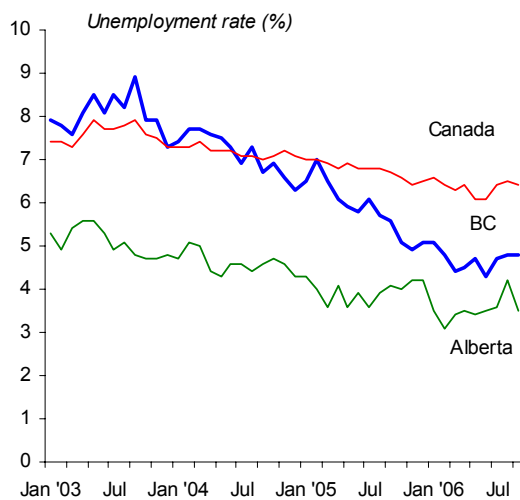


Labour Force Statistics ♦ October 2006

HIGHLIGHTS

All labour force statistics are seasonally adjusted, unless otherwise indicated

BC's unemployment rate remains near historic low as robust job growth continues



British Columbia's unemployment rate dropped to 4.6% in October, as robust job growth of 0.6% (+13,300 workers) was more than enough to absorb a 0.4% increase in the size of the labour force. Together, BC and Alberta (where there were 22,600 (+1.2%) net new jobs) accounted for about 70% of the increase in employment at the national level.

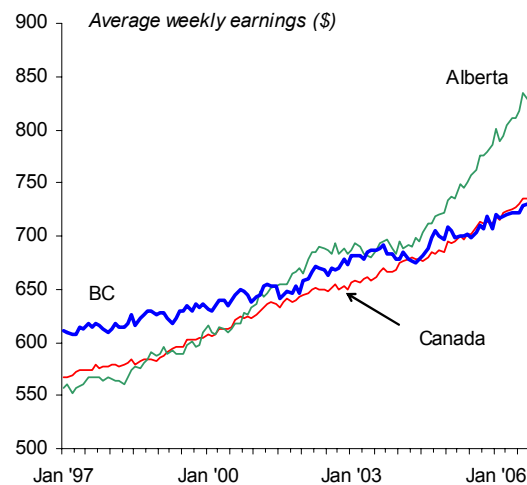
BC's unemployment rate remains near its historical low of 4.3% (recorded in June), while Alberta's rate dropped to 3.0%, the lowest level on record since 1976, the first year for which provincial data are available. Both provinces are currently experiencing labour shortages, although the situation is more extreme in Alberta. Competition for scarce workers is already driving prices up in Alberta, where the annual inflation rate has ranged between 3.2% and 4.7% since the beginning of the year, nearly double the national average. Since 1987,

weekly earnings in Alberta have increased 45%, to an average of \$816 in October.

BC has not yet reached the stage where inflationary pressures are kicking in. However, the demand for workers may be having an effect on small businesses that must compete for workers with larger organizations that have deeper pockets and can afford to pay more generous wages.

In BC, worker's earnings have increased just 20% during the last nine years, well below the 28% increase for the country as a whole. Historically, wages paid in BC have been higher than the national average, but slower wage growth in BC since the mid-1990s has eliminated the wage gap. Average weekly earnings in the province are currently equal to the national average, at \$733 per week.

Average weekly earnings soaring in Alberta, but BC workers have made only modest gains



Goods and service sectors hiring workers

The goods and service sectors took on more workers in October, with both posting 0.6% increases in employment. On the goods side, the job growth was concentrated in utilities (+12.4%) and manufacturing (+2.3%). Other industries in the sector reduced the size of their workforce in October. Among service industries, public administration (+4.7%) and accommodation & food services (+3.1%) posted the strongest increases. Retail & wholesale trade (-1.5%) and transportation (-1.5%) were the only service-sector industries where employment declined.

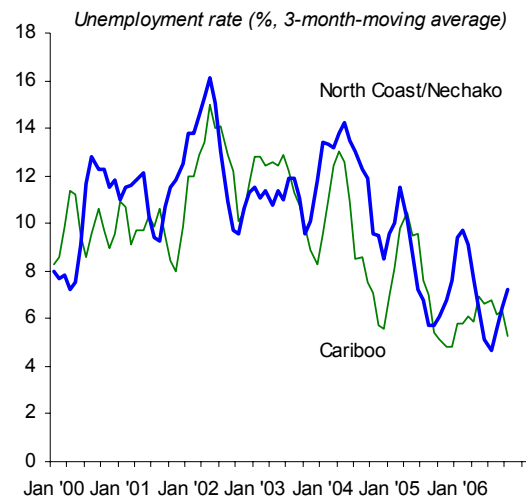
The number of public sector jobs advanced 0.2%, while private sector employers took on 0.8% more workers. Both men (+0.5%) and women (+0.7%) benefited from October's job growth. However, there were fewer women (-1.3%) with full-time work, and as a result full-time employment dropped 0.3%. On the other hand, the number of women working part-time jumped 5.7%, leading to a big increase in total part-time employment (+4.2%). The youth unemployment rate climbed slightly, rising to 8.2% but the jobless rate for those aged 25 and over fell to 3.9%.

Regional variations persist

Among the regions, jobless rates ranged from 4.3% (3-month-moving average, unadjusted) in Mainland/Southwest to 7.2% in North Coast/Nechako, where the number of jobs and the size of the labour force have been shrinking in tandem. Last month, employment in the

region fell 10.9%, while the labour force declined to 9.9% below the October 2005 level. Kootenay (where employment dropped 1.1%) is also experiencing softer labour market conditions. Unemployment rates were up in Cariboo (5.3%), Northeast (5.2%), and North Coast/Nechako (7.2%), but are still well below the levels seen earlier in the decade.

Despite recent increases, unemployment rates in the north and interior remain relatively low



The Nation

Canada's unemployment rate dropped to 6.2% in October, largely due to strong job growth in the West, which boosted overall employment growth to 0.3% despite Ontario's lackluster performance (+0.0%). The labour force was unchanged from September.

Selected Statistics	Oct-06	Sep-06	Oct-05
BC Unemployment Rate (%)	4.6	4.8	5.1
Canadian Unemployment Rate (%)	6.2	6.4	6.6
BC Employment ('000)	2,214	2,201	2,149
BC Labour Force Participation Rate (%)	65.8	65.6	65.3
October % change in employment relative to:	-	0.6	3.0
October % change in labour force relative to:	-	0.4	2.5