

## highlights

a weekly digest of recently released British Columbia statistics

### *The Economy*

- **The value of building permits issued by BC municipalities declined again in October, falling 13.2% (seasonally adjusted).** The drop was the third in the last four months, reflecting declines in the value of both residential (-16.6%) and non-residential (-10.0%) permits. Canadian permits were down 6.8% despite more activity in the residential sector, where the value of permits issued rose 5.5%. Permits in the non-residential sector fell 18.4%.  
*Source: Statistics Canada*
- **Department store sales in BC and the north remained weak in October, dropping to 7.7% below the October 1999 level.** The year-over-year decline in the value of sales was the twelfth in as many months. Sales fell 2.7% at the national level.  
*Source: Statistics Canada*
- **The rate of capacity use by Canadian businesses eased slightly to 86.9% in the third quarter, ending a string of seven consecutive increases.** Half of the manufacturing industries, plus most other goods producing industries cut back their use of productive capacity. Reduced output and the addition of additional capacity both contributed to the marginal drop in utilization. Not all industries saw their use of productive capacity decline. In the electrical and electronic products industry, capacity use was at 103.4%, meaning that firms had surpassed the maximum level of output attainable under their usual operating practices. The utilization rate in the paper and allied products industry (95.9%) was just shy of an historical peak reached in the late 1980s. However, wood manufacturers, who have felt the pinch of slower housing construction in the US as well as the effect of a labour

dispute in BC earlier in the year, dropped their use of productive capacity to 83.9%.

High rates of capacity utilization can have an inflationary effect on the economy as the demand for goods and services used in production pushes their prices higher. This has not yet occurred in the Canadian economy, partly because increased capitalization has helped improve productivity. However, there is some evidence that firms are beginning to experience production constraints. About 8% of manufacturers surveyed in October expressed concerns about the availability of skilled labour. The Bank of Canada has also reported that a shortage of skilled labour is becoming a concern for industry associations.  
*Source: Statistics Canada*

### *Housing*

- **Housing starts in the province plunged 36.6% (seasonally adjusted) between October and November, reversing the previous month's gain.** Starts have been relatively weak during most of the year, but had soared in September and October, largely on the strength of increased activity in the multiple unit market. The sagging figures in November were partly due to a civic strike in Vancouver, which had prevented would-be homebuilders from purchasing building permits in that city. Vancouver usually accounts for about two-thirds of the starts in the province. Canadian starts fell 5.5%, reflecting weakness in BC and Ontario, where starts were down 8.0%.  
*Source: CMHC*
- **The cost of renting a two-bedroom apartment in the Vancouver area increased about 3% during the twelve-month period ending in October.** Rent increases in metropolitan areas of the country have been well in excess of local in-

### **Did you know...**

**Last year there were 15,000 cannabis-related offences reported in BC.  
A fifth (21%) of them involved cultivation of the drug.**

flation rates, as rental housing market conditions have tightened across Canada. Overall, vacancy rates have declined from nearly 5 percent at the beginning of the 1990s to 1.6% this October, the lowest level they have been at since 1987. Vacancy rates were down in 22 of 26 metropolitan areas surveyed by CMHC, falling as low as 0.2% in Ottawa. Tight housing markets have put upward pressure on average rents in most areas. Vancouver's increase was low compared to most other Canadian cities. *Source: CMHC Housing Facts*

- **Canadians have invested a lot of money in insulation products and caulking to improve the energy efficiency of their dwellings, but they may be making their houses too airtight.** More than half (55%) of the homes inspected for the **Energuide** program in September 2000 required better ventilation to ensure good air quality. Houses built during the last 20 years were the most likely to be in need of work. More than 60% had inadequate natural airflow or mechanical ventilation systems. Only one in five houses built before 1945 had similar problems.

*Source: CMHC Housing Facts*

### **Agriculture**

- **Last year, Canadian farmers earned an average of 14.4 cents for every dollar's worth of sales.** Average operating revenues per farm were \$158,339, of which \$135,581 went to cover operating expenses. This means that a typical Canadian farm with operating revenues of at least \$10,000 had net earnings of \$22,758 in 1999. Although livestock combination farming generated the highest net income (\$81,686), other types of farms showed a bigger margin to sales ratio. Operating margins for dairy farmers were the highest, at 25.9 cents for every dollar of revenue. Tobacco (20.8) and grain and oil-seed (19.5) farming had the second and third highest margin rates. Operating margins were lowest for hog (6.3) and cattle farmers (6.8).

