

highlights

a weekly digest of recently released British Columbia statistics

Labour

- **BC's unemployment rate has fallen over the past seven months to 6.7% (seasonally adjusted) in June.** The Canadian rate was 6.6%. The lowest provincial unemployment rates were in Manitoba (4.4%) and Alberta (5.0%), while the highest rates were experienced in Newfoundland (15.4%) and Prince Edward Island (11.5%). Employment in BC declined marginally (-0.1%) in June to 1,951.1 thousand workers. The number of persons employed Canada-wide also dropped 0.1%, with only Manitoba (+0.1%) and Ontario (+0.1%) showing gains.

Source: Statistics Canada

- **Employment in the goods-producing industries fell by 1.0% (seasonally adjusted) in June while the service industries edged up slightly (+0.1%).** Agriculture added 2.0% to its workforce while other primary industries lost 2.6%. Manufacturing employment was virtually unchanged (+0.1%) but the construction industry lost 3,900 people for a drop of 3.4%. On the service side, there were declines in retail and wholesale trade (-0.2%), transportation and warehousing (-3.7%) and accommodation and food services (-2.8%).

Source: Statistics Canada

- **Full-time employment has increased at a faster rate than part-time employment.** Averaged over the first six months of this year compared with last year, the number of full-time workers grew by 3.4% compared with 2.4% for part-time workers (based on unadjusted data). The numbers of young men (15 to 24 years) with jobs increased 2.0% while the number of employed young

women rose 3.7%. While there was only minimal change in the number of employed persons aged 25 to 44, employment of older men increased by 7.4% and older women by 5.4%. Regionally, the greatest employment growth was in North Coast/Nechako where average employment in the first six months was 6.0% above that in 1999. Vancouver Island/Coast showed an increase of 5.6%, while the slowest growth was in Mainland/Southwest and Cariboo where employment grew only 1.5%. Source: Statistics Canada

- **The student unemployment rate in June stood at 13.7%, down from the 15.5% rate in June 1999.** Younger students, 15 to 19 years, have had a much better experience in the job market this year with both a higher employment rate (41.6% compared to last year at 39.5%) and a much lower unemployment rate (12.5% compared with 17.4%). However, the situation was reversed for older students, 20 to 24 years. Their employment rate was 49.1% in June 2000, while a year earlier, it was 57.4%. Their unemployment rate was 16.1% in June compared with 11.6% a year ago. Students planning to return to school in the fall had a lower rate of unemployment (13.5%) than those not planning to return (14.3%), as perhaps the latter students are more discriminating about the type of employment sought. As would be expected, the employment rate for students not returning to school was considerably higher (57.3%) than those planning to go back to school (41.3%).

Source: Statistics Canada

Did you know...

Canadians consumed 97% more skim milk per capita in 1999 than in 1985; but also 10% more whipping cream. And we drank 50% more soft drinks.

- **BC job seekers continued to see more help-wanted ads in the papers this year than last year.** On a seasonally adjusted basis, the help-wanted index in June was up 10.9% from a year ago, although down slightly (-1.4%) from the May level. Nationally, job ads were up 6.3% over last year but unchanged from May. *Source: Statistics Canada*

