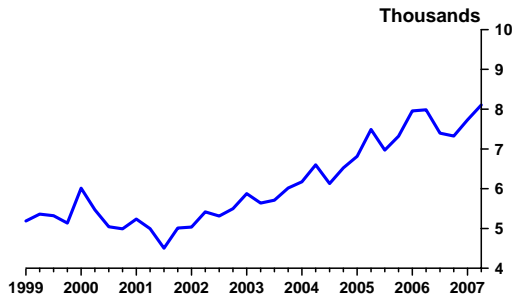
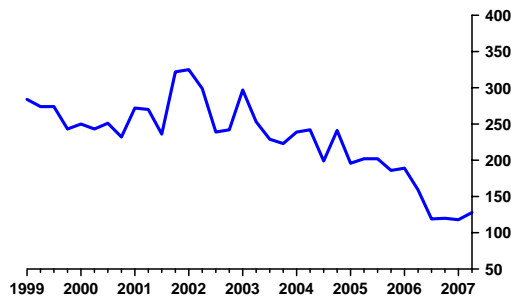


Business Counts, Formations and Failures

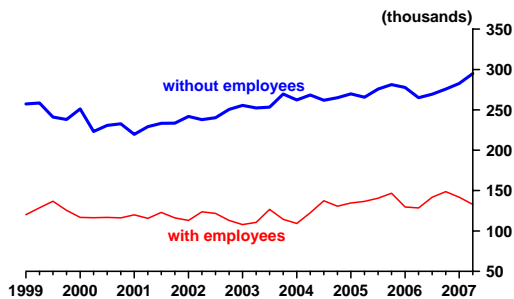
New Business Incorporations in British Columbia



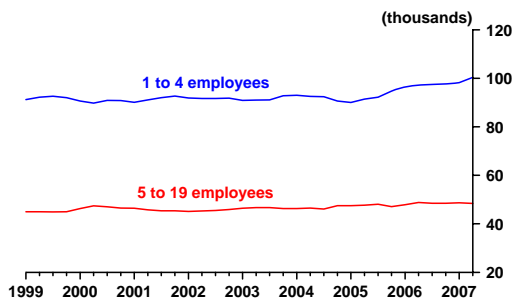
Number of Business Bankruptcies in British Columbia



Self-Employed Persons



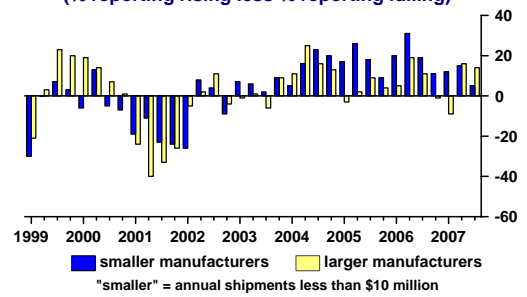
Small Businesses With Employees



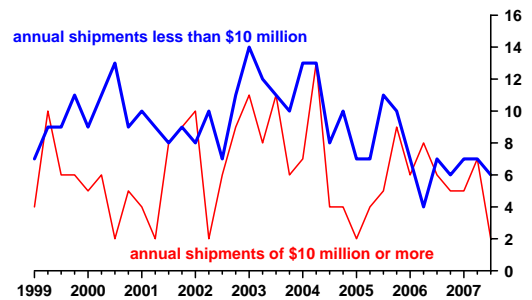
Business Conditions

Balance of Opinion on New Orders Received at Start of Quarter

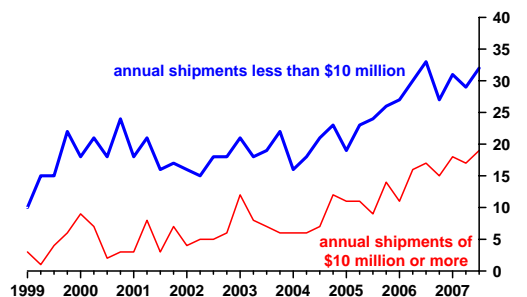
(% reporting rising less % reporting falling)



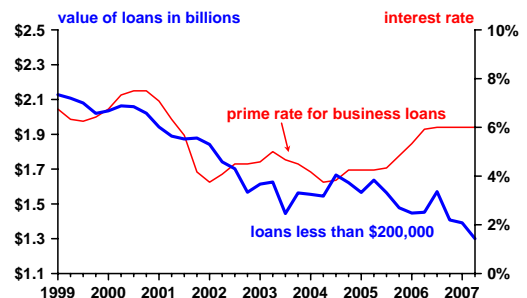
Per Cent of Manufacturers Experiencing Shortage of Working Capital



