

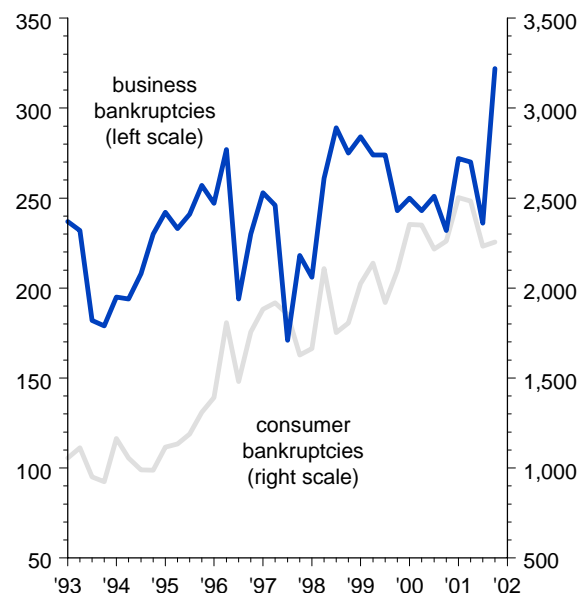
Small Business Quarterly ♦ Fourth Quarter 2001

- The number of employees of small businesses experienced a modest increase (+0.5%) in the third quarter of 2001 compared to the same period in 2000. All the growth occurred in businesses employing between 20-49 employees (+2.0%), as employment in businesses with fewer than 20 employees dropped 1.0%.
- The number of self-employed in British Columbia continued to rise in the fourth quarter of 2001, up 2.9% from the fourth quarter of 2000. Both self-employed with (+1.7%) and without (+2.9%) paid help showed year-over-year increases.
- The number of small businesses in British Columbia (including self-employed persons) was unchanged from fourth quarter 2000 to fourth quarter 2001. Micro-businesses (i.e. those employing less than 5 people) increased 2.2%, but all other size categories experienced some decline. Businesses with 5 to 9 employees fell 1.0% and the number of businesses with 10 to 19 employees dropped 4.3%. The largest decline was in the 20 to 49 employee category, which was down 5.7%. Annually, the pattern was similar, with only 0.1% growth from 2000 to 2001 overall, but 1.1% growth in micro-businesses and declines in all other size categories.
- After five consecutive quarters of declines, new business incorporations rose slightly year-over-year in the fourth quarter of 2001. However, the annual average for 2001 was substantially off the pace in 2000 (-8.2%).
- Business bankruptcies were way up in the fourth quarter with a year-over-year

increase of 38.8%. The increase may be a combination of fallout from the September 11th terrorist attacks and the effects of heavy duties in the softwood lumber sector that are driving small operators out of business. Annually, business bankruptcies were 12.7% higher than in 2000. Consumer bankruptcies were also up (3.2%) compared to the previous year.

- The number of commercial building permits issued in BC dropped 9.7% in 2001. Industrial building permits experienced an even greater decrease, falling 25.1%. However, Victoria bucked the trend, with annual increases in both commercial (+12.9%) and industrial (+48.0%) permits.
- Urban housing starts were up 27.0% in BC in 2001, with much of that increase occurring in Vancouver (+32.4%).

Business bankruptcies increased significantly in 2001 and consumer bankruptcies continue to trend up

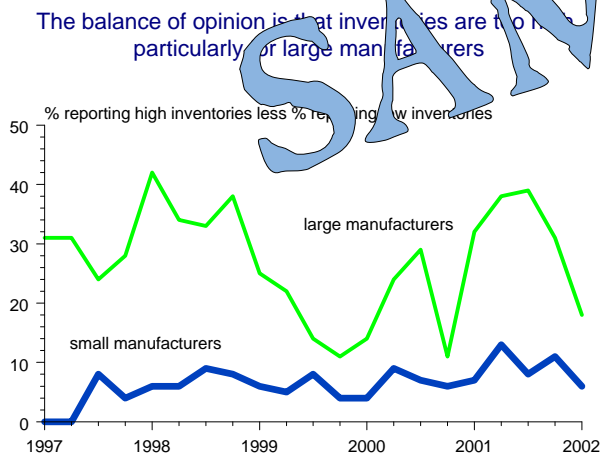


Expectations of Manufacturers Showing Signs of Improvement

At the beginning of every quarter, Statistics Canada surveys Canadian manufacturers for their opinions regarding current business conditions. The results of the most recent *Business Conditions Survey* done in January suggest that manufacturers in British Columbia are somewhat more optimistic compared to the bleak expectations for 2001. However, many manufacturers still report problems.

