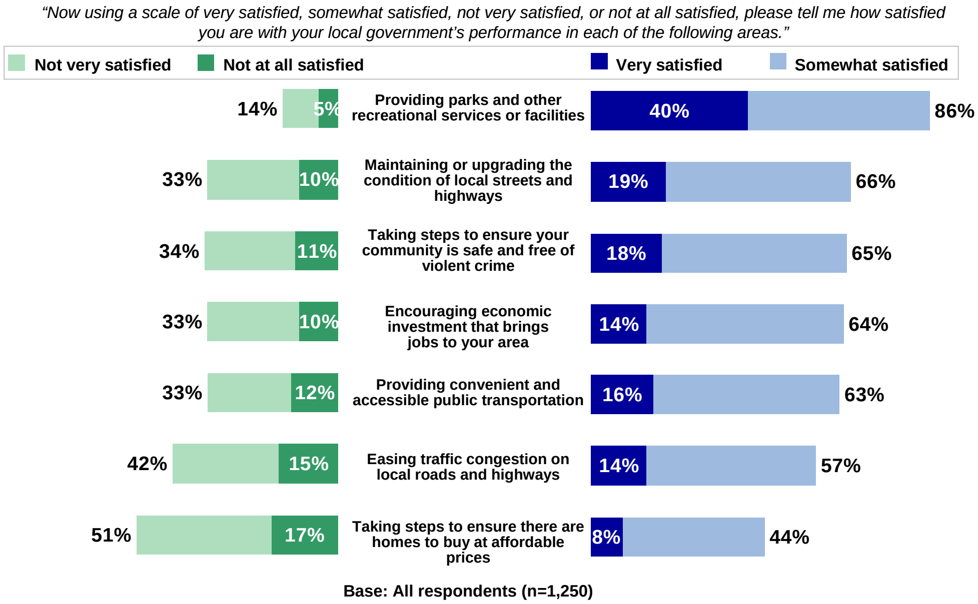
Overall, respondents are most satisfied with their local government's provision of parks and other recreational services or facilities (86%, 40% "very satisfied").

The majority of respondents are also satisfied with their local government's performance in the following areas (however, the intensity of satisfaction that is reported for these services is lower):

- Maintaining or upgrading the condition of local streets and highways (66%, 19% "very satisfied");
- Taking steps to ensure their community is safe and free of violent crime (65%, 18% "very satisfied");
- Encouraging economic investment that brings jobs to the area (64%, 14% "very satisfied");
- Providing convenient and accessible public transportation (63%, 16% "very satisfied"); and,
- Easing traffic congestion on local roads and highways (57%, 14% "very satisfied").

In comparison, British Columbians are less satisfied with the steps their local government has taken to ensure there are homes to buy at affordable prices (44%, 8% "very satisfied").

Satisfaction With Specific Services Varies



Regionally, there are some variations noted in respondents' satisfaction with the government's performance in these areas:

- Provision of parks and other recreational services or facilities: Higher satisfaction levels are noted in Greater Vancouver (89%), Vancouver Island (88%) and the Fraser Valley (85%), than in the North (75%) or South Interior (82%).
- Maintaining/upgrading the condition of local streets and highways: Far fewer North Interior residents are satisfied (38%, compared to an average of 70% in other areas).
- Taking steps to ensure communities are safe and free of violent crime: Fraser Valley residents are less satisfied with efforts (51% compared to an average of 68% elsewhere in the province).
- Encouraging economic investment: Greater Vancouver (70%) and Fraser Valley (68%) residents are more satisfied than others (average 57%).
- Providing convenient and accessible public transportation: Higher levels of satisfaction on Vancouver Island (70%) and in Greater Vancouver (66%) than elsewhere (average 57%).
- Easing traffic congestion: Greater Vancouver residents (43%) are far less satisfied than those living in other regions (average 67%).
- Taking steps to ensure there are homes to buy at affordable prices: Greater Vancouver residents (36%) are the least satisfied compared to other regions of the province (average 49%).

Similar to the results for overall satisfaction with the level and quality of municipal services, variations in satisfaction with the government's performance in specific areas are also noted depending on whether respondents own or rent their home and income:

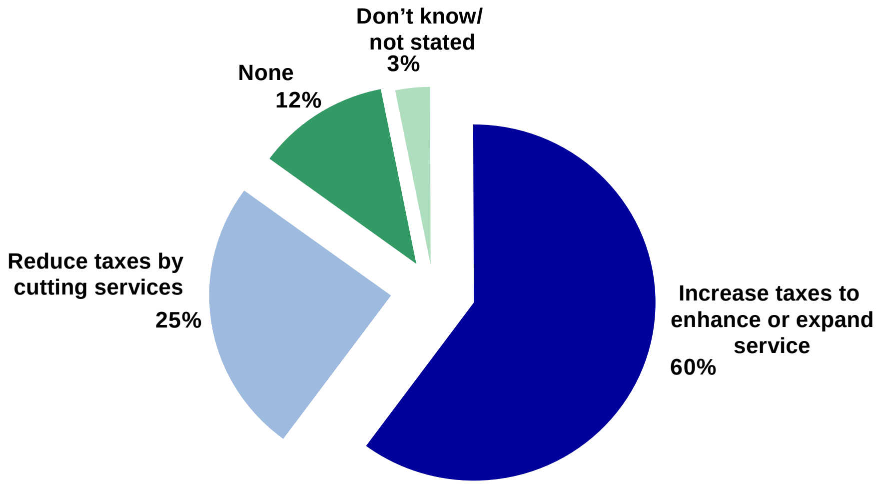
- Homeowners are more satisfied than renters with the steps their local government has taken to ensure there are homes to buy at affordable prices (50% versus 32%) and encouraging economic investment (66% versus 59%).
- High-income respondents are also the most satisfied with their local government's performance in encouraging economic investment (69% of those earning $60,000 or more compared to an average of 59% among those earning less than $60,000).

3.8 Financial Management Approaches

Given budgetary pressure, there is a clear preference for increasing taxes to enhance or expand services (60%) rather than reducing taxes by cutting services (25%). One in ten (12%) would prefer neither of these options.