*Source: Statistics Canada*

### **Internet Use**

- **BC residents are more wired into the Internet than most other Canadians.** Last year, nearly half (48.1%) of all households in the province regularly used the Internet. This was up from

42.0% in 1998 and 33.6% in the previous year. Alberta (50.8%) was the only province where Internet usage was more prevalent. Households in Ontario (44.5%) were also more likely to be "plugged in" than other Canadians. Nationally, 41.8% of households regularly used the Internet.

While the office used to be the place where people were most likely to log on to the Internet, that is no longer the case. Last year, more than a third (35.8%) of BC households accessed the Web from home. This compares to 23.6% who used it at work, 14.6% at school, 6.4% at a library, and 6.1% from other locations. Sending email (91.7%), looking for information (85.1%) and general browsing (84.7%) were the primary reasons given by regular home-users for logging on to the Internet, but Canadians are also branching out into other areas. One in four (27.7%) of these households used the Internet for electronic banking and nearly a fifth (19.0%) have purchased goods and services on the Web.

*Source: SC, Catalogue 56F0004MIE*

### **The Criminal Justice System**

- **According to the 1999 General Social Survey, most Canadians are quite satisfied with their local police.** When asked to rate the police last year, the majority said they were doing a good job at being approachable (66%), ensuring safety (62%), enforcing the laws (60%) and supplying information on reducing crime (54%). Just under half (49%) thought they responded promptly to calls. They were less positive about the courts. One in five felt they were doing a good job of determining guilt (21%), helping victims (15%) and providing justice quickly (13%). The prison system received a positive rating for supervising and controlling prisoners from one in four (26%) Canadians. Residents of Western Canada were less likely than other Canadians to give a high rating to the criminal justice system. Those most likely to rate the police highly were rural residents, women, seniors, those with less than a high school education, and those with no recent victimization experiences. People who had come into contact with either the police or the courts (as victim or accused) had less positive attitudes.

*Source: SC, Juristat, Catalogue 85-002-XPE Vol 20 no 12*

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Average Weekly Wage Rates in this article are from Statistics Canada's monthly Labour Force Survey. Information is collected on the usual wages or salary of employees in their main job. Respondents are asked to report their wage/salary before taxes and other deductions, and include tips, commissions and bonuses. Weekly wages/salary are calculated in conjunction with usual paid work hours per week and include full and part-time workers.

### British Columbia Industries

Historically, weekly wages in goods producing industries are much higher than those in the service industries. In 1999, service industry wages were \$590.53, or 77.6 percent of goods industry wages at \$760.87.

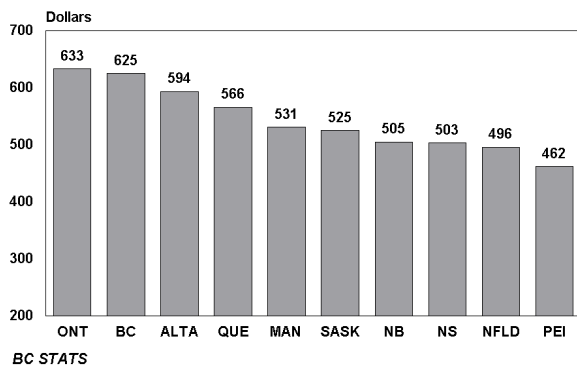
Forestry, Fishing & Mining had the highest weekly wage rate in 1999 at \$944.29, a 4.8 percent increase over 1998. The utilities industries, at \$912.00, had the second highest wage rate but experienced a 5.7 percent decrease from 1998. Agriculture, traditionally with the lowest weekly wages of the goods producing industries, experienced a 17.1 per cent increase in 1999, reaching an average wage of \$524.54.

In the Service Producing Industries, public administration had the highest weekly wage rate at \$790.71. Retail and Wholesale Trade experienced the largest increase over 1998 at 4.3 percent.