Inventories

On balance, manufacturers in BC feel that inventories are too high.¹ Although the percentage of producers reporting high inventories has fallen from the 35 to 40 percent range reported during 2001, there are still 24% of manufacturers that feel inventories need to be brought down.



Larger manufacturers (with annual shipments of \$10 million or more) are far more likely to carry excess inventories than are smaller producers. Most of the improvement in satisfaction with inventory levels was with the larger manufacturers, with the percentage of those feeling inventories were too high dropping from 41% in the fourth quarter

¹ Note that all figures quoted in this article are seasonally adjusted except for sources of production difficulties.

of 2001 to 25% in the first quarter of 2002. The balance of opinion of larger manufacturers (i.e., the percentage point difference between those feeling inventories are too high and those feeling inventories are too low) fell from 31 to 18.

Production difficulties

There was a slight improvement in the incidence of production impediments, with 64% of all BC manufacturers surveyed reporting no production difficulties, up from 62% in the previous quarter. Reported difficulties included working capital shortage (9% of all manufacturers), raw material shortage (9%), labour shortage (6% skilled, 1% unskilled) and other problems (17%). Once again there is a significant difference between the problems experienced by larger and smaller manufacturers. Labour shortages, particularly skilled labour, are more prone to affect smaller producers, with 21% reporting a shortage of labour (17% skilled, 4% unskilled), compared to only 6% of larger manufacturers (5% skilled, 1% unskilled). This is likely due to the fact that the larger producers can afford to pay higher wages and therefore tend to attract a greater portion of the available skilled workers.

Small manufacturers are more likely to experience a shortage of skilled labour



Despite the fact that a significant portion of manufacturers report labour shortages, only

5% of the companies surveyed suggested that they were looking to increase employment, and all of these were firms with less than 300 employees. In fact, the balance of opinion was that employment would contract, with 20% reporting that they were looking to reduce their workforce.

Orders

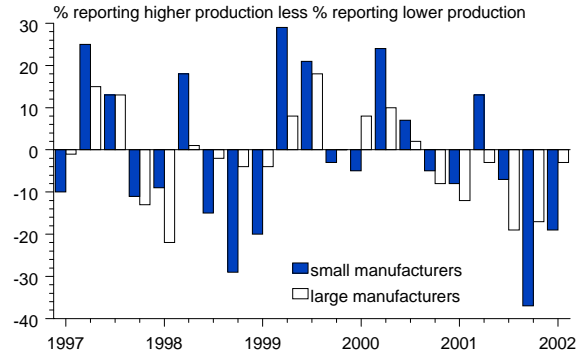
Although on balance more manufacturers expected the number of new orders to fall than to rise, far fewer companies were predicting a decline in new orders compared to the previous quarter and more firms thought orders would increase. In the fourth quarter of 2001, 49% of manufacturers were concerned about falling orders, and 10% believed the number of new orders was rising for a difference of 39 percentage points. In the first quarter of 2002, only 24% reported falling orders and 17% suggested orders were increasing, for a net difference of only 7 percentage points. Most of the improvement occurred for the larger manufacturers whose balance of opinion changed from -19 (percent of orders rising minus falling) to -5. In fact, for smaller manufacturers the balance of opinion dropped to -30 from -28.

There was also some improvement in the percentage of producers reporting a backlog of unfilled orders. The balance of opinion increased 18 points from -48 to -30.

Production Volume

There were still more manufacturers planning to cut production (20%) than those expecting to increase production (16%), although the balance of opinion (-4) was significantly improved from that in the fourth quarter of 2001 (-19).

The balance of opinion for expected volume of production varies depending on the size of the manufacturer



Smaller producers tended to be more pessimistic on the whole with regard to anticipated production levels. Compared to larger firms where only 18% expected to reduce production, 38% of smaller firms reported that inclination, a difference of 20 percentage points. The balance of opinion varied from -19 for smaller manufacturers to -3 for the larger producers.

Outlook

Although the balance of opinion for manufacturers in British Columbia is that inventories are too high, new orders are declining and production levels will fall, the outlook is far better than it was three months earlier. More producers are reporting a rise in the number of new orders and an anticipation of ramping up production compared to the previous quarter. This may be an indication that the economy is starting to work its way out of a recession and toward recovery.