Most Would Prefer A Tax Increase For Enhanced Services

"As you may know, governments must often balance taxation and service delivery levels. If you could choose, would you rather the government … ?"



Base: All respondents (n=1,250)

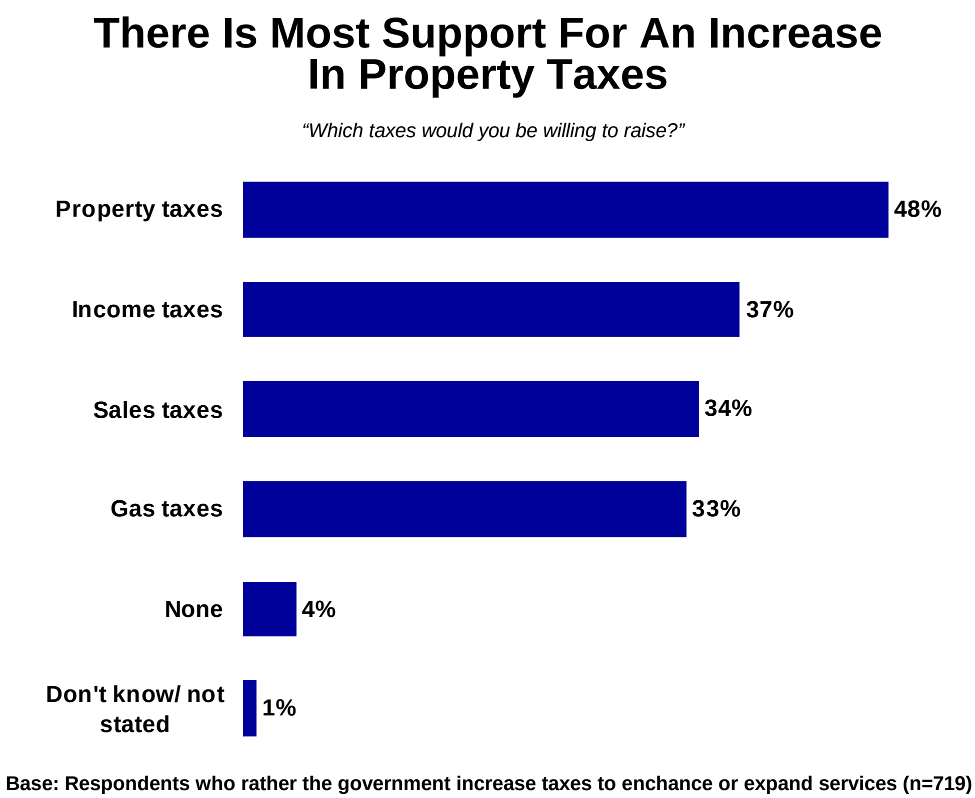
Support for a tax increase to enhance or expand services varies by region:

- Respondents living in Greater Vancouver or on Vancouver Island demonstrate the most support for a tax increase (67% and 64%, respectively).
- This is much higher than what is reported by those living in the North Interior (47%), Fraser Valley (48%) or the South Interior (55%).

Support for a tax increase also varies by factors such as gender, age, own versus rent, and the level of importance placed on managing growth and development. Respondents who are the *most* likely to express support are:

- Women (64% compared to 55% of men).
- Young (66% of 18 to 34 year olds compared to an average of 56% among those aged 35 or older).
- Renters (71% compared to 54% among homeowners).
- Respondents who say that managing growth and development should be a high (63%) or mid-level (59%) priority for government. Only 45% of those who feel this should be a low priority express support for a tax increase.

When respondents who indicated they would prefer an increase in taxes to enhance or expand services were asked which taxes they would be willing to raise, 48% express support for an increase in property taxes. Another 37% support raising income taxes, 34% support raising sales taxes and 33% support raising gas taxes.



The level of support for these tax increases varies by region:

- Property taxes: More support in the South Interior (55%), particularly compared to the North Interior (38%).
- Income taxes: Fraser Valley residents report the *lowest* level of support (23%) compared to other regions of the province (average 39%).

* Sales taxes: More support in Greater Vancouver (38%) than on Vancouver Island (23%).
* Gas taxes: Much more support in Greater Vancouver (43%) and on Vancouver Island (34%) than elsewhere in the province (average 18%).

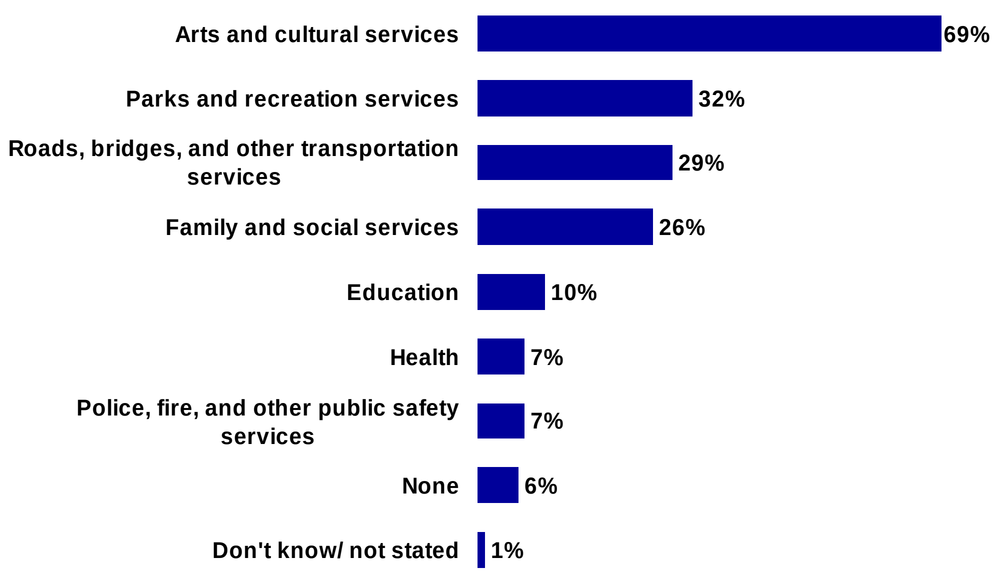
Meanwhile, those who would prefer the government reduce taxes by cutting services are most willing to cut arts and cultural services (69%). Three in ten (32%) are willing to cut parks and recreation services, 29% are willing to cut roads, bridges and other transportation services, and 26% are willing to cut family and social services. Very few support cutting education services (10%), health services (7%), and police, fire and other public safety services (7%).