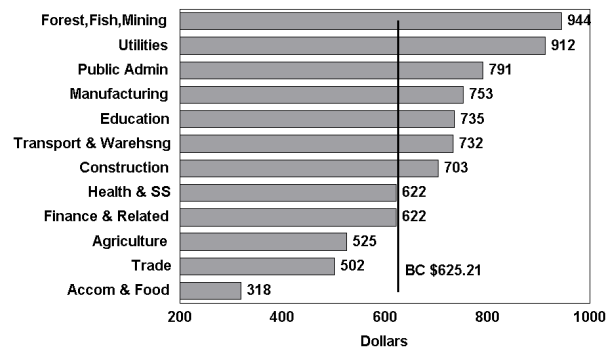
### Provincial Comparisons

The Average Weekly Wage Rate in Canada reached \$595.62 in 1999, a 2.7 per cent increase over 1998. British Columbia's average wage, at \$625.21 in 1999, was the second highest in Canada and a 1.1 per cent increase over 1998. Ontario at \$633.05 had the highest wages of all the provinces and tied with Alberta for the highest one-year increase at 3.6 percent. Only two provinces, Prince Edward Island at \$461.99 and Newfoundland at \$495.87, had average wages below five hundred dollars.

**Average Weekly Wage Rate  
by Province - 1999**



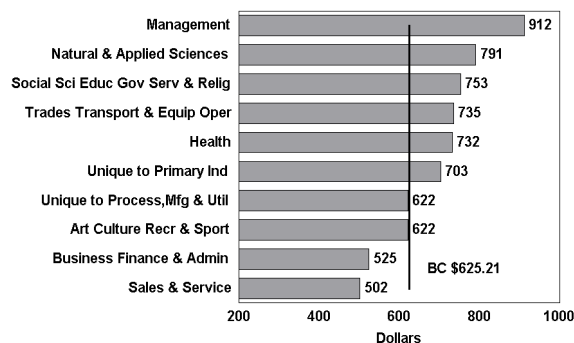
**Average Weekly Wage Rate  
by Industry in BC - 1999**



## British Columbia Occupations

Management occupations had the highest average weekly wage rate in 1999 at \$920.38, a 2.7 percent increase over 1998. Sales and service occupations have the lowest weekly wage of all major groups at \$391.75. Occupations unique to the Primary industry experienced the largest percent increase over 1998 at 12.9 percent.

Average Weekly Wage Rate  
by Occupation in BC - 1999



BC STATS


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## BC at a glance . . .

<b>POPULATION (thousands)</b>		
	Jul 1/00	% change on one year ago
BC	4,063.8	0.9
Canada	30,750.1	0.8
<b>GDP and INCOME</b>		
<i>(BC - at market prices)</i>	1999	% change on one year ago
Gross Domestic Product (GDP) (\$ millions)	118,783	4.2
GDP (\$ 1992 millions)	104,323	2.1
GDP (\$ 1992 per Capita)	25,899	1.3
Personal Disposable Income (\$ 1992 per Capita)	16,700	0.0
<b>TRADE (\$ millions)</b>		
Manufacturing Shipments (seas. adj.) Sep	3,124	-3.0
Merchandise Exports (raw) Sep	2,783	9.7
Retail Sales (seasonally adjusted) Sep	3,016	5.7
<b>CONSUMER PRICE INDEX</b>		
<i>(all items - 1992=100)</i>	Oct '00	% change on one year ago
BC	114.5	2.4
Canada	114.6	2.8
<b>LABOUR FORCE (thousands)</b>		
<i>(seasonally adjusted)</i>	Nov '00	% change on one year ago
Labour Force - BC	2,111	1.4
Employed - BC	1,964	2.5
Unemployed - BC	147	-11.2
		Nov '99
Unemployment Rate - BC (percent)	7.0	8.0
Unemployment Rate - Canada (percent)	6.9	6.9
<b>INTEREST RATES (percent)</b>		
	Dec 6/00	Dec 1/99
Prime Business Rate	7.50	6.50
Conventional Mortgages - 1 year	7.80	7.35
- 5 year	8.10	8.25
<b>US/CANADA EXCHANGE RATE</b>		
	Dec 6/00	Dec 1/99
<i>(avg. noon spot rate)</i> Cdn \$	1.5321	1.4793
US \$ <i>(reciprocal of the closing rate)</i>	0.6542	0.6765
<b>AVERAGE WEEKLY WAGE RATE</b>		
<i>(industrial aggregate - dollars)</i>	Nov '00	% change on one year ago
BC	643.16	2.2
Canada	622.49	3.4
<b>SOURCES:</b>		
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 <a href="http://www.bank-banque-canada.ca/english/wfsgen.htm">www.bank-banque-canada.ca/english/wfsgen.htm</a>		

### July 1, 2000 Population Estimates

Total Population Estimates for 2000, plus revisions to 1997-1999 Estimates, are now available on our web site. For questions please contact

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### Released this week by BC STATS

- Business Indicators, (Article) November 2000
- Labour Force Statistics, November 2000

### Next week

- Consumer Price Index, November 2000