Feature Articles Listed by Issue Number

01-3: *'Business and Consumer Bankruptcies are on the Rise in BC'* (released Jan.2002)

01-2: *'The Benefits and Costs of a Higher Minimum Wage'* (released Nov.2001)

01-1: *'Small Business On-Line: Internet Use Among SMEs'* (released Sept. 2001)

00-4: *'Co-operatives Grew Steadily Throughout the 1990s'* (released May 2001)

00-3: *'Profile of Self-Employed in British Columbia'* (released Mar.2001)

00-2: *'Latest Small Business Employment Numbers Show Three Year Changes'* (released Jan. 2001)

00-1: *'Some Distinctive Features of The Small Business Workplace'* (released Oct 2000)

99-4: *'Transfers of Corporate Charters to Other Provinces Suggest Business Migration From British Columbia'* (released July 2000)

99-3: *'755 Thousand British Columbians Rely On Small Businesses For Jobs'* (released Mar 2000)

99-2: *'A Quarter of All Employees In British Columbia Work For Small Employers'* (released Nov 1999)

99-1: *'Self-Employment In British Columbia Takes On New Profile'* (released Sep 1999)

98-4: *'Co-Operative Movement Grows Through the 1990s'* (released Apr 1999)

98-3: *'The Long and the Short of Working Hours For Self-Employed'* (released Dec1998)

98-2: *'People Trying Self-Employment As A Second Job'* (released Aug 1998)

98-1: *'British Columbians Still Making Their Own Jobs'* (released May 1998)

97-4: *'Business Bankruptcies Ease With Low Interest Rates, But Consumer Bankruptcies Continue to Climb'* (released Mar 1998)

97-3: *'Co-operative Movement Grows Steadily In British Columbia'* (released Jan 1998)

97-2: *'Doing Our Thing In Lotusland – The New Self-Employed In British Columbia'* (released Sep 1997)

97-1: *'Immigrants Boost Self-Employment In British Columbia'* (released Aug 1997)

96-4: *'More British Columbia Companies Shift Corporate Charters to Alberta and Ontario'* (released Apr 1997)

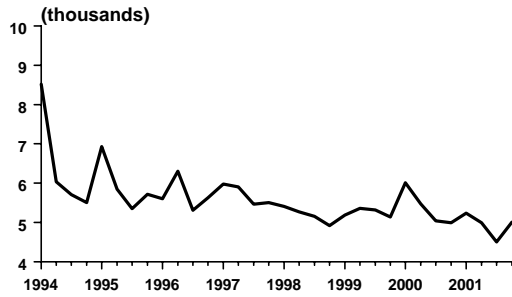
96-3: *'Changes in Business Confidence Expressed In Numbers of New Incorporations'* (released Mar 1997)

96-2: *'Bankruptcies Rise With Self-Employment and Mounting Consumer Debt Loads'* (released Oct 1996)

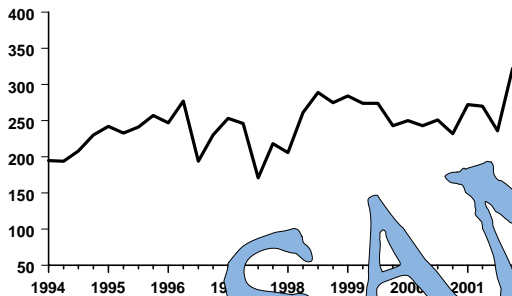
96-1: *'Counting the Business Community in British Columbia'* (released Jul 1996)

Business Counts, Formations and Failures

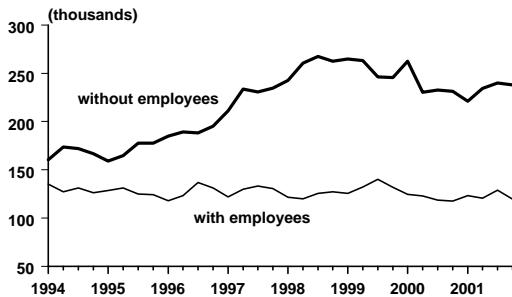
New Business Incorporations in British Columbia



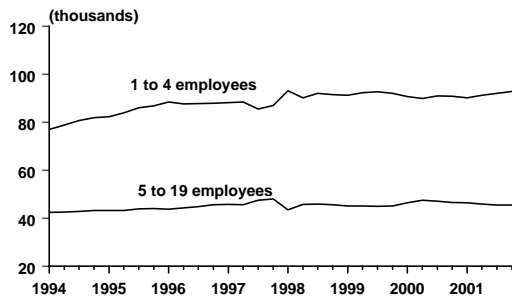
Number of Business Bankruptcies in British Columbia