These trends are generally consistent across all regions.

* The one exception is with respect to support for cutting health services, which is highest among those living in Greater Vancouver (11%) and lowest among those living in the South Interior (0%).

Arts And Cultural Services Are The First To Be Cut

"In order to reduce taxes, which of the following services would you be willing to cut?"



Base: Respondents who rather the government reduce taxes by cutting services (n=333)

3.9 Drivers and Motivators in Deciding Where to Live

Paired trade-off analysis was conducted to better understand what key decision criteria motivate respondents to choose one neighbourhood over another. Paired trade-off analysis takes respondents through an exercise where they choose between a series of paired items, based on which one is *more important to them* when it comes to their decision of where to live. These items can be attributes, perceptions, behaviours or values; the analytic output reveals how often any single item is chosen as more important when compared against others. This generates a more refined appreciation for the importance people place on a given set of items, and effectively singles out what is likely motivating behaviour and decisions.

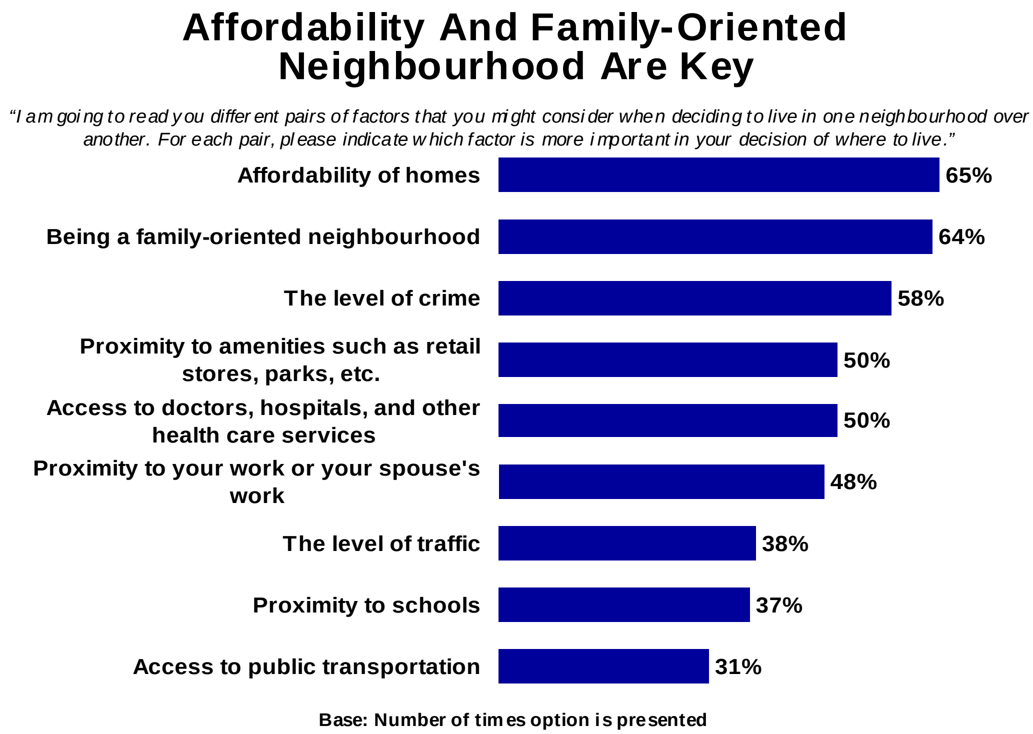
The nine factors considered for this particular study are listed below. Nine factors result in thirty-six possible combinations. Because it would be tedious and time-consuming for respondents to rate all thirty-six combinations, the research was designed to randomly select four different pairs for each respondent. Controls were also put in place to ensure that each pair was asked an equal number of times so that the final results include a robust sample of all nine factors. The nine factors included in this study are:

- The level of crime;
- Proximity to schools;
- The level of traffic;
- Proximity to amenities such as retail stores, parks etc.;
- Affordability of homes;
- Access to doctors, hospitals, and other health care services;
- Access to public transportation;
- Proximity to work (or spouse's work); and,
- Being a family-oriented neighbourhood.

Overall, affordability and family-oriented neighbourhood are the most important factors in British Columbians' decisions of where to live. These two factors were chosen 65% and 64% of the time, respectively, when put against all other items.

However, while these factors are important to British Columbians, they are not the sole motivators for choosing to live in one neighbourhood over another. Other factors that play an important role in this decision are the level of crime (chosen 58% of the time), proximity to amenities such as retail stores and parks (50%), and access to doctors, hospitals and other health care services (50%).

Respondents appear less influenced by factors such as proximity to work (or their spouse's work) (48%), the level of traffic (38%), proximity to schools (37%), and access to public transportation (31%).



The importance of these factors varies by region. For example:

- Respondents living in Greater Vancouver, the Fraser Valley and the South Interior indicate that affordability is the most important factor (being chosen 62%, 68% and 74% of the time, respectively).
- However, those living in the North Interior or on Vancouver Island are more influenced by whether the home is in a family-oriented neighbourhood (chosen 75% and 68% of the time, respectively).

Age also has an impact on the main reason why respondents choose to live in one neighbourhood over another:

- Young respondents (18 to 34 years of age) are most influenced by affordability (chosen 70% of the time).

- Middle-aged respondents (35 to 54 years of age) are most influenced by whether the area is a family-oriented neighbourhood (chosen 71% of the time).
- Older respondents (55 plus) are most influenced by access to doctors, hospitals and other health care services (chosen 70% of the time).

The importance of these decision criteria is also impacted by income:

- Low or mid-income respondents are most influenced by the affordability of homes (being chosen 69% of the time by those earning less than $30,000 and 68% of the time by those earning $30,000 to less than $60,000).
- High-income respondents are most influenced by family-oriented neighbourhood (chosen 70% of the time by those earning $60,000 or more).

When looking at the importance of these decision criteria specifically among those likely to purchase a home in BC in the next two years, the research suggests that these vary depending on which type of home respondents anticipate purchasing.