Construction

- **At 14,600 units (seasonally adjusted at annual rates), housing starts in British Columbia were down in May by 4.6% from April.** Urban area starts fell by 5.0%. Single family housing, which accounted for 43% of total urban starts, fell by 3.4%, while starts for multiples declined 6.2%. Across Canada, housing starts were down 10.6% in May. *Source: CMHC*
- **The actual number of new housing units started in urban BC, January to May, was 4,676, down 7% from 1999.** Metropolitan Vancouver accounted for 3,348 of those units (up 5%), followed by Kelowna with 318 (+8%), Victoria with 251 (-55%) and Nanaimo with 129 (unchanged from last year). While the numbers were smaller, most other urban areas were showing levels below last year's: Fort St. John (-72%), Campbell River (-64%), Chilliwack (-47%), Kamloops (-40%), Penticton (-35%) and Courtenay (-25%). On the positive side were Dawson Creek (+800%), Williams Lake (+68%), and Cranbrook (+36%). *Source: CMHC*
- **Of new apartment and row house starts in BC since the beginning of the year, 21% were intended for market rental.** In May, of all newly completed units, 1,133 had been absorbed into the market while 4,821 remained unsold. Single family homes in the Vancouver market took an average of 2.6 months to be absorbed and had a median selling price of \$369,500. Unsold houses had been on the market an average of 6.9 months and their median price was \$369,000. In Victoria, the median price of absorbed houses was \$275,000, but houses took only 1.4 months to sell. However, unsold houses had averaged 11.2 months on

the market and had a median price of \$286,000. *Source: CMHC*

- **The value of building permits issued in BC in the first five months of 2000 was \$1.77 billion, up 4.0% from 1999.** Residential building permits, at \$919 million, were off 5.5% from last year, while the number of units this represented was down 22.0%. Almost all regions of the province reported lower levels than last year with the exception of the Sunshine Coast and Central Kootenay where more units have been proposed this year than last.

Non-residential permits at \$852 million recorded an increase of 16.7%, with both industrial (+13.9%) and commercial (+26.3%) construction up. Institutional and government building permit values were down 2.5%. Among the highlights were an increase of 48.9% for commercial construction in Vancouver, and 115.0% for industrial construction in Victoria. Other areas of the province where issuing authorities reported substantial increases in non-residential building permit values were Cowichan Valley, the Kootenays, Kitimat-Stikine, Mount Waddington, Fraser-Fort George and Bulkley-Nechako. *Source: Statistics Canada*

Department Store sales

- **Sales in BC department stores fell 2.5% in the January to May period, the only province where stores reported lower levels than last year.** Across Canada, sales were up by 2.3%. The provinces showing the greatest gains were Saskatchewan (+9.2%), New Brunswick (+7.5%) and Alberta (+3.8%). *Source: Statistics Canada*

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An overview of the Fisheries and Aquaculture Sector in BC

Contact: Lillian Hallin / (250) 387-0366

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This overview is an excerpt from a more detailed report on British Columbia's fisheries and aquaculture sector available through the **News** section of the BC STATS website at: <http://www.bcstats.gov.bc.ca>. Later issues of **Business Indicators** will feature, in more detail, an analysis of the make-up and trends underlying this sector of the provincial economy.

For the purposes of this study, the British Columbia fisheries and aquaculture sector has been defined to include the following four sub-sectors:

- ❑ Commercial fisheries;
- ❑ Aquaculture;
- ❑ Fish Processing; and
- ❑ Recreational fisheries

As all four component industries in the fishery sector were put on a consistent footing using standard concepts and data similar to those used to assess other sectors such as forestry, agriculture, or tourism, it becomes possible to measure the performance of the fisheries sector vis-à-vis the rest of the economy. This should provide a better basis for policy development, and improve our understanding of the long-term economic prospects of the sub-industries within the fisheries and aquaculture sector.

BC's fisheries and aquaculture sector has evolved considerably since the days when it focussed almost exclusively on the wild salmon catch and associated canning activities. The commercial fishery in BC is diversifying, placing an increased emphasis on species other than salmon. Technological advances have led to the development of a growing aquaculture (farmed fish and shellfish) industry in the province and these products now rivals that of the wild catch. In addition, a variety of businesses catering to recreational anglers have sprung up in British Columbia, and sport fishing activities are an important component of the province's tourism sector.

