

# ***Open Cabinet***



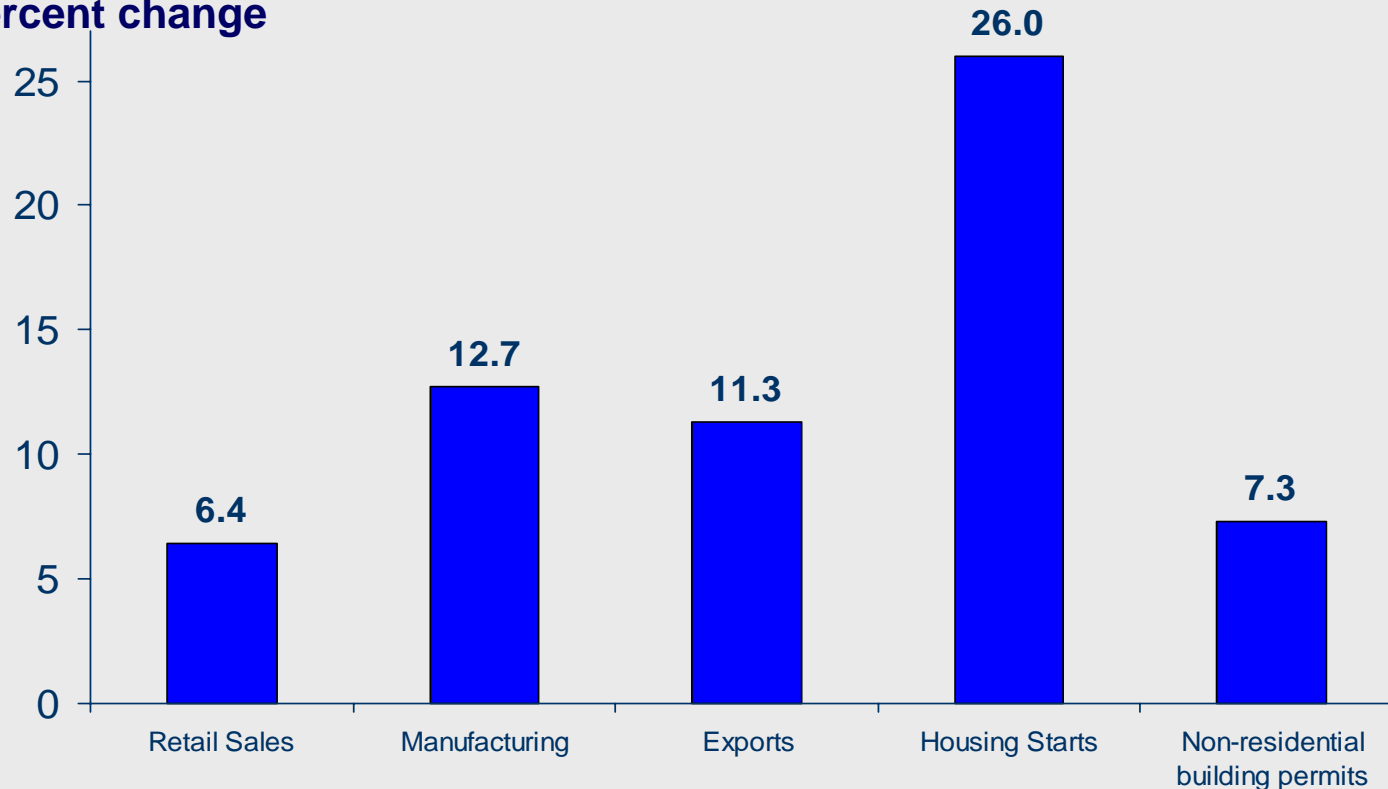
## **Economic Update**

### **Minister of Finance**

**January 26, 2005**

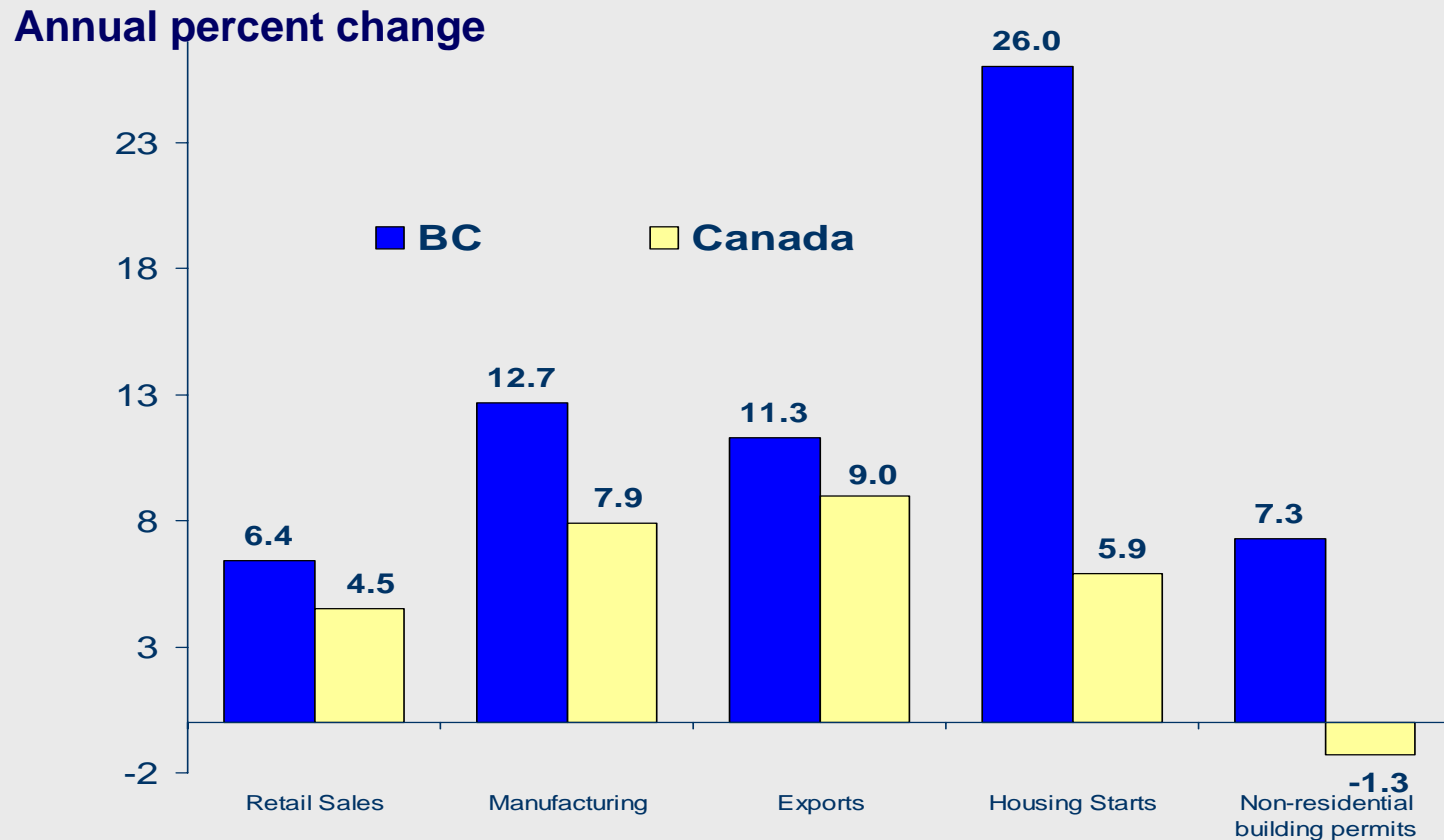
# *BC economy firing on all cylinders...*

Annual  
percent change



Source Statistics Canada, CMHC; Data seasonally adjusted (except exports); Data to November except Housing Starts (December)