Self-Employed Persons

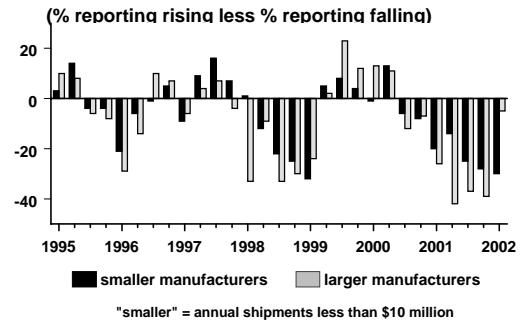


Small Businesses With Employees

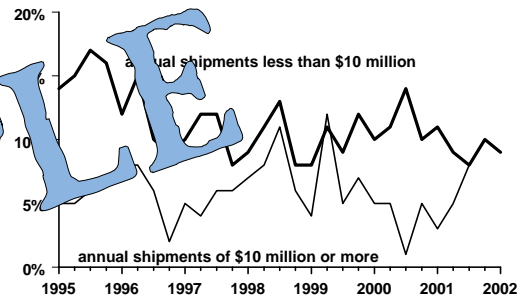


Business Conditions

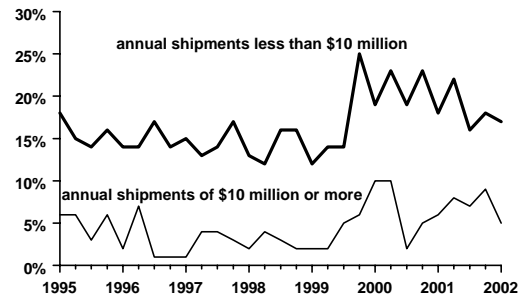
Balance of Opinion on New Orders Received at Start of Quarter



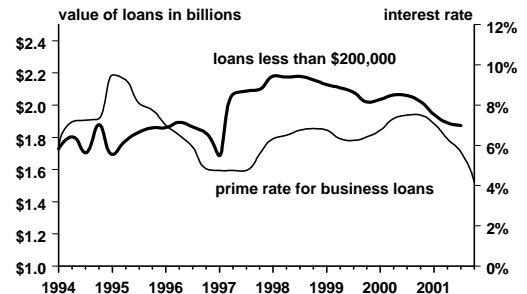
Per Cent of Manufacturers Experiencing Shortage of Working Capital



Per Cent of Manufacturers Experiencing Shortage of Skilled Labour



Chartered Bank Business Loans in British Columbia



Small Business Quarterly

Table 1

Period	Active Employer Businesses ¹					Employment ²				Self-employed ³		
	by number of employees					by number of employees in business				with without		
	Total	1-4	5-9	10-19	20-49	Total	1-19	20-49	50+	Total*	paid help	paid help
	('000)					('000)				('000)		
Annual Averages												
1996	148.2	87.9	26.5	18.1	10.8					321.3	127.3	189.3
1997	150.9	87.2	27.5	19.2	11.7					361.4	129.0	225.9
1998	153.7	91.6	26.9	18.2	11.5					388.6	123.6	258.3
1999	154.6	92.0	26.8	18.2	11.9					392.6	132.5	254.9
2000	156.6	90.5	27.5	19.3	13.0	1,566.5	412.3	181.9	972.3	366.1	121.0	239.2
2001	156.9	91.5	27.2	18.5	12.4	-	-	-	-	360.4	123.1	233.3
% change 2000-2001	0.1%	1.1%	-1.1%	-3.8%	-4.4%	-	-	-	-	-1.6%	1.7%	-2.5%
Quarterly	<i>End of Quarter</i>					<i>Quarterly</i>				<i>Quarterly Averages</i>		
1998 Q1	152.7	93.0	26.0	17.4	11.0					370.1	121.8	242.5
Q2	153.1	90.1	27.2	18.5	11.8					389.5	120.0	260.4
Q3	154.7	92.0	27.3	18.6	11.5					400.3	125.7	267.5
Q4	154.0	91.5	27.1	18.5	11.5					394.6	127.1	262.6
1999 Q1	153.5	91.2	26.8	18.2	11.7					394.9	125.7	264.9
Q2	154.6	92.2	26.8	18.2	11.8					399.7	132.3	263.0
Q3	155.2	92.6	26.7	18.2	12.1					392.2	140.2	246.1
Q4	154.9	92.0	26.8	18.2	12.2					383.6	131.8	245.5
2000 Q1	155.4	90.6	27.4	18.9	12.6	1,511.1	399.1	173.1	938.8	392.8	124.7	262.6
Q2	156.6	89.8	27.8	19.6	13.3	1,574.8	415.1	182.6	977.7	360.6	122.9	230.4
Q3	157.2	90.9	27.6	19.3	13.1	1,544.2	422.4	189.4	972.4	358.1	118.5	232.6
Q4	157.1	90.8	27.4	19.1	12.9	1,535.5	413.3	182.0	1,000.2	353.0	117.7	231.4
2001 Q1	156.6	90.1	27.3	19.0	12.8	1,564.6	403.0	178.8	982.8	346.9	123.1	221.1
Q2	156.9	91.1	27.3	18.5	12.4	1,598.0	411.7	187.9	998.3	359.2	120.5	234.4
Q3	156.9	91.0	27.1	18.4	12.3	1,592.8	418.3	193.3	981.2	372.4	128.9	239.8
Q4	157.1	92.7	27.1	18.3	12.2	-	-	-	-	363.2	119.7	238.0
% change year-over-year last available quarter	0.0%	2.2%	-1.0%	-4.3%	-5.7%	0.5%	-1.0%	2.0%	0.9%	2.9%	1.7%	2.9%
Monthly												
Mar-01										355.9	127.2	225.8
Apr-01										356.2	123.0	229.1
May-01										356.2	117.3	234.5
Jun-01										365.1	121.3	239.6
Jul-01										377.8	124.3	249.3
Aug-01										374.6	135.9	235.3
Sep-01										364.8	126.6	234.9
Oct-01										366.8	128.4	233.6
Nov-01										365.3	118.2	241.4
Dec-01										357.6	112.5	239.0
Jan-02										367.3	112.1	249.2
Feb-02										361.7	117.8	241.4
year-to-date										364.5	115.0	245.3
% change year-over-year last available month										4.3%	-8.3%	12.6%