BC's fisheries and aquaculture sector is about a third as big as agriculture and food processing

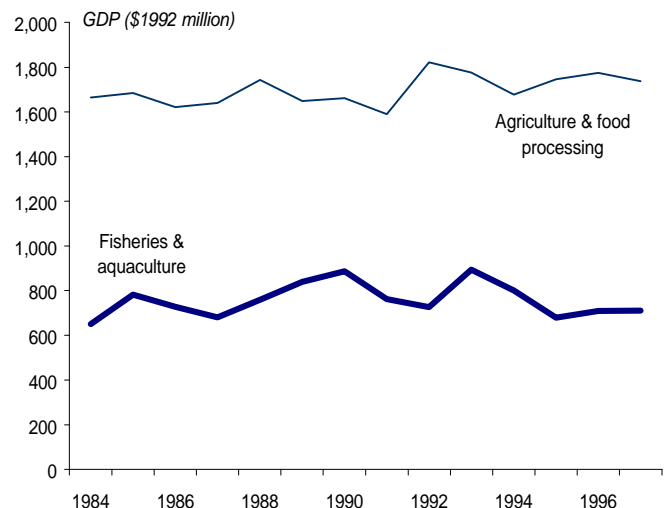


Figure 1

Nearly 1% of BC's GDP is generated by the fisheries & aquaculture sector

Real GDP in the fisheries and aquaculture sector (including all four industries) was estimated at \$711 million in 1997, accounting for almost 1% of the province's total gross domestic product. The sector is about a third as big as agriculture and related food manufacturing activities. When sport fishing (a service industry) is excluded from the total, the goods-producing component of the fisheries and aquaculture sector is about a quarter the size of the agri-food industry.

The fisheries and aquaculture sector has faced significant challenges during the 1990s. Despite this, it has held its ground in terms of GDP over the longer term. The sector's GDP has grown from \$650 million (in constant 1992 dollars) in 1984 to \$711 million in 1997.

Not surprisingly, given the dependence of the commercial fishery and sport fishing on a resource stock that varies from year to year, the

sector shows considerable volatility. At times it has outperformed the provincial average, but in recent years it has slowed significantly, largely due to the crisis in the salmon fishery. In addition, uncertainties related to resource management issues in the sport fishing industry have adversely affected the sector's performance. Other primary sectors such as agriculture and forestry are also subject to big swings. Fishing, forestry and agriculture have all made only modest gains since 1984, despite very strong performances in some years. Of the three, the fisheries and aquaculture sector displays the most volatility and the strongest growth over the longer term.

Goods-producing industries, especially those that depend on the extraction and processing of renewable resources, have not fared well during the last decade and a half. BC's economy, like many others in the developed world, has been shifting away from a focus on resource extraction to a greater service-sector orientation. Three-quarters of the province's total GDP is currently generated by service industries. Since 1984, goods-producing industries have expanded by almost a quarter (22.5%)—less than half the increase (+47.6%) for the economy as a whole, and well below the 59.5% expansion in the service industries.

Over the same period, GDP in the fisheries and aquaculture sector has increased 9.4%, agriculture has grown 4.4% and forestry, 2.4%. As a result, the share of total value added that originates in the three sectors has been declining. Together, they accounted for 13% of total GDP in 1984, but just 9% in 1997. The fisheries and aquaculture sector's share of the total has gone from just over one percent to just under that figure since 1984.

The fisheries and aquaculture sector is a volatile component of the economy...

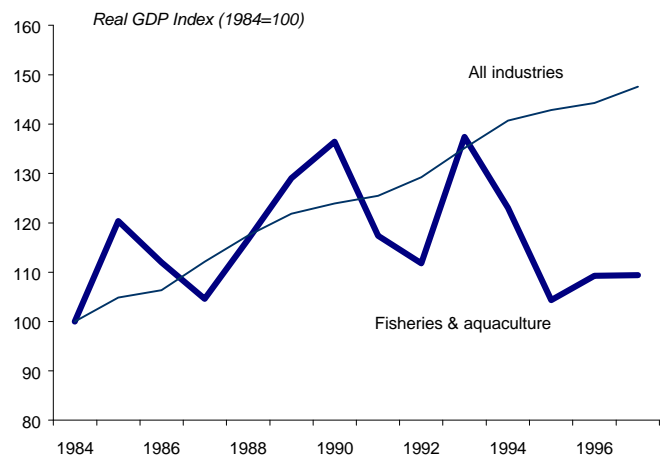


Figure 2

...as are forestry and agriculture. Tourism has shown more steady growth over the longer term