Per Cent of Manufacturers Experiencing Shortage of Skilled Labour



Chartered Bank Business Loans in British Columbia



Period	Active Employer Businesses ¹ by number of employees						Employment ² by number of employees in business				Self-employed ³ with without Total ⁵ paid help paid help		
	Total	1-4	5-9	10-19	20-49	1-49	Total ⁴	1-19	20-49	1-49	Total ⁵ ('000)	paid help ('000)	paid help ('000)
Annual Averages													
1999	154.6	92.0	26.8	18.2	11.9	148.9					381.4	127.8	248.8
2000	156.6	90.5	27.5	19.3	13.0	150.3	1,565.3	411.5	181.9	593.4	356.6	116.6	234.4
2001	156.9	91.5	27.2	18.5	12.4	149.7	1,593.0	415.9	186.8	602.7	351.4	118.7	228.9
2002	156.8	91.8	27.2	18.3	12.4	149.6	1,599.7	418.3	191.2	609.5	363.3	117.9	242.6
2003	157.6	91.4	27.8	18.7	12.5	150.4	1,634.3	425.0	197.9	623.0	376.3	114.9	257.7
2004	158.4	92.1	27.7	18.9	12.5	151.2	1,665.8	434.1	202.9	637.0	391.5	124.9	264.4
2005	160.7	92.1	28.2	19.5	13.3	153.0	1,709.2	441.7	207.2	649.0	415.8	139.6	273.1
2006	167.2	97.2	28.7	19.7	13.6	159.2	1,791.7	458.1	219.8	677.9	413.7	137.1	272.0
% change 2005-2006	4.0%	5.5%	1.9%	1.4%	2.3%	4.1%	4.8%	3.7%	6.1%	4.5%	-0.5%	-1.8%	-0.4%
Quarterly		<u>End of Quarter</u>						<u>Quarterly</u>			<u>Quarterly Averages</u>		
2004 Q1	158.7	93.0	27.5	18.7	12.3	151.6	1,620.0	421.3	195.2	616.6	374.3	109.2	262.3
Q2	158.5	92.5	27.7	18.8	12.3	151.3	1,680.6	437.4	205.1	642.5	392.7	122.5	268.4
Q3	158.0	92.4	27.5	18.6	12.3	150.8	1,670.5	442.3	208.4	650.7	400.7	137.3	261.9
Q4	158.4	90.6	28.1	19.4	13.0	151.0	1,692.1	435.4	202.8	638.3	398.2	130.7	265.1
2005 Q1	158.3	90.0	28.1	19.4	13.2	150.7	1,661.1	427.5	194.9	622.4	409.4	134.7	269.8
Q2	160.1	91.4	28.2	19.5	13.4	152.5	1,723.1	443.0	207.3	650.3	404.9	136.5	265.6
Q3	161.7	92.2	28.3	19.8	13.5	153.8	1,708.7	449.0	216.3	665.2	419.1	140.6	275.8
Q4	162.7	94.7	28.0	19.1	13.1	154.9	1,743.8	447.5	210.5	658.0	429.6	146.7	281.2
2006 Q1	165.4	96.3	28.4	19.5	13.4	157.5	1,740.4	445.4	207.7	653.1	412.0	129.6	277.8
Q2	167.8	97.3	28.8	20.0	13.6	159.8	1,801.8	462.1	220.6	682.6	398.0	128.5	265.1
Q3	167.8	97.5	28.8	19.7	13.7	159.7	1,796.0	465.2	226.8	692.0	417.9	141.7	269.5
Q4	167.8	97.6	28.8	19.7	13.7	159.7	1,828.5	459.7	224.2	683.9	426.8	148.7	275.7
2007 Q1	168.9	98.2	28.8	19.9	13.8	160.7	1,796.9	450.4	214.6	664.9	426.4	141.8	282.7
Q2	170.7	100.4	28.7	19.7	13.7	162.5	1,855.7	464.3	227.9	692.2	429.3	132.9	295.0
% change year-over-year last available quarter	1.7%	3.1%	-0.4%	-1.5%	0.6%	1.7%	3.0%	0.5%	3.3%	1.4%	7.9%	3.4%	11.3%
Monthly													
Sep-06											426.3	148.2	273.0
Oct-06											427.9	155.7	269.0
Nov-06											420.9	145.5	273.3
Dec-06											431.7	144.8	284.7
Jan-07											427.9	140.2	284.6
Feb-07											423.8	144.2	277.7
Mar-07											427.4	140.9	285.9
Apr-07											423.8	127.7	295.5
May-07											432.2	133.2	296.9
Jun-07											431.9	137.7	292.5
Jul-07											428.6	130.0	297.3
Aug-07											432.6	139.2	290.1
% change year-over-year last available month											1.9%	-1.0%	4.5%
year-to-date	-	-	-	-	-	-	-	-	-	-	428.5	136.6	290.1