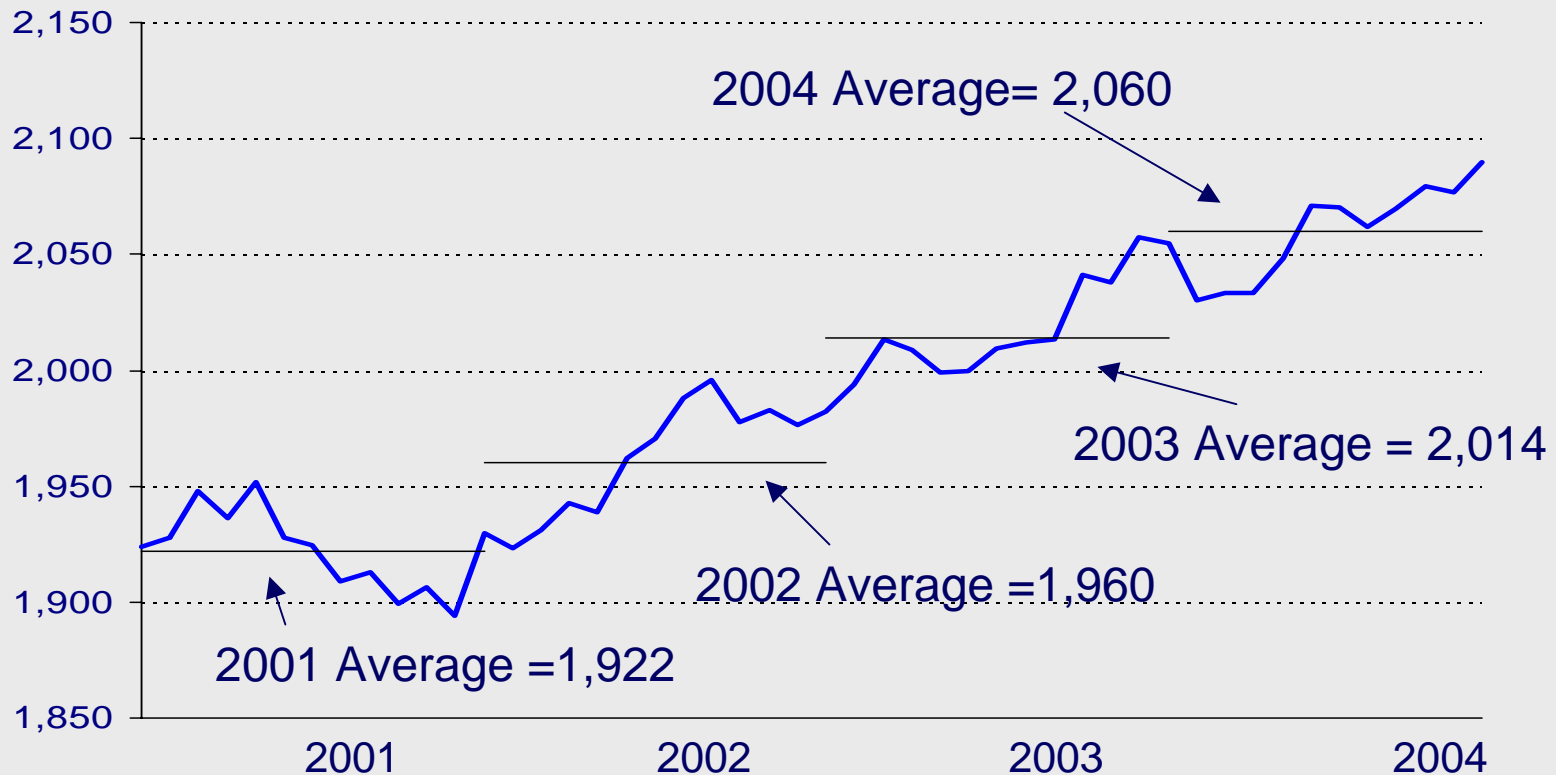
# ..... and a leader in Canada



Source Statistics Canada, CMHC; Data seasonally adjusted (except exports); Data to November except Housing Starts (December)