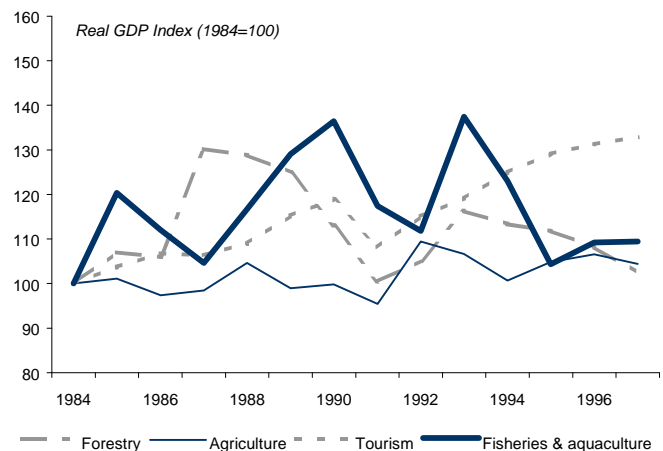


Figure 3

Tourism, the sector which is most like the sport fishing industry, has experienced relatively steady growth since 1984, increasing by a third (+32.9%) during that period. Because some recreational anglers in the province are also tourists, there is a certain amount of overlap between the two industries. Some, but not all, sport fishing activity is also attributed to the tourism sector.

Aquaculture and fish processing have expanded since 1984, but GDP in the commercial fishery has changed little, while sport fishing has declined

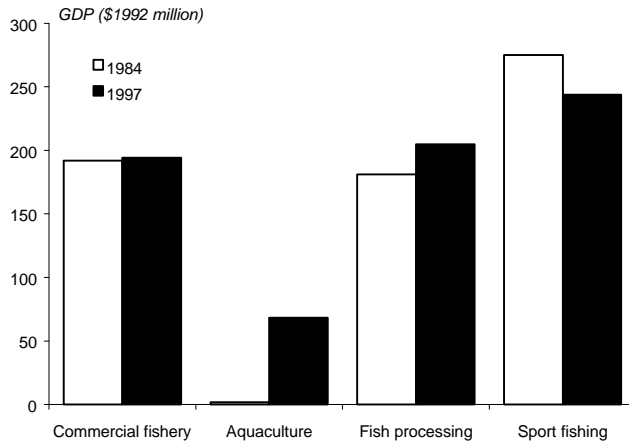


Figure 4

Sport fishing is the largest industry in the sector

Sport fishing is the largest industry within the sector, with a total GDP of \$244 million in 1997. Fish processing, with a value added of \$205 million, is the second-largest industry, followed by the commercial fishery (\$194 million) and aquaculture (\$68).

Over the longer term, these industries have experienced different growth patterns. Since 1984, real GDP in the sport fishing industry has fallen 11.4%, and the commercial fishery, despite ups and downs, was virtually the same size (+1.3%) in 1997 as in 1984. Fish processing activities in the province have expanded 13.0%, but the most significant change, in percentage terms, has been in the aquaculture industry, which has become a significant force within the sector. In 1984, the industry's GDP was less than two million dollars; by 1997 it had grown to \$68 million, an increase of more than 4,000 percent.

Nearly 13,000 people are employed in the sector

Employment Estimates

The employment data in this report are based on information from Statistics Canada's Labour Force Survey, a survey of households. Because of the small number of people who work in industries such as aquaculture or the commercial fishery, small variations in the sample can affect the data. Therefore, the employment figures should be used cautiously. They are probably more robust for the fishing processing and sport fishing components of the sector.

