BRITISH COLUMBIA

BC STATS Infoline

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highlights

a weekly digest of recently released British Columbia statistics

The Economy

- **Wages and salaries earned by BC workers increased 2.5% (seasonally adjusted) in the first quarter.** The growth in earnings was the strongest in nearly five years. PEI (+2.6%) and Manitoba (+2.5%) were the only other provinces with similarly large wage growth, although every region posted an increase. Nationally, wages and salaries were up 1.9% in the first quarter.

  Source: Statistics Canada

- **BC product exports rose 0.7% (seasonally adjusted) between February and March.** Exports to the US were up (+2.2%) for the third month in a row, offsetting a 2.3% decline in shipments to other countries. Forest product exports continued to slow, falling 1.0% after dropping 5.5% in February. However, international shipments of most other commodities increased. Exports of mineral products rose 6.0% while agriculture and fish product exports shot up 29.5%. International shipments of other processed goods edged up 0.5% in March.

  Source: BC STATS

Seniors in Institutions

- **In 1995, just 1% of the Canadian population resided in long-term health care facilities.** Five percent of those aged 65 and over, and 18% of people who were at least 80 years old, were institutionalized. However, 70% more elderly people with severe disabilities (those with activity limitations who were dependent on help from others) lived at home (230,700) in 1996/97 rather than in a long-term health care facility (135,100). Almost all (934,100) seniors with a moderate disability (an activity limitation but no dependence) were living in a private household; just 28,700 were in long-term care facilities.

  Source: SC, Catalogue 82-003-XPB

Adult Correctional Services

- **At any given time during 1998/99, an average of 150,986 adult Canadians were under the supervision of correctional services, 3% less than in the previous year.** Eight in ten of these offenders received some form of community supervision, while the others were incarcerated. Almost all (97%) of the admissions went to provincial/territoral facilities, while 3% were sent to federal institutions.

  Incarceration rates were lowest in Nova Scotia (52 inmates per 100,000 adults), New Brunswick (56) and Quebec (58), and highest in Manitoba (126) and Saskatchewan (161). BC's incarceration rate was 73. The incarceration rate for federal facilities was 57 in 1998/99.

  Source: SC, Juristat, Catalogue 85-002-XPE, Vol 20, No 3

- **One in five people sent to provincial jails went there because they failed to pay fines.** Defaulting on a fine is most likely to put you in the slammer if you live in Quebec, where 56% of admissions to provincial custody in 1998/99 were at least partly due to failure to pay a fine. The rate was also high in Nova Scotia (33%) and Alberta (33%). People who didn't pay their fines were least likely to get jail time if they lived in Newfoundland (1%), Ontario (1%) or BC (2%).

  Source: SC, Juristat, Catalogue 85-002-XPE, Vol 20, No 3

- **Aboriginals are disproportionately represented among the adult prison population.** This is especially evident in the prairies, particularly Saskatchewan, where three quarters (76%) of admissions to custody in 1998/99 were aboriginals, nearly ten times their share of the adult population (8%). Manitoba (59% of admissions versus 9% of the population) and Alberta (38%, compared to 4%) also had very high aboriginal admission rates. In BC, about 20% of admis-

Report **US continues substantial log exports in 1999**

Did you know...
It cost Canadians $171 per day to house an inmate in a federal correctional facility during 1998/99. The average daily cost in provincial facilities was $123 per inmate

sions to custody were aboriginals. They made up about 3% of the adult population. The proportion of aboriginal admissions in other jurisdictions ranged from twice to ten times their population share. *Source: SC, Juristat, Catalogue 85-002-XPE, Vol 20, No 3*

Youth Courts

- **Canadian youth courts heard 106,655 cases during 1998/99.** BC had one of the lowest youth court case rates in the country, at 369 per 10,000 youths. Quebec (201), PEI (268) and New Brunswick (323) were the only other provinces where the case rate was below the national average (435). Rates in Manitoba (871), Saskat-chewan (841) and Alberta (671) were substantially higher than in the rest of the country.
Source: Statistics Canada