Notes:

¹ Source: Business Register

² Source: Survey of Employment, Payroll and Hours

³ Source: Labour Force Survey

⁴ Industrial aggregate excluding unclassified

⁵ Total self-employed includes persons working in family business without pay

Period	Business Formation Indicators			Bankruptcies	
	New BC Business Incorporations	Registrations Extraprovincial Companies (number)	Registrations Unincorporated Businesses	Business (number)	Consumer
Annual Totals					
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
2002	21,262	2,383	22,487	1,105	9,527
2003	23,243	2,544	25,121	1,002	9,393
2004	25,428	2,456	25,244	921	8,386
2005	28,593	2,618	26,200	786	8,179
2006	30,667	3,088	26,783	587	7,022
% change 2005-2006	7.3%	18.0%	2.2%	-25.3%	-14.1%
Quarterly Totals					
2003 Q1	5,878	694	6,878	297	2,467
Q2	5,638	674	6,642	253	2,463
Q3	5,711	547	5,852	229	2,272
Q4	6,016	629	5,749	223	2,191
2004 Q1	6,175	755	6,835	239	2,299
Q2	6,602	547	6,655	242	2,254
Q3	6,128	618	5,796	199	1,909
Q4	6,523	536	5,958	241	1,924
2005 Q1	6,814	544	6,637	196	2,205
Q2	7,489	719	7,452	202	2,187
Q3	6,970	750	6,247	202	1,945
Q4	7,320	605	5,864	186	1,842
2006 Q1	7,958	821	7,325	189	1,943
Q2	7,984	843	7,231	159	1,885
Q3	7,399	678	6,374	119	1,644
Q4	7,326	746	5,853	120	1,550
2007 Q1	7,730	887	7,284	118	1,796
Q2	8,106	948	7,045	128	1,733
% change year-over-year last available quarter	1.5%	12.5%	-2.6%	-19.5%	-8.1%
Monthly					
Sep-06	2,517	210	2,064	50	583
Oct-06	2,509	275	2,225	42	587
Nov-06	2,454	269	2,041	41	526
Dec-06	2,363	202	1,587	37	437
Jan-07	2,527	288	2,288	50	551
Feb-07	2,520	258	2,307	33	609
Mar-07	2,683	341	2,689	35	636
Apr-07	2,398	293	2,147	42	574
May-07	2,887	322	2,343	42	606
Jun-07	2,821	333	2,555	44	553
Jul-07	2,455	264	2,046	36	526
Aug-07	2,577	258	2,263	-	-
year-to-date	20,868	2,357	18,638	282	4,055
% change year-over-year last available month	2.3%	12.7%	4.3%	-2.7%	8.7%