- Respondents who anticipate purchasing a detached house are most influenced by whether it is in a family-oriented neighbourhood (chosen 69% of the time). The level of crime is the next most important factor among these respondents (66%).
- Respondents who anticipate purchasing some other form of housing are most influenced by the affordability of homes (chosen 74% of the time). The next most important factor among this segment is proximity to amenities such as retail stores and parks (63%).

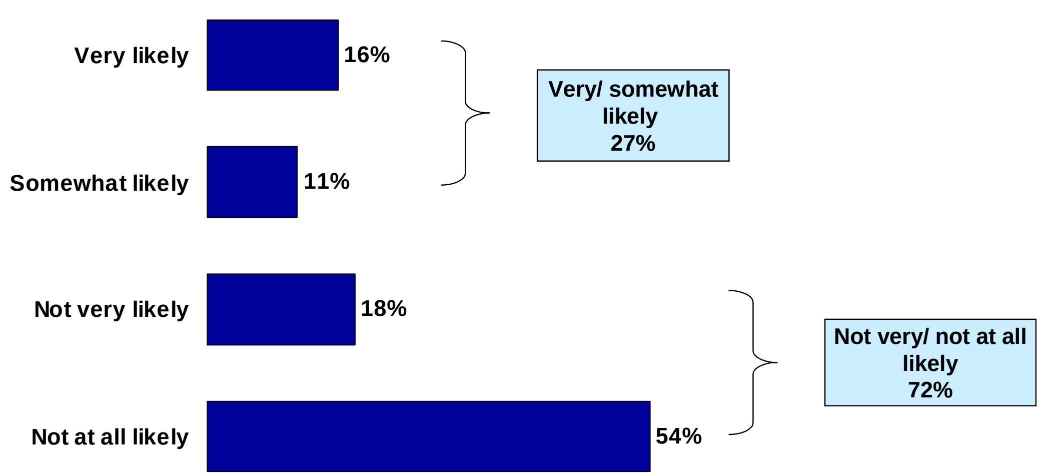
3.10 Likelihood of Purchasing a Home

Just under three in ten (27%) respondents anticipate buying a home in British Columbia within the next two years (16% "very likely" and 11% "somewhat likely). Meanwhile, 72% of respondents indicate they are unlikely to make such a purchase (18% "not very likely", 54% "not at all likely").

This is consistent with other research we conducted nationally in the Spring of 2004, which found that 26% of Canadians are likely to purchase a house within the next two years.

Nearly Three-In-Ten British Columbians Anticipate Buying A Home In The Next Two Years

"How likely are you to purchase a home in British Columbia within the next two years? Would you say you are … "



Base: All respondents (n=1,250)

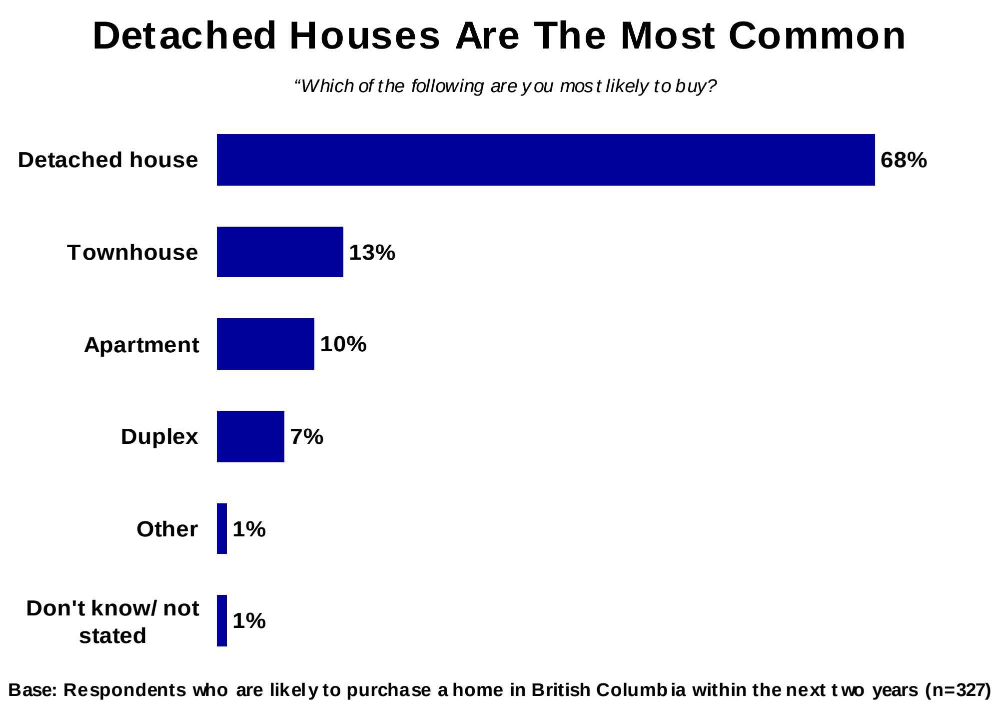
The likelihood of purchasing a home varies by region:

- Respondents living in the North Interior, Greater Vancouver or the Fraser Valley are the most likely to purchase a home (32%, 30% and 30%, respectively).
- In comparison, only 24% of those in the South Interior and 18% of those on Vancouver Island anticipate buying a home in BC in the next two years.

The likelihood of purchasing a home within the next two years is also impacted by factors such as age, whether respondents own or rent their current home, and income. Respondents who are the *most* likely to purchase a home are:

- Young (40% of 18 to 34 year olds) or, to a lesser extent, middle-aged (29% of 35 to 54 year olds). Only 14% of older respondents (55 plus) anticipate buying a home in the next two years.
- Renters (35% compared to 24% of homeowners).
- Mid- to high-income earners (average of 32% among those earning $30,000 or more compared to only 13% among those earning less than $30,000).

The majority (68%) of those likely to purchase a home in BC within the next two years anticipate purchasing a detached house. Thirteen per cent (13%) are likely to buy a townhouse, 10% are likely to buy an apartment, and 7% are likely to buy a duplex.