Intellectual Property

- **Canadian universities and hospitals earn more than $21 million per year from royalties generated by licensing or patenting their intellectual property.** During the last five years, nearly half (47%) of these institutions have filed a patent application and a third (32%) have licensed their technologies. Twelve universities (including UBC, UofT, McGill, Queens, and various other universities in Ontario, Alberta and Quebec) accounted for 60-73% of intellectual property protection and commercialization activities in 1996/97. BC claimed 39% of all new inventions protected, 30% of patents held, and 30% of all spin-off companies, but only 12% of new licenses acquired by universities.
Source: SC, Catalogue 88F0006X

International Travel

- **The UK was the most popular destination–and source–for international travellers making overnight trips to and from Canada last year.** In 1999, just over three-quarters of a million travellers from the UK made overnight trips to Canada. Japan (516,000), France (414,000) and Germany (392,000) were also important markets providing overseas tourists. Taiwan (155,000), Australia (152,000), Hong Kong (134,000), Mexico (127,000), the Netherlands (121,000) and Italy (111,000) were the other countries in the top ten. Overseas tourists making overnight trips to BC last year were more likely to come from Asia than from Europe. Japan is the province's biggest source of overseas visitors, followed by the UK and Taiwan. Half of all Japanese residents–and 55% of all Asian residents–who visited Canada last year entered the country through BC.

Canadians travelling overseas were most likely to set their sights on a trip to the UK (816,000), but Mexico (608,000), France (408,000) and Cuba (350,000) were also popular destinations. Other favoured spots included Germany (228,000), Italy (192,000), the Netherlands (154,000), the Dominican Republic (153,000), Hong Kong (115,000) and Switzerland (108,000). *Source: Statistics Canada*

Burgernomics

- **Travellers looking for a taste of home forked out more money for a Big Mac in Israel ($3.58 US) than in any of the other 120 countries in which the golden arches have been raised.** Switzerland, where a burger set them back $3.48, dropped to second place in the Big Mac standard after topping the heap in recent years. Those who relish McDonald's burgers paid the least for their Big Macs in Malaysia ($1.19), China ($1.20) and Hungary ($1.21). The Big Mac index–a tool intended to make economic theory more digestible–gives an indication of whether local currencies are over- or under-valued vis-à-vis the greenback. It has proved to be a surprisingly accurate indicator of exchange rate changes, something that some forecasters find hard to stomach. *Source: The Economist Magazine*

Oops!

- **We goofed last week.** BC hens lay high-quality eggs, but they're not quite as valuable as those of the proverbial goose. BC producers sold 53,600,000 (not 53,600) dozen eggs for consumption last year, with a total value of $58.8 million, for an average price of $1.10 a dozen.

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June 2, 2000 *Infoline Report:*

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US continues substantial log exports in 1999

Originally published in the February 2000 issue, *Exports.* Annual subscription: $60 + GST

The United States has been simultaneously the world's greatest importer of softwood lumber and its greatest exporter of softwood logs.

In 1997, the most recent year for which global trade numbers are available, U.S. logs accounted for 38 per cent by value of all softwood logs traded internationally. Other big log exporters included Russia, shipping 23 per cent of total world exports, and New Zealand, shipping 10 per cent. Canada shipped 2 per cent.

In the same year, the United States imported 39 per cent of all softwood lumber traded internationally. Another 15 per cent went to Japan, and another 10 per cent was imported by the European Union from non-European Union sources.

More current figures from the United States Department of Commerce indicate that U.S. exports of coniferous logs had declined for the fourth year in a row in 1999, but still remained at very high levels.

Throughout the 1990s, the United States exported large volumes of softwood logs to international markets, mainly in Asia. This pattern was still apparent in 1999, with the total value of U.S. log exports amounting to $US 1,003 million. Although down sharply from $US 2,326 million in 1993, this was a considerably larger sum than the $US 818 of American lumber exports in 1999. It was many times greater than the $269 (Canadian) million worth of logs exported from Canada in that year.