Period	Interest Rates			Exchange Rate	Consumer Price Index		
	Bank Rate	Prime Rate	Conventional 5 Year Mortgage	Canadian \$ Average Noon Spot Rate (U.S. ¢)	BC	Vancouver*	Victoria*
	(per cent)				(2002=100)		
Annual Averages							
1998	5.10	6.60	6.93	67.48	93.4	93.0	93.7
1999	4.92	6.44	7.56	67.32	94.4	93.9	94.7
2000	5.77	7.27	8.35	67.34	96.1	96.0	96.2
2001	4.31	5.81	7.40	64.58	97.7	97.8	97.4
2002	2.71	4.21	7.02	63.69	100.0	100.0	100.0
2003	3.19	4.69	6.39	71.58	102.2	102.0	102.2
2004	2.50	4.00	6.23	76.98	104.2	104.0	104.6
2005	2.92	4.42	5.99	82.60	106.3	106.0	106.9
2006	4.31	5.81	6.66	88.18	108.1	108.0	108.5
% change 2005-2006	N/A	N/A	N/A	6.8%	1.7%	1.9%	1.6%
difference 2005-2006	1.40	1.40	0.67	N/A	N/A	N/A	N/A
Quarterly Averages							
2004 Q1	2.67	4.17	5.85	75.90	102.9	102.6	103.0
Q2	2.25	3.75	6.45	73.57	104.5	104.3	104.8
Q3	2.33	3.83	6.38	76.51	104.7	104.5	105.1
Q4	2.75	4.25	6.25	81.94	104.9	104.7	105.3
2005 Q1	2.75	4.25	6.12	81.50	105.0	105.0	105.6
Q2	2.75	4.25	5.90	80.40	106.2	105.9	106.7
Q3	2.83	4.33	5.80	83.25	106.9	106.6	107.5
Q4	3.33	4.83	6.15	85.24	107.0	106.5	107.7
2006 Q1	3.83	5.33	6.40	86.62	106.8	106.5	107.4
Q2	4.42	5.92	6.82	89.11	108.4	108.1	108.9
Q3	4.50	6.00	6.83	89.19	108.7	108.5	109.1
Q4	4.50	6.00	6.60	87.78	108.6	108.8	108.8
2007 Q1	4.50	6.00	6.60	85.35	109.2	109.3	109.4
Q2	4.50	6.00	7.01	91.13	110.2	110.4	110.0
% change year-over-year last available quarter	N/A	N/A	N/A	2.3%	1.7%	2.1%	1.0%
difference year-over-year last available quarter	0.08	0.08	0.19	N/A	N/A	N/A	N/A
Monthly							
Sep-06	4.50	6.00	6.70	89.59	108.4	108.4	108.8
Oct-06	4.50	6.00	6.80	88.61	108.3	108.4	108.6
Nov-06	4.50	6.00	6.55	88.01	108.7	108.9	108.9
Dec-06	4.50	6.00	6.45	86.73	108.8	109.1	109.0
Jan-07	4.50	6.00	6.65	85.04	109.0	109.0	109.1
Feb-07	4.50	6.00	6.65	85.42	109.1	109.3	109.3
Mar-07	4.50	6.00	6.49	85.60	109.5	109.6	109.7
Apr-07	4.50	6.00	6.64	88.16	109.9	110.0	109.9
May-07	4.50	6.00	7.14	91.33	110.5	110.6	110.2
Jun-07	4.50	6.00	7.24	93.88	110.3	110.5	109.9
Jul-07	4.75	6.25	7.24	95.21	110.5	110.7	110.1
Aug-07	4.75	6.25	7.24	94.50	110.4	110.6	110.0
% change year-over-year last available month	N/A	N/A	N/A	5.7%	1.3%	1.7%	0.6%
difference year-over-year last available month	0.25	0.25	0.39	N/A	N/A	N/A	N/A