Notes:

* Total self-employed includes persons working in family business without pay

¹ Source: Business Register

² Source: Survey of Employment, Payroll and Hours

³ Source: Labour Force Survey

Period	Business Formation Indicators			Bankruptcies	
	New BC Business Incorporations	Registrations Extraprovincial Companies (number)	Registrations Unincorporated Businesses	Business (number)	Consumer
Annual Totals					
1993	22,955	1,778	15,939	830	4,041
1994	25,774	1,915	18,293	827	4,197
1995	23,846	1,966	19,279	973	4,747
1996	22,848	2,061	20,367	948	6,436
1997	22,958	2,188	19,863	895	7,366
1998	20,759	2,233	19,507	1,031	7,327
1999	21,009	2,366	20,917	1,075	8,179
2000	21,515	2,528	20,822	976	9,181
2001	19,749	2,479	21,306	1,100	9,474
% change 2000-2001	-8.2%	-1.9%	2.3%	12.7%	3.2%
Quarterly Totals					
1998 Q1	5,412	632	4,668	206	1,663
Q2	5,270	584	5,907	261	2,107
Q3	5,154	525	4,749	289	1,752
Q4	4,923	488	4,183	275	1,805
1999 Q1	5,188	577	5,015	284	2,024
Q2	5,362	637	5,614	274	2,138
Q3	5,322	556	5,093	274	1,919
Q4	5,137	495	5,197	243	2,098
2000 Q1	5,611	651	5,626	250	2,354
Q2	5,444	680	5,590	243	2,350
Q3	5,044	578	5,026	251	2,216
Q4	4,989	619	4,580	232	2,261
2001 Q1	5,236	714	5,400	272	2,503
Q2	4,997	663	5,853	270	2,483
Q3	4,504	546	4,959	236	2,232
Q4	5,012	556	5,094	322	2,256
% change year-over-year last available quarter	0.5%	-10.2%	11.2%	38.8%	-0.2%
Monthly					
Mar-01	2,175	268	2,022	93	912
Apr-01	1,494	196	1,887	92	744
May-01	1,842	275	2,394	90	892
Jun-01	1,661	192	1,572	88	847
Jul-01	1,585	217	1,609	79	694
Aug-01	1,536	170	2,053	87	827
Sep-01	1,383	159	1,297	70	711
Oct-01	1,785	219	1,992	117	840
Nov-01	1,667	193	1,803	109	795
Dec-01	1,560	144	1,299	96	621
Jan-02	1,504	165	1,807	103	805
Feb-02	1,876	214	1,890	-	-
year-to-date	3,380	379	3,697	103	805
% change year-over-year last available month	28.0%	-4.9%	-3.2%	10.8%	4.1%