Employment (including both full-time and part-time jobs) in the fisheries and aquaculture sector was estimated at 12,800 in 1998. This includes 2,300 workers in commercial fishing, 1,500 who were employed at finfish and shellfish farms, 3,000 in fish processing, and 6,000 in various industries with a sport fishing component. In comparison, the agriculture and food processing sector employed 50,400 people while 97,300 British Columbians worked in the forest products sector in 1998. Direct tourism employment was 112,900¹ in that year.

Since the early 1980s, employment in the fisheries and aquaculture sector has declined by more than 2,000, falling from 14,900 in 1984 to 12,800 in 1998. However, the other primary or resource-based industries have not fared well either. Forestry, mining and agriculture, including their related manufacturing activities, currently employ virtually the same number of people as they did fifteen years ago.

The number of jobs in all goods-producing industries has risen 26.9% since 1984, but this has occurred despite employment declines in the fisheries and aquaculture (-13.9%) and agriculture and food processing (-4.0%) sectors, and little change in the number of forest sector (+3.6%) and mining (+3.3%) jobs. Employment gains in non-resource based manufacturing

¹ Estimates of direct tourism employment are based on information from the Survey of Employment, Earnings and Hours (SEPH). The SEPH data do not include self-employed workers.

(+89.1%) and construction (+65.4%) are the primary factors behind the job growth in goods-producing industries.

The number of people working in the sector has declined 13.9% since the early 1980s. Most other industries have seen job growth during this period.

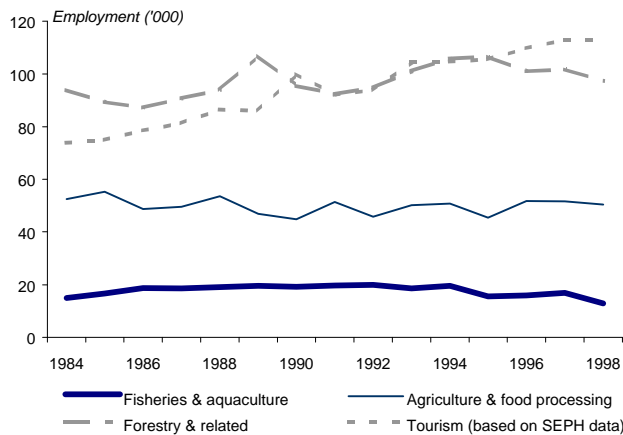


Figure 5

As was the case for GDP, service-sector employment has grown more rapidly (+54.6%) than the number of jobs in goods industries, and has also outpaced employment growth (+47.3%) in the economy as a whole. Tourism employment increased by 52.6% between 1984 and 1998. Within the fisheries and aquaculture sector, employment gains have not followed the same pattern as GDP growth. The number of people with jobs in the aquaculture industry has increased during the period since 1984, but not nearly as much as GDP. Employment in sport fishing has risen despite the decline in GDP. However, fewer people are now employed in the commercial fishery and fish processing industries than in 1984.

Nearly half of the jobs in the sector are in the sport fishing industry. Fish processing and the commercial fishery now account for a much smaller share of total employment in the sector than they did in 1984. The decline in the commercial fishery reflects the effect of licence buy-back programs and other incentives to reduce the size of the salmon fleet in order to protect salmon stocks.

Employment in sport fishing and aquaculture is increasing, but other industries have not fared as well