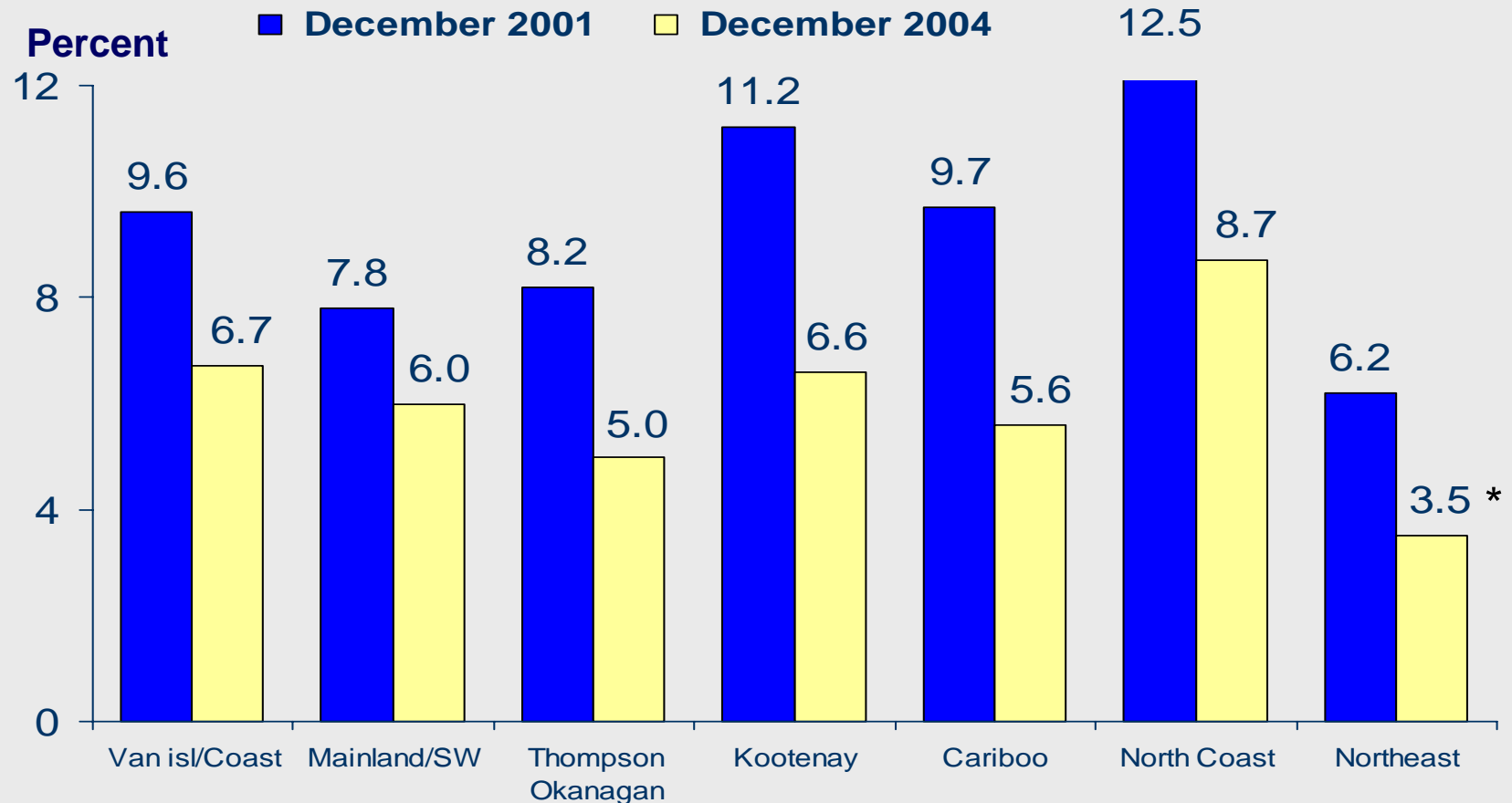
# With rapid growth since 2001

Thousands of jobs; seasonally adjusted



Source: Statistics Canada January 26, 2005; annual average numbers are unadjusted