Period	Interest Rates			Exchange Rate	Consumer Price Index		
	Bank Rate	Prime Rate (per cent)	Conventional 5 Year Mortgage	Canadian \$ Average Noon Spot Rate (U.S. ¢)	BC	Vancouver*	Victoria*
Annual Averages							
1995	7.31	8.65	9.16	72.88	107.9	108.4	107.7
1996	4.53	6.06	7.93	73.34	108.9	109.2	108.7
1997	3.52	4.96	7.07	72.24	109.7	109.8	109.7
1998	5.10	6.60	6.93	67.48	110.0	110.4	110.0
1999	4.92	6.44	7.56	67.32	111.2	111.4	111.1
2000	5.77	7.27	8.35	67.34	113.3	113.9	113.0
2001	4.31	5.81	7.40	64.58	115.2	116.0	114.3
% change 2000-2001	N/A	N/A	N/A	-4.1%	1.7%	1.8%	1.2%
difference 2000-2001	-1.46	-1.46	-0.95	N/A	N/A	N/A	N/A
Quarterly Averages							
1998 Q1	4.83	6.33	6.85	69.92	109.7	110.0	109.8
Q2	5.00	6.50	6.95	69.13	110.2	110.6	110.2
Q3	5.25	6.75	7.08	66.03	110.3	110.6	110.1
Q4	5.33	6.83	6.83	64.84	109.9	110.2	109.9
1999 Q1	5.17	6.75	6.92	66.17	110.1	110.3	110.0
Q2	4.83	6.33	6.82	67.90	111.2	111.4	111.1
Q3	4.75	6.75	7.30	67.30	112.0	112.1	111.9
Q4	4.92	6.41	8.05	67.90	111.6	111.8	111.5
2000 Q1	5.25	6.75	8.41	68.80	111.7	112.1	111.5
Q2	5.83	7.33	8.52	67.56	112.8	113.3	112.7
Q3	6.00	7.50	8.25	67.47	114.2	115.0	113.7
Q4	6.00	7.50	8.15	65.55	114.4	115.1	114.0
2001 Q1	5.38	7.08	7.58	65.47	113.5	114.4	112.5
Q2	4.83	6.33	7.67	64.89	115.6	116.3	114.8
Q3	4.17	5.67	7.50	64.69	116.4	117.2	115.4
Q4	2.67	4.17	6.87	63.28	115.2	116.0	114.6
% change year-over-year last available quarter	N/A	N/A	N/A	-3.5%	0.6%	0.8%	0.6%
difference year-over-year last available quarter	-3.33	-3.33	-1.28	N/A	N/A	N/A	N/A
Monthly							
Mar-01	5.25	6.75	7.25	64.16	113.3	114.0	112.4
Apr-01	5.00	6.50	7.50	64.21	115.0	115.7	114.2
May-01	4.75	6.25	7.75	64.87	115.6	116.3	114.8
Jun-01	4.75	6.25	7.75	65.60	116.3	117.0	115.4
Jul-01	4.50	6.00	7.75	65.34	116.3	117.0	115.4
Aug-01	4.25	5.75	7.60	64.93	116.1	117.0	115.2
Sep-01	3.75	5.25	7.15	63.79	116.7	117.5	115.7
Oct-01	3.00	4.50	6.90	63.65	115.8	116.5	115.2
Nov-01	2.50	4.00	6.85	62.80	114.9	115.6	114.4
Dec-01	2.50	4.00	6.85	63.39	114.8	115.8	114.3
Jan-02	2.25	3.75	7.00	62.49	115.4	116.3	114.9
Feb-02	2.25	3.75	6.85	62.66	115.9	116.6	115.4
% change year-over-year last available month	-60.9%	-48.3%	-11.6%	-4.6%	2.9%	2.4%	3.7%