Some regional variation is noted in the type of home respondents are likely to purchase:

- Detached homes are particularly common among those in the South Interior (84%), North Interior (84%), and Vancouver Island (79%).
- In comparison, 57% of those in Greater Vancouver and 62% of those in the Fraser Valley anticipate purchasing a detached house.

3.11 Importance of Various Housing Features

British Columbians consider a number of factors when buying a home.

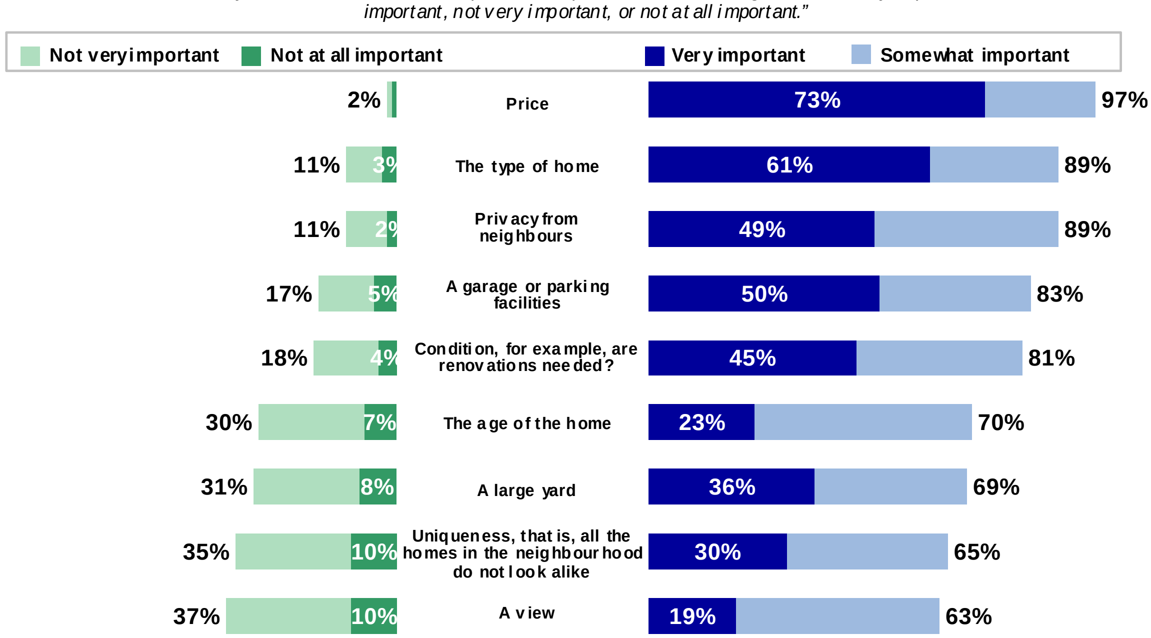
Not surprisingly, price is the most important feature, with 97% of respondents saying price is important in their decision of whether to purchase a particular home. A large proportion (73%) of these respondents indicate price is “very important”.

Other highly important features include the type of home (89%, 61% “very important”), privacy from neighbours (89%, 49% “very important”), whether the house has a garage or other parking facilities (83%, 50% “very important”) and the condition of the home (81%, 45% “very important”).

While somewhat less important than the features already listed, the majority of British Columbians also place considerable emphasis on the age of the home (70%, 23% “very important”), whether it has a large yard (69%, 36% “very important”), its uniqueness (65%, 30% “very important”), and its view (63%, 19% “very important”). However, the proportion saying these features are “very important’ is lower than what is noted for other items.

Price Is The Most Important Factor When Deciding Whether To Purchase A Particular Home

“I’m going to read you a list of housing features that you might consider when buying a home. Please tell me how important each factor is in your decision of whether to purchase a particular home, using a scale of very important, somewhat important, not very important, or not at all important.”



Base: All respondents (n=1,250)

While these trends are fairly consistent across all regions, there are a few variations:

- Privacy from neighbours: More important in the Fraser Valley (93%) than in Greater Vancouver (85%).
- Garage or parking facilities: More important in the Fraser Valley (89%) and the South Interior (87%) than on Vancouver Island (78%).
- Large yard: More important in the North Interior (84%) than in other areas, particularly Greater Vancouver (60%).

Other variations in important housing features are noted by gender. For example:

- Women are more likely than men to say that the following features are important: type of home (91% versus 87%), price (98% versus 95%), and condition (85% versus 78%).

The importance of some housing features also varies depending on whether respondents anticipate buying a home in the next two years, as well as which type of home they are likely to purchase:

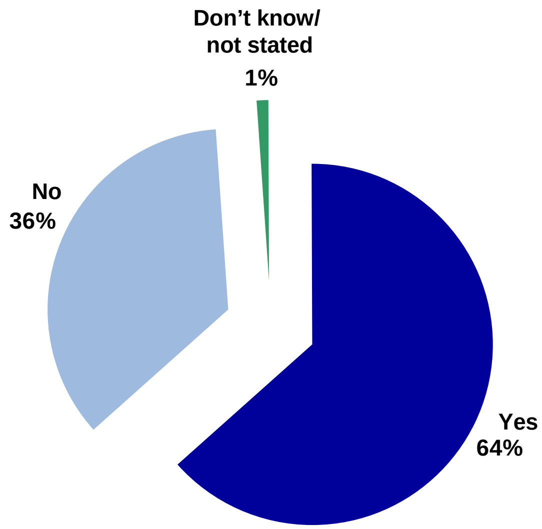
- Features that are more important to those who *are* likely to make such a purchase include the type of home (93% versus 87% of those unlikely) and the age of the home (75% versus 68%).
- Respondents who anticipate purchasing a detached house place more importance on the type of home (98%) and large yard (81%) than do those who anticipate purchasing some other kind of home (84% say type of home is important and 51% say a large yard is important).

3.12 Awareness and Perceptions of BCREA

Overall, awareness of BCREA is quite high, with 64% of British Columbians saying they have heard of the Association.

Awareness Of The BCREA Is High

"Have you ever heard of the British Columbia Real Estate Association (BCREA)?"



Base: All respondents (n=1,250)

Regional variations are noted in awareness.

- Awareness is highest among those living in the Fraser Valley (68%) and lowest among those in the North Interior (56%).