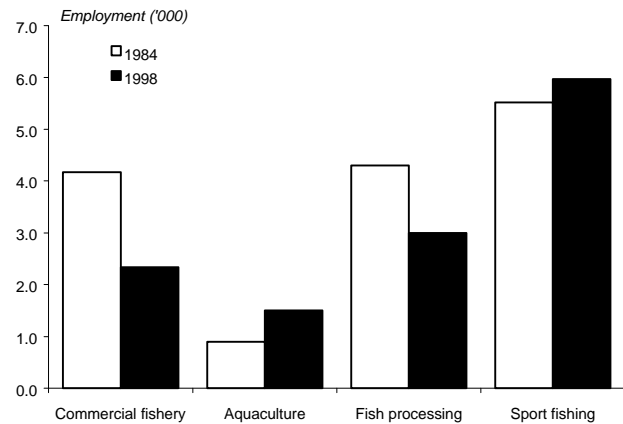


Figure 6

It should be noted that these employment figures, which are based on the Labour Force Survey, only count the number of people with jobs. They do not distinguish between full-time and part-time work. Thus, if there has been a shift between full-time and part-time workers, it may not appear in the data. For example, if a worker who was originally employed part-time begins to work full-time, actual employment would not increase even though the number of hours worked has risen. Conversely, if an industry hires more part-time instead of full-time workers, this would translate into an employment gain even if the total amount of time spent on the job has not changed.

Other Measures of Employment

Employment estimates presented in other studies of the commercial fishery and fish processing industries may differ from the numbers in this report because they use different data sources. In addition, they usually measure full-time equivalents rather than simply counting the number of employees.

Full-time equivalents (FTEs) are better measures of the amount of effort expended in the industry, since they differentiate between part-time jobs and full-time employment. However, FTE measures are not available for all industries. In this study, a simple count of the number of jobs has been used, making it possible to compare employment in the sector with the number of jobs in other industries.

British Columbians employed in the fisheries and aquaculture sector brought home an estimated \$269 million in **wages and salaries** in 1997. This does not include the income of owner-operators of fish boats who are not considered employees. The income of unincorporated businesses in the commercial fishing and aquaculture industry is estimated at about \$100 million.

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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		
<i>(BC - at market prices)</i>	1998	% change on 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.) Apr	3,309	10.3
Merchandise Exports (raw) Apr	2,559	9.0
Retail Sales (seasonally adjusted) Apr	2,928	4.7
CONSUMER PRICE INDEX		
<i>(all items - 1992=100)</i>	May '00	% change on one year ago
BC	112.8	1.5
Canada	113.0	2.4
LABOUR FORCE (thousands)		
<i>(seasonally adjusted)</i>	Jun '00	% change on one year ago
Labour Force - BC	2,092	0.4
Employed - BC	1,952	2.5
Unemployed - BC	141	-21.9
		Jun '99
Unemployment Rate - BC (percent)	6.7	8.7
Unemployment Rate - Canada (percent)	6.6	7.5
INTEREST RATES (percent)		
	Jul 5/00	Jul 7/99
Prime Business Rate	7.50	6.25
Conventional Mortgages - 1 year	8.10	6.70
- 5 year	8.45	7.50
US/CANADA EXCHANGE RATE		
	Jul 5/00	Jul 7/99
<i>(avg. noon spot rate)</i> Cdn \$	1.4907	1.4700
US \$ <i>(reciprocal of the closing rate)</i>	0.6711	0.6804
AVERAGE WEEKLY WAGE RATE		
<i>(industrial aggregate - dollars)</i>	May '00	% change on one year ago
BC	635.75	2.7
Canada	611.63	3.0
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		

British Columbia High Tech Input Indicators, the 1990's

This companion to the recently released "Profile of the British Columbia High Technology Sector" contains forty-two indicators related to the development of the high technology sector. The indicators track the performance of the education, business, government, labour, and external sectors in supplying trained personnel, financing, information, etc. in support of high technology industries in the province. For the first time, these indicators have been assembled for comparison on a consistent basis across provinces, with Alberta, Ontario, and Quebec featured along with British Columbia in the report. The "Profile" report is available now at the BC Stats web site. "Indicators" will be released June 28th. Go to

<http://www.bcstats.gov.bc.ca/> [continued]
[DATA/BUS_STAT/hi_tech.htm](http://www.bcstats.gov.bc.ca/STAT/hi_tech.htm)

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Next week

- Labour Force Statistics, June 2000
- Consumer Price Index, June 2000