* Census Metropolitan Area

Period	Commercial Building Permits			Industrial Building Permits			Urban Housing Starts	
	BC	Vancouver*	Victoria*	BC	Vancouver*	Victoria*	BC	Vancouver*
	(\$ thousands)			(\$ thousands)			(number)	
Annual Totals								
1993	892,174	503,579	70,227	177,800	74,696	4,960	38,173	21,307
1994	1,075,471	632,415	84,002	175,311	69,495	7,963	34,619	20,473
1995	1,023,877	597,580	57,744	247,133	109,178	10,626	23,604	14,992
1996	1,225,837	675,541	88,661	252,646	151,875	5,499	24,744	15,453
1997	1,358,450	849,207	78,280	285,814	163,773	6,777	25,210	15,950
1998	1,311,124	810,117	76,173	273,279	160,652	15,858	17,631	11,878
1999	1,142,105	652,159	101,453	319,145	172,604	5,931	14,176	8,677
2000	1,297,270	868,865	76,834	295,525	147,574	14,763	12,353	8,203
2001	1,171,233	718,860	86,782	221,353	105,178	21,843	15,689	10,862
% change 2000-2001	-9.7%	-17.3%	12.9%	-25.1%	-28.7%	48.0%	27.0%	32.4%
Quarterly Totals								
1998 Q1	242,540	170,981	12,321	66,397	47,375	6,817	4,067	2,880
Q2	345,884	189,811	36,755	57,163	27,264	4,232	4,957	3,318
Q3	416,912	261,252	13,048	97,057	60,509	1,566	5,291	3,489
Q4	305,788	188,073	14,049	52,662	25,500	3,243	3,316	2,191
1999 Q1	226,757	135,329	25,624	41,266	17,530	3,190	2,709	1,951
Q2	311,707	170,971	19,066	63,911	71,354	789	3,507	1,861
Q3	311,474	193,701	21,390	79,800	62,438	479	4,148	2,497
Q4	292,167	152,158	35,370	47,128	21,078	1,473	3,812	2,368
2000 Q1	310,172	143,234	10,965	50,084	20,194	1,258	2,219	1,527
Q2	362,898	200,899	38,205	68,616	44,182	6,223	3,559	2,468
Q3	364,460	200,411	17,901	78,563	41,930	364	3,310	1,989
Q4	220,773	101,230	17,152	73,062	41,268	6,918	3,265	2,219
2001 Q1	273,963	132,249	23,467	65,245	30,677	9,657	2,946	2,149
Q2	400,157	271,274	26,720	56,965	21,011	2,133	4,619	3,620
Q3	280,778	159,138	15,570	57,121	29,033	7,512	4,176	2,802
Q4	210,319	126,199	21,025	42,022	24,457	2,541	3,948	2,291
% change year-over-year last available quarter	-26.8%	-37.3%	22.6%	-42.5%	-40.7%	-63.3%	20.9%	3.2%
Monthly								
Mar-01	104,272	58,444	12,198	34,167	16,547	6,644	806	525
Apr-01	146,510	115,755	7,980	21,389	6,554	1,229	1,368	1,005
May-01	123,205	89,936	7,694	18,884	6,205	732	1,618	1,319
Jun-01	136,458	65,583	11,046	16,692	8,252	172	1,633	1,296
Jul-01	112,742	77,799	5,329	20,184	7,001	4,476	1,500	1,111
Aug-01	98,584	44,788	2,779	20,077	11,922	2,797	1,189	739
Sep-01	69,452	36,551	7,462	16,860	10,110	239	1,487	952
Oct-01	103,408	78,083	5,636	17,653	9,748	1,376	1,529	788
Nov-01	54,871	26,654	2,394	14,551	7,475	739	1,376	750
Dec-01	52,040	21,462	12,995	9,818	7,234	426	1,043	753
Jan-02	67,307	41,084	4,567	9,047	4,583	633	1,310	1,001
Feb-02	-	-	-	-	-	-	1,049	519
year-to-date	67,307	41,084	4,567	9,047	4,583	633	2,359	1,520
% change year-over-year last available month	20.4%	9.9%	-6.4%	-32.2%	-32.7%	-53.1%	10.5%	-15.1%

* Census Metropolitan Area

Period	Chartered Bank Business Loans in British Columbia			
	Less than \$200,000	\$200,000 to \$500,000	Greater than \$500,000	Total
	(\$ millions)			
Annual Averages				
1993	1,480	1,003	8,897	11,380
1994	1,779	1,222	8,551	11,551
1995	1,791	1,451	9,043	12,284
1996	1,861	1,508	9,162	12,530
1997	1,985	1,724	10,081	13,790
1998	2,172	1,825	11,077	15,074
1999	2,084	1,710	10,807	14,601
2000	2,045	1,605	10,575	14,224
2001	1,902	1,534	9,774	13,210
% change 2000-2001	-7.0%	-4.4%	-7.6%	-7.1%
Quarterly				
1994 Q1	1,729	1,106	8,519	11,353
Q2	1,803	1,183	8,144	11,430
Q3	1,704	1,298	8,338	11,940
Q4	1,878	1,311	8,133	11,482
1995 Q1	1,694	1,438	9,211	12,375
Q2	1,779	1,457	9,047	12,283
Q3	1,832	1,462	9,020	12,314
Q4	1,890	1,471	8,835	12,165
1996 Q1	1,860	1,487	8,988	12,335
Q2	1,893	1,512	9,094	12,499
Q3	1,864	1,501	9,252	12,617
Q4	1,825	1,533	9,312	12,670
1997 Q1	1,686	1,534	9,853	13,073
Q2	2,068	1,751	9,751	13,570
Q3	2,088	1,770	10,337	14,195
Q4	2,098	1,841	10,384	14,323
1998 Q1	2,180	1,842	11,115	15,137
Q2	2,174	1,842	11,338	15,354
Q3	2,178	1,816	11,104	15,098
Q4	2,157	1,801	10,750	14,708
1999 Q1	2,128	1,792	10,908	14,828
Q2	2,108	1,735	10,975	14,818
Q3	2,080	1,686	10,876	14,642
Q4	2,020	1,627	10,467	14,114
2000 Q1	2,035	1,631	10,636	14,302
Q2	2,063	1,638	10,812	14,513
Q3	2,059	1,586	10,608	14,253
Q4	2,021	1,564	10,244	13,829
2001 Q1	1,942	1,561	10,171	13,674
Q2	1,890	1,539	9,552	12,981
Q3	1,873	1,502	9,599	12,974
Q4	-	-	-	-
% change year-over-year last available quarter	-9.0%	-5.3%	-9.5%	-9.0%