Awareness is also impacted by factors such as age, own versus rent and income. Specifically, respondents that are the *most* likely to be aware of BCREA are:

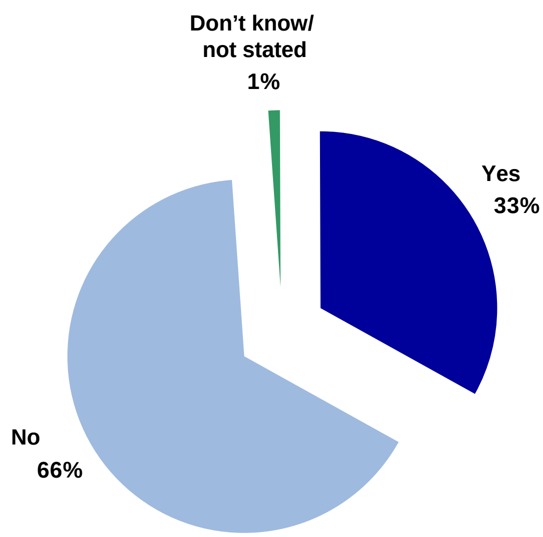
- Older (72% of those aged 55 plus compared to an average of 59% among respondents under the age of 55).
- Homeowners (69% compared to 53% of those who rent their home).

- High-income earners (71% of those earning $60,000 or more compared to an average of 58% among those earning less than $60,000).

Of those who had heard of BCREA, 33% indicate they have seen, read or heard something about the organization within the past 12 months.

One-In-Three Have Seen, Read Or Heard About The BCREA Within The Past Year

"And have you seen, read, or heard anything about the BCREA within the past 12 months?"

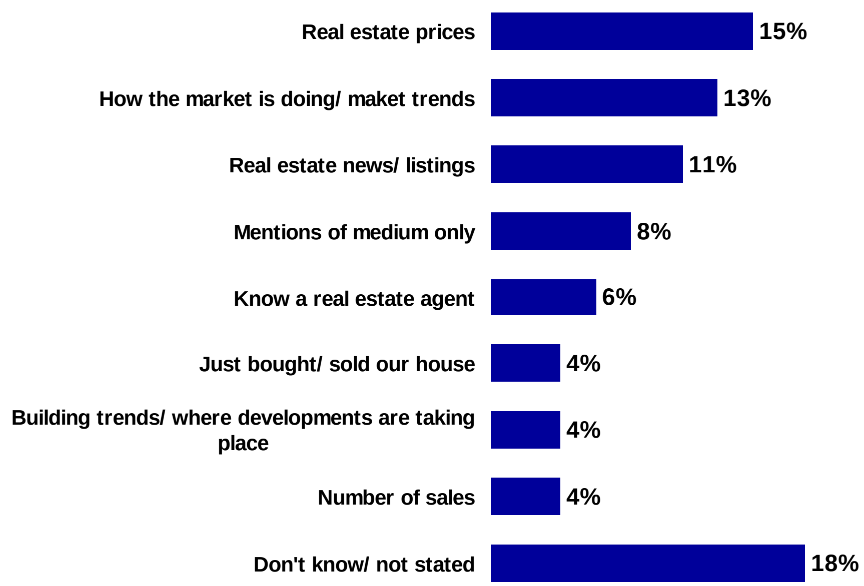


Base: Respondents who has heard of BCREA (n=803)

When asked specifically what they had seen, read or heard, 15% mention real estate prices, 13% mention market trends (including how the real estate market is doing), and 11% mention real estate news or listings. A relatively large proportion (18%) are unsure what they had seen, read or heard.

Information About Real Estate Price Is Most Common (Top Mentions)

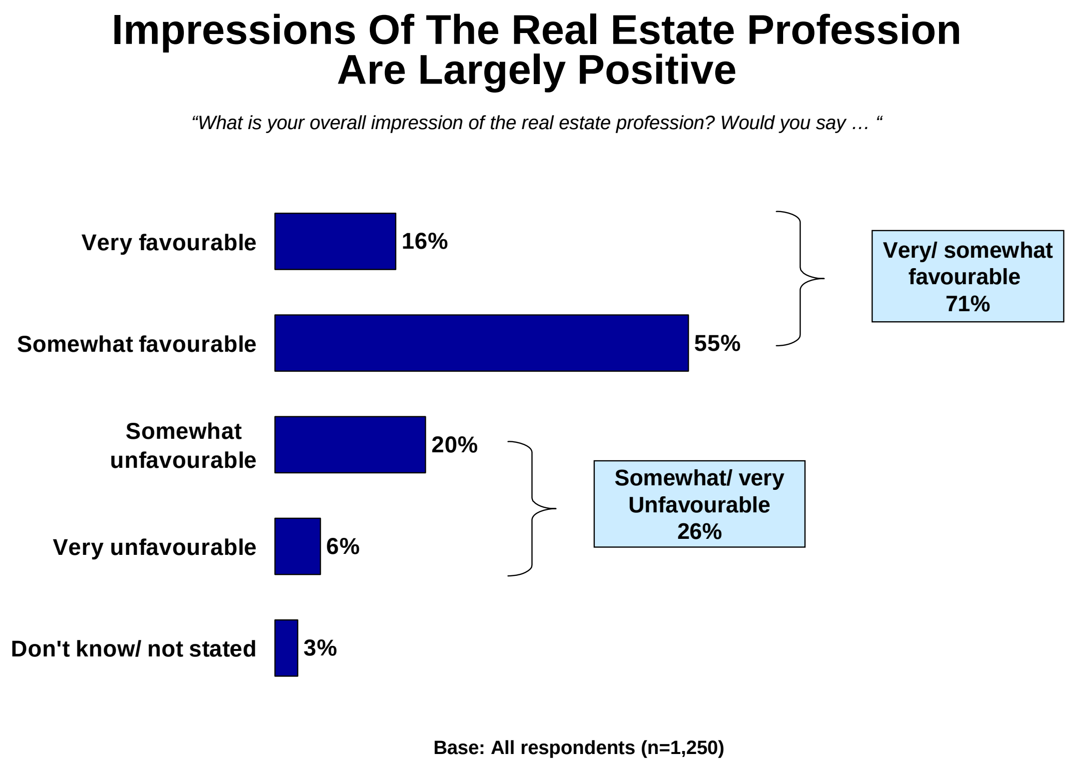
"What specifically did you see, read, or hear?"