As the United States was exporting over a billion U.S. dollars of softwood logs in 1999, it was importing $US 6.8 billion of softwood lumber from Canada.

It is natural enough that the United States should import lumber from a country with forestry resources as extensive as Canada's. It may be less apparent why the United States should export massive volumes of logs that could find ready markets in its own mills.

Exports of Softwood Logs and Lumber

	U.S.A.			**Canada**		
	Log Exports ($US millions)	**Lumber Exports** ($US millions)	**Logs As % Logs + Lumber Exports**	**Log Exports** ($Cdn millions)	**Lumber Exports** ($Cdn millions)	**Logs As %** Logs + Lumber **Exports**
1990	2,204	1,343	62.1%	102	5,250	1.9%
1991	1,929	1,366	58.5%	85	5,027	1.7%
1992	1,984	1,374	59.1%	151	6,380	2.3%
1993	2,326	1,401	62.4%	176	9,180	1.9%
1994	2,089	1,351	60.7%	123	11,011	1.1%
1995	2,116	1,266	62.6%	99	10,520	0.9%
1996	1,969	1,228	61.6%	80	12,108	0.7%
1997	1,476	1,111	57.1%	57	12,490	0.5%
1998	1,009	748	57.4%	158	11,119	1.4%
1999	1,003	818	55.1%	269	12,638	2.1%

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The main reason is because most U.S. forest land is privately owned, while most forest land in Canada is government owned. In both countries, timber cut on private land can be exported as logs, but timber cut on public lands must generally be milled into lumber before being shipped abroad. Logs that are exportable can often be sold at higher prices because they are put up for sale to bidders on world markets, where Asian buyers can frequently afford to pay higher prices than can be afforded by mills in North America.

This poses a far greater problem for American sawmill operators than for Canadian because such a large portion of the American log harvest is exportable. American sawmills cannot pay too much for logs because the lumber they produce from them must compete with lumber imported from Canada, where logs are mainly non-exportable and therefore cheaper.

These have been fundamental issues behind trade disputes that have continued off and on between Canada and the United States over the years. The latest temporary solution has been the Canada – U.S. Softwood Lumber Agreement, which will terminate at the end of March next year.

Differences in the proportion of timber harvest that is exportable have produced very different profiles for forest product exports in Canada and the United States. Some measure of this can be seen by taking log exports as a ratio of exports of logs and lumber together. In 1999 this ratio amounted to 55 per cent for the United States. By comparison, the same ratio for Canada was 2 per cent.

High as it was, the 1999 U.S. ratio was the lowest it has been for at least a decade. It reached a high of 63 per cent in 1995. The ratio of logs to the sum of logs plus lumber for Canada as a whole changed little during the 1990s, ranging from about 1 per cent to 2 per cent, with no consistent growth trend over the decade.

Exports of Softwood Logs and Lumber

	BC			**other Canada**		
	Log Exports ($Cdn millions)	**Lumber Exports** ($Cdn millions)	**Logs As % Logs + Lumber Exports**	**Log Exports** ($Cdn millions)	**Lumber Exports** ($Cdn millions)	**Logs As %** Logs + Lumber **Exports**
1990	94	3,792	2.4%	8	1,458	0.5%
1991	82	3,648	2.2%	3	1,379	0.2%
1992	148	4,634	3.1%	3	1,746	0.2%
1993	166	6,560	2.5%	10	2,620	0.4%
1994	106	7,637	1.4%	17	3,374	0.5%
1995	88	7,317	1.2%	11	3,203	0.3%
1996	59	7,749	0.8%	21	4,359	0.5%
1997	37	7,825	0.5%	20	4,665	0.4%
1998	124	6,437	1.9%	34	4,682	0.7%
1999	240	7,274	3.2%	29	5,364	0.5%