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments Less Than \$10 Million					
	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From:		
	Inventory Levels High or Low	Orders Rising or Falling (index)	Anticipated Production This Quarter	Working Capital Shortage	Skilled Labour Shortage (%)	Unskilled Labour Shortage
Annual Averages						
1994	9	16	13	15	18	1
1995	9	2	4	16	16	2
1996	4	-6	-2	12	15	1
1997	3	6	4	11	15	2
1998	7	-15	-9	10	14	1
1999	6	-4	7	10	16	1
2000	7	-1	5	11	21	2
2001	10	-22	-10	10	19	3
Quarterly						
1996 Q1	3	-21	-21	12	14	2
Q2	10	-6	5	5	14	0
Q3	1	-1	1	17	17	1
Q4	1	5	-9	9	14	2
1997 Q1	1	-9	-10	10	15	2
Q2	1	0	25	12	13	1
Q3	3	16	13	12	14	1
Q4	4	7	-11	8	17	3
1998 Q1	5	1	-9	9	13	0
Q2	6	-12	18	11	12	1
Q3	9	-22	-15	13	16	0
Q4	8	-25	-29	8	16	3
1999 Q1	6	-32	-20	8	12	2
Q2	5	5	29	11	14	0
Q3	8	8	21	9	14	1
Q4	4	4	-3	12	25	2
2000 Q1	4	-1	-5	10	19	1
Q2	9	13	24	11	23	2
Q3	7	-6	7	14	19	2
Q4	6	-8	-5	10	23	4
2001 Q1	7	-20	-8	11	18	2
Q2	13	-14	13	9	22	3
Q3	8	-25	-7	8	16	2
Q4	11	-28	-37	10	18	3
2002 Q1	6	-30	-19	9	17	4

* **Note:** For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable.
For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments of \$10 Million or More					
	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From:		
	Inventory Levels High or Low	Orders Rising or Falling (index)	Anticipated Production This Quarter	Working Capital Shortage	Skilled Labour Shortage (%)	Unskilled Labour Shortage
Annual Averages						
1994	18	12	6	8	6	0
1995	17	1	-1	6	5	0
1996	30	-7	-7	6	3	0
1997	29	0	4	5	3	0
1998	37	-26	-7	8	3	0
1999	18	3	6	7	4	0
2000	20	1	3	4	7	2
2001	35	-36	-13	7	8	1
Quarterly						
1996 Q1	37	-29	-12	8	2	0
Q2	33	-14	3	8	7	0
Q3	29	10	1	2	1	0
Q4	21	7	-10	2	1	0
1997 Q1	31	-6	-1	5	1	0
Q2	31	4	15	4	4	0
Q3	21	1	13	6	4	0
Q4	18	-4	-13	6	3	0
1998 Q1	29	-33	-22	7	2	0
Q2	34	-9	1	8	4	0
Q3	33	-33	-2	11	3	0
Q4	38	-30	-4	6	2	1
1999 Q1	25	-24	-4	4	2	0
Q2	22	2	8	12	2	0
Q3	14	23	18	5	5	0
Q4	11	12	0	7	6	0
2000 Q1	14	13	8	5	10	3
Q2	24	11	10	5	10	3
Q3	29	-12	2	1	2	0
Q4	11	-7	-8	5	5	0
2001 Q1	32	-26	-12	3	6	0
Q2	38	-42	-3	5	8	0
Q3	39	-37	-19	8	7	1
Q4	31	-39	-17	10	9	1
2002 Q1	18	-5	-3	9	5	1

* **Note:** For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable.
For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.