Base: Respondents who have seen, read, or heard anything about the BCREA within past 12 months (n=264)

3.13 Perceptions of Real Estate Agents

British Columbians' impressions of the real estate profession are largely positive, with 71% of respondents indicating they feel favourably towards the profession. However, further analysis shows that the majority (55%) only feel "somewhat favourable", while just 16% feel "very favourable". Meanwhile, 26% express an unfavourable opinion of the real estate profession (20% "somewhat unfavourable, 6% "very unfavourable").



These positive impressions are consistent across all regions.

However, variations are noted by gender. Specifically:

- Women (77%) are more likely than men (64%) to feel favourably.

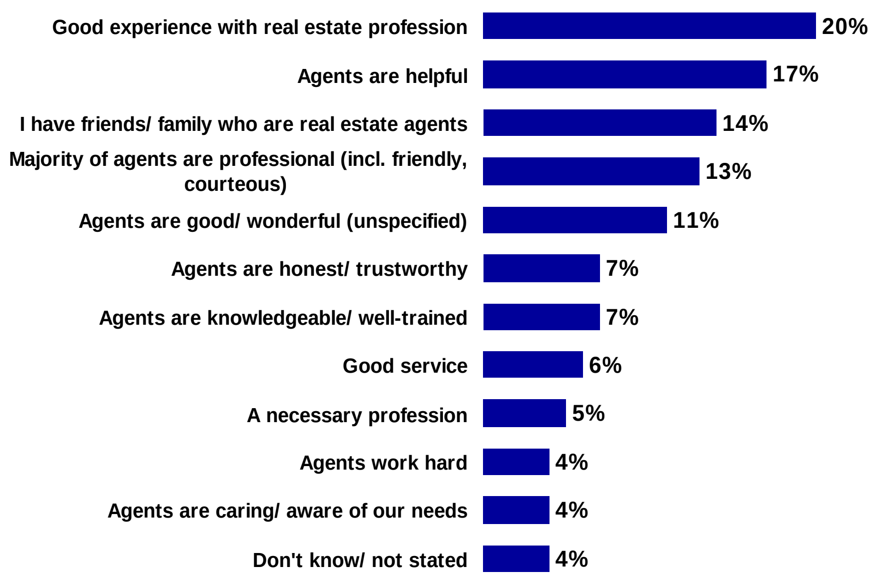
Awareness of real estate agents' volunteer activities also appears to impact respondents' impressions of the profession.

- While three-quarters (76%) of those aware that agents are active volunteers feel favourably towards the profession, this drops to 67% among those who are unaware of agents' volunteer activities.

Respondents who feel favourably towards the real estate profession indicate this is because they have had a good experience with the profession in the past (20%). Another 17% say that agents are helpful, 14% say they have friends or family members who are real estate agents, and 13% find the majority of agents to be professional/friendly/courteous. One in ten (11%) make general positive comments about agents (e.g., good, wonderful).

Favourable Impressions Are Primarily Motivated By Good Past Experiences (Top Mentions)

"Why do you have a favourable impression of the real estate profession?"



Base: Respondents who have a favourable impression of the real estate profession (n=891)

On the other hand, respondents who feel unfavourably towards the real estate profession tend to feel that agents are just out to make money (30%) or they perceive agents as dishonest/untrustworthy/unethical (26%). Another 19% feel that agents charge too much commission, 17% have had a bad experience with the profession, and 10% feel that agents are lazy and don't work hard.

Unfavourable Impressions Are Primarily Motivated By Perceptions Of Greed or Dishonesty (Top Mentions)

"Why do you have an unfavourable impression of the real estate profession?"

Base: Respondents who have an unfavourable impression of the real estate profession (n=326)

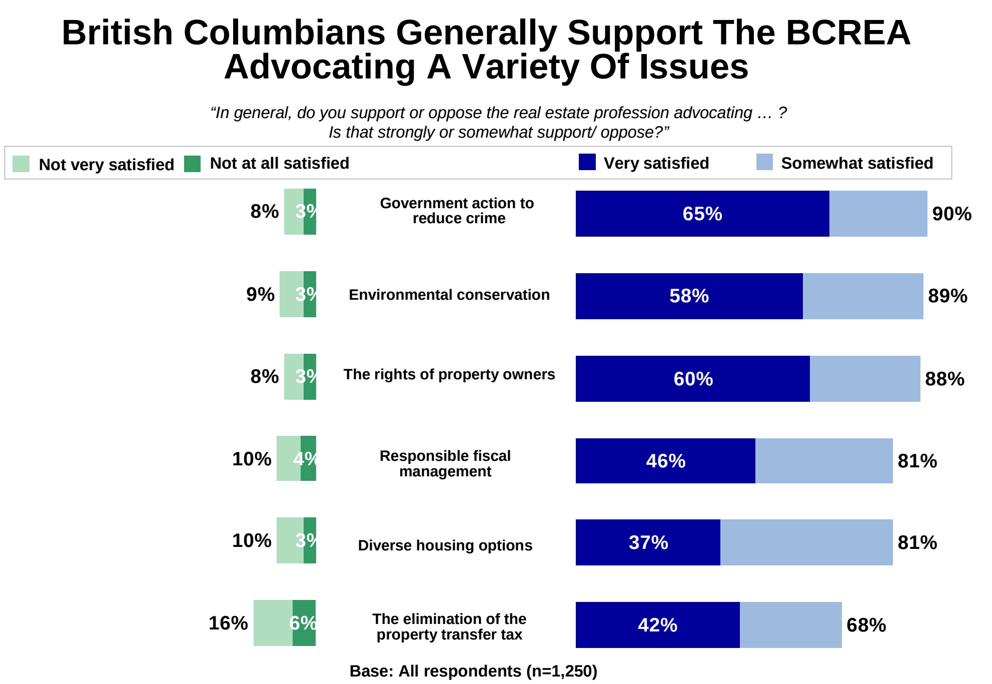
3.14 Support for Advocacy

For the most part, respondents generally support the real estate profession advocating a variety of issues.