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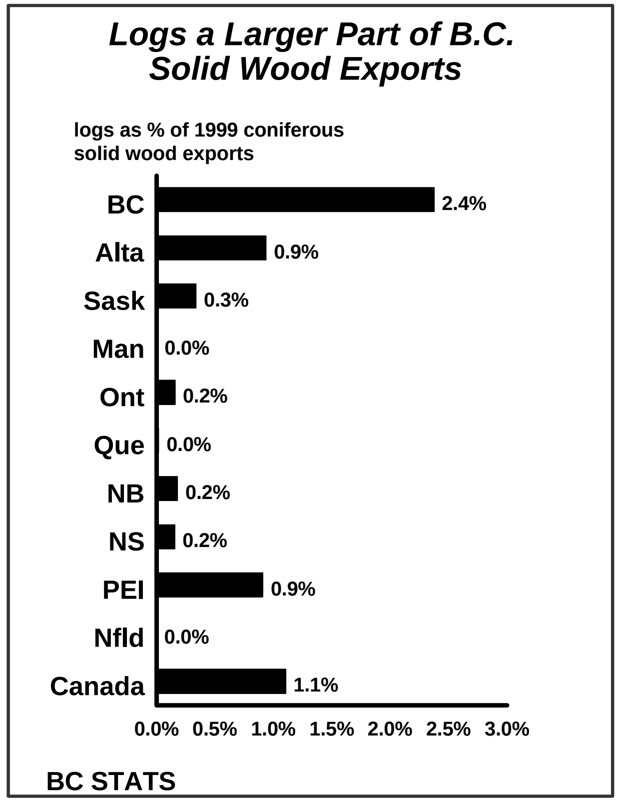
Logs were a proportionately larger part of solid wood product exports for British Columbia than they were for the rest of Canada. They accounted for 3.2 per cent of British Columbia's total exports of logs plus lumber in 1999, compared to 0.5 per cent in the rest of Canada. Logs accounted for 2.4 per cent of all solid wood products exported from British Columbia, including items such as plywood, mouldings and prefabricated houses.

These figures reflect the disproportionately large share of Canadian log exports that originate in British Columbia. Two hundred and forty million dollars of the total $269 million of logs shipped from Canada in 1999 were cut in British Columbia forests. Throughout the 1990s British Columbia produced 88 per cent of all Canadian log exports, a substantially larger proportion than the province's 66 per cent of Canadian lumber exports over the same period.



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Infoline

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BC at a glance . . .

POPULATION (thousands)	Jan 1/00	% change on one year ago
BC	4,043.7	0.9
Canada	30,606.7	0.9
GDP and INCOME		% change on
(BC - at market prices)	1998	one year ago
Gross Domestic Product (GDP) *($ millions)*	110,948	-0.2
GDP *($ 1992 millions)*	99,708	0.2
GDP *($ 1992 per Capita)*	24,908	-0.8
Personal Disposable Income *($ 1992 per Capita)*	15,969	-1.6
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Mar	3,472	15.6
Merchandise Exports (raw) Mar	2,619	9.3
Retail Sales (seasonally adjusted) Mar	2,915	5.6
CONSUMER PRICE INDEX		% change on
(all items - 1992=100)	Apr '00	one year ago
BC	112.4	1.3
Canada	112.4	2.1
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Apr '00	one year ago
Labour Force - BC	2,081	-0.1
Employed - BC	1,938	2.0
Unemployed - BC	143	-21.9
		Apr '99
Unemployment Rate - BC *(percent)*	6.9	8.8
Unemployment Rate - Canada *(percent)*	6.8	8.2
INTEREST RATES (percent)	May 31/00	Jun 2/99
Prime Business Rate	7.50	6.25
Conventional Mortgages - 1 year	8.30	6.60
- 5 year	8.75	7.40
US/CANADA EXCHANGE RATE	May 31/00	Jun 2/99
(avg. noon spot rate) Cdn $	1.4978	1.4801
US $ *(reciprocal of the closing rate)*	0.6682	0.6757
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Apr '00	one year ago
BC	635.93	3.4
Canada	612.24	3.4

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada
Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics
For latest Weekly Financial Statistics see www.bank-banque-canada.ca/english/wfsgen.htm

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Next week

- Tourism Sector Monitor, May 2000