# Unemployment rates fall in all regions

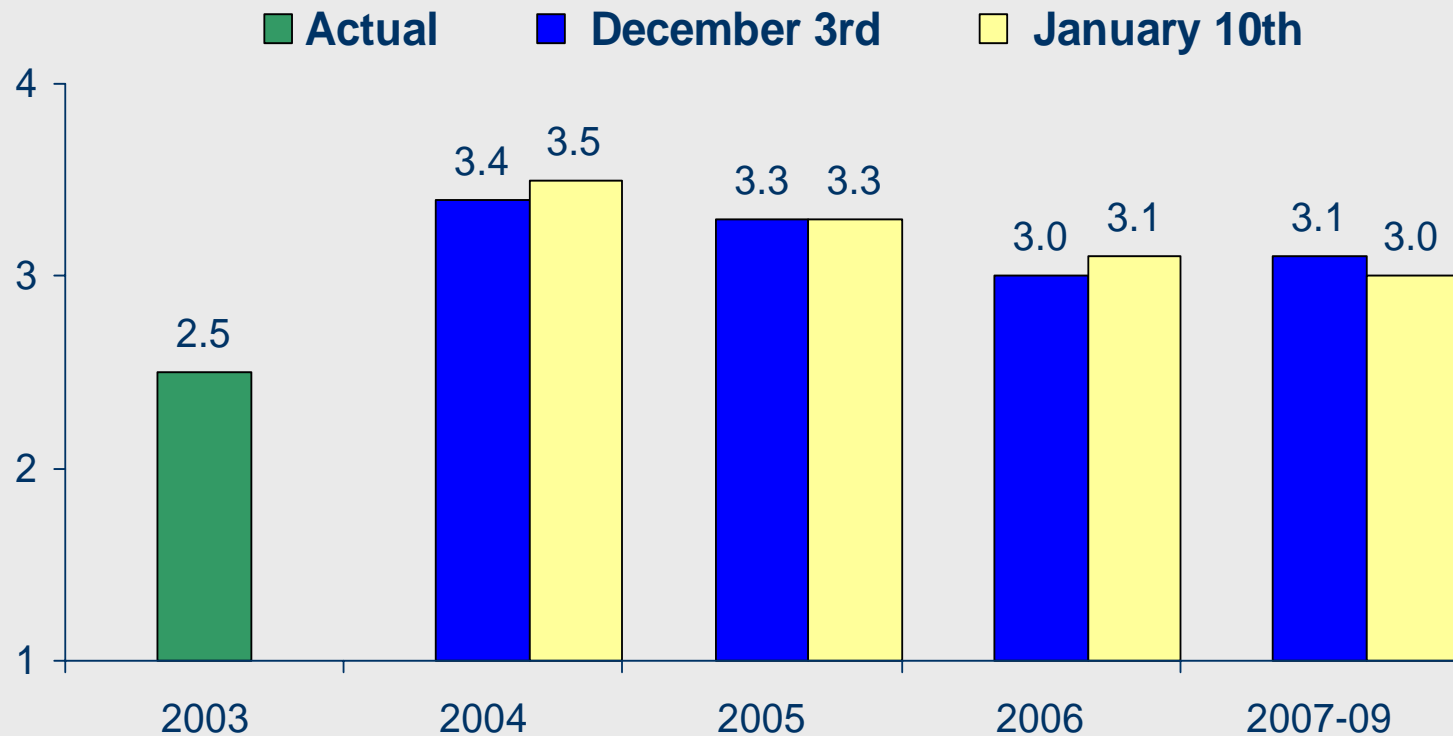


Source: Statistics Canada January 26, 2005; not seasonally adjusted; 3 month moving averages

\*BC Stats estimate

# BC economic outlook update

## BC Real GDP Annual Per Cent Change



Source: Statistics Canada; Economic Forecast Council

# *Budget overview*



## **2004/05**

- ✓ **Provides for one-time initiatives**
- ✓ **Pays down debt**

## **2005/06 to 2007/08**

- ✓ **Updates 3 year fiscal plan & extends to 2007/08**
- ✓ **Continues & enhances health and education funding commitments**
- ✓ **Funds other priority areas**
- ✓ **Confirms PST reduction; implements other tax changes**
- ✓ **Upgrades and expands infrastructure**

# *Next steps*



- **Finalize budget economic and revenue forecasts**
- **Complete budget documents:**
  - **Estimates**
  - **Budget and three-year fiscal plan**
  - **Service plans**
- **Throne Speech** **Feb 8th**
- **Budget** **Feb 15th**