The vast majority support the profession advocating the following items:

- Government action to reduce crime (90%, 65% "strongly support");
- Environmental conservation (89%, 58% "strongly support");
- The rights of property owners (88%, 60% "strongly support");
- Responsible fiscal management (81%, 46% "strongly support"); and
- Diverse housing options (81%, 37% "strongly support").

Many also support advocating the elimination of the Property Transfer Tax (68%, 42% "strongly support"). While this is a lower level of support than noted for the areas above, respondents are more inclined to say they "don't know" whether they support this initiative (16%).



Regional variations in support are as follows:

- Environmental conservation: More support on Vancouver Island (92%) and in Greater Vancouver (91%) than in the North Interior (84%).
- Diverse housing options: More support in Greater Vancouver (86%) than in all other regions (average 77%).

Variations in support are also noted depending on whether respondents are likely to purchase a home in the next two years. Specifically:

- Those who *are* likely to purchase a home report higher levels of support for advocating the rights of property owners (92% versus 87% of those unlikely to purchase a home), the elimination of the Property Transfer Tax (75% versus 66%), and diverse housing options (87% versus 79%).

In addition, respondents' overall impressions of the real estate profession also impact their support for real estate agents advocating these issues.

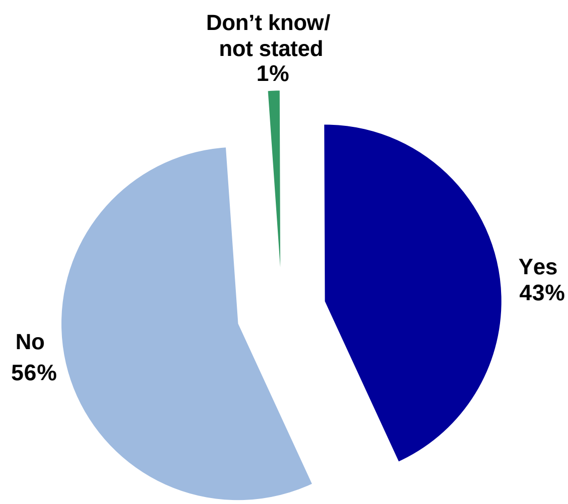
- Not surprisingly, respondents who feel favourably towards the profession are generally more likely to support the profession advocating these issues. For example, 94% of these respondents support advocating government action to reduce crime, while this drops to 83% among those who feel unfavourably towards the profession.
- The one exception to this is with respect to advocating for the elimination of the Property Transfer Tax, where no significant differences in the level of support are noted among these two groups.

3.15 *Awareness of Real Estate Agents' Volunteer Activities*

Although a slight majority (56%) of British Columbians are unaware that real estate agents are active volunteers in their community, 43% of respondents indicate they are aware of real state agents' volunteer activities.

Almost Half Are Aware That Real Estate Agents Are Active Volunteers

"Are you aware that real estate agents are active as volunteers in your community?"



Base: All Respondents (n=1,250)

Awareness of real estate agents' volunteer activities varies by region:

- Respondents living in Greater Vancouver are *less* likely to be aware that real estate agents are active volunteers (64% unaware) than are respondents living elsewhere in the province (average 50%).

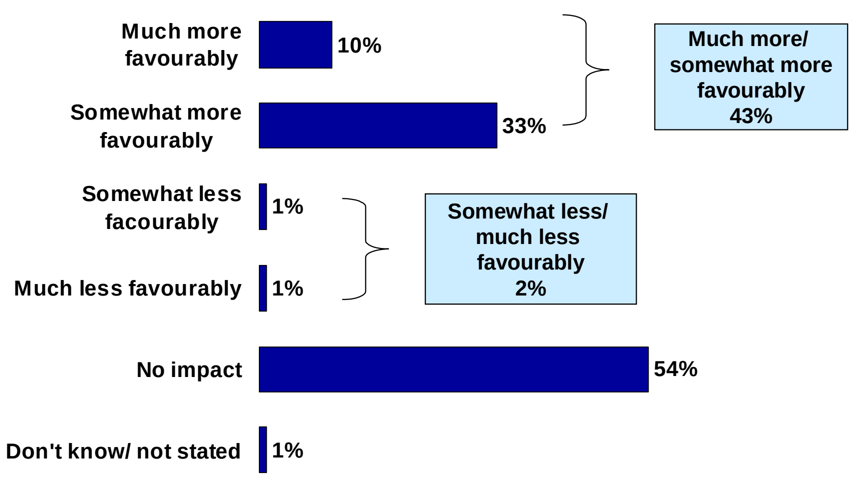
Awareness of real estate agents' volunteer activities is also found to vary depending on factors such as age, own versus rent and income. Respondents who are the *most* likely to be aware are:

- Middle-aged or older (on average, 50% of those aged 35 or older are aware, compared to only 29% among those under the age of 35).
- Homeowners (51% compared to 27% of renters).
- High-income earners (50% of those earning $60,000 or more compared to an average awareness level of 36% among those earning less than $60,000).

Knowing that real estate agents are active as volunteers has “no impact” on 54% of British Columbians’ overall impressions of the real estate profession. However, a relatively large proportion (43%) indicates this information would make them feel more favourably towards the profession (10% “much more favourably”, 33% “somewhat more favourably”). Very few (2%) say knowing this would make them feel less favourably towards real estate agents (1% “somewhat less favourably”, 1% “much less favourably”).

This Information Would Make Many Feel More Favourably Towards The Real Estate Profession

“What impact, if any, would knowing this have on your impression of the real estate profession overall? Would it make you feel much more favourably, somewhat more favourably, somewhat less favourably, much less favourably, or would it have no impact?”



Base: All respondents (n=1,250)

The impact of this information varies by gender.

- Women are more likely than men to be positively swayed by this information (47% of women say this information would make them feel more favourably compared to 39% of men).

This information also has more of an impact on respondents who already feel favourably towards the real estate profession.

- Half (50%) of these respondents say that knowing real estate agents are active volunteers would make them feel even more favourably towards the profession.
- However, this sentiment is expressed by only 26% of those who feel currently unfavourably (in contrast, the majority of these respondents (70%) say this information would have no impact on their impression).