* 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								
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
2002	1,116,741	746,220	104,278	230,119	129,291	9,167	20,315	13,197
2003	1,129,623	607,764	134,420	244,024	90,082	20,451	24,720	15,626
2004	1,228,027	812,400	67,800	328,050	140,419	8,120	30,875	19,430
2005	1,886,405	1,099,029	183,804	346,203	148,198	9,103	31,119	18,914
2006	2,493,684	1,666,544	107,231	358,843	172,413	11,892	32,571	18,705
% change 2005-2006	32.2%	51.6%	-41.7%	3.7%	16.3%	30.6%	4.7%	-1.1%
Quarterly Totals								
2002 Q1	198,407	125,804	18,170	25,849	12,710	2,091	3,659	2,285
Q2	353,724	264,566	28,515	73,400	42,047	3,452	5,279	3,548
Q3	266,902	144,797	41,744	79,205	47,950	2,380	5,934	4,020
Q4	297,708	211,053	15,849	51,665	26,584	1,244	5,443	3,344
2003 Q1	200,086	107,691	27,775	40,679	22,785	1,003	4,206	2,588
Q2	313,669	156,577	29,849	65,985	16,043	1,500	6,097	3,740
Q3	355,162	159,179	54,930	75,441	28,652	12,986	7,678	5,146
Q4	260,706	184,317	21,866	61,919	22,602	4,962	6,739	4,152
2004 Q1	260,672	174,174	14,042	47,164	10,009	3,393	6,079	3,698
Q2	374,553	266,254	17,076	79,549	41,841	1,791	9,008	6,064
Q3	328,277	198,638	13,676	92,804	28,585	1,781	8,533	5,437
Q4	264,525	173,334	23,006	108,533	59,984	1,155	7,255	4,231
2005 Q1	474,469	316,974	19,502	64,891	29,554	5,631	6,240	4,112
Q2	561,904	368,490	45,246	84,315	28,872	928	8,073	4,462
Q3	492,396	248,635	73,290	98,228	39,817	1,897	8,798	5,359
Q4	357,636	164,930	45,766	98,769	49,955	647	8,008	4,981
2006 Q1	440,817	290,979	30,288	67,757	24,401	6,115	7,939	5,093
Q2	621,372	389,719	36,636	97,698	36,187	3,091	8,371	4,868
Q3	617,789	391,151	23,068	106,359	64,503	1,670	8,546	4,776
Q4	813,706	594,695	17,239	87,029	47,322	1,016	7,715	3,968
2007 Q1	682,419	460,648	10,057	70,180	33,271	4,287	7,228	4,329
Q2	857,380	646,925	29,478	77,897	24,956	4,028	8,782	5,015
% change year-over-year last available quarter	38.0%	66.0%	-19.5%	-20.3%	-31.0%	30.3%	4.9%	3.0%
Monthly								
Sep-06	156,534	89,684	3,688	43,272	30,230	113	2,718	1,300
Oct-06	395,782	308,525	4,946	22,740	5,653	89	2,933	1,256
Nov-06	283,389	196,539	4,005	47,232	33,534	545	2,531	1,405
Dec-06	134,535	89,631	8,288	17,057	8,135	382	2,251	1,307
Jan-07	199,805	133,306	2,841	21,902	8,563	1,662	2,538	1,327
Feb-07	247,412	161,261	4,913	25,323	11,648	2,528	2,070	1,248
Mar-07	235,202	166,081	2,303	22,955	13,060	97	2,620	1,754
Apr-07	219,702	173,224	7,084	23,940	7,767	2,460	2,836	1,428
May-07	292,370	205,321	10,806	18,311	4,914	764	2,998	1,902
Jun-07	345,308	268,380	11,588	35,646	12,275	804	2,948	1,685
Jul-07	174,440	107,978	11,387	30,511	10,711	213	2,842	1,524
Aug-07	-	-	-	-	-	-	2,804	1,855
year-to-date	1,714,239	1,215,551	50,922	178,588	68,938	8,528	21,656	12,723
% change year-over-year last available month	-29.2%	-14.7%	-31.8%	27.6%	-29.4%	-68.4%	16.1%	41.3%

* Census Metropolitan Area

Period	Chartered Bank Business Loans in British Columbia			Total
	Less than \$200,000	\$200,000 to \$500,000	Greater than \$500,000	
(\$ millions)				
Annual Averages				
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	1,896	1,516	9,746	13,158
2002	1,710	1,393	9,373	12,475
2003	1,558	1,297	9,491	12,347
2004	1,597	1,346	9,730	12,673
2005	1,561	1,377	10,490	13,428
2006	1,439	1,405	12,037	14,880
% change 2005-2006	-7.8%	2.0%	14.7%	10.8%
Quarterly				
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	1,879	1,461	9,662	13,002
2002 Q1	1,842	1,484	9,912	13,238
Q2	1,742	1,439	9,897	13,078
Q3	1,702	1,400	9,344	12,446
Q4	1,552	1,247	8,337	11,136
2003 Q1	1,599	1,312	9,159	12,070
Q2	1,626	1,327	9,795	12,748
Q3	1,445	1,292	9,700	12,437
Q4	1,563	1,258	9,311	12,132
2004 Q1	1,555	1,337	9,560	12,452
Q2	1,545	1,350	9,928	12,823
Q3	1,666	1,348	9,549	12,563
Q4	1,622	1,349	9,882	12,853
2005 Q1	1,566	1,363	10,319	13,248
Q2	1,637	1,388	10,745	13,770
Q3	1,564	1,386	10,206	13,156
Q4	1,478	1,370	10,691	13,539
2006 Q1	1,447	1,345	11,450	14,242
Q2	1,452	1,344	11,899	14,695
Q3	1,449	1,465	12,338	15,252
Q4	1,408	1,465	12,459	15,332
2007 Q1	1,391	1,541	13,227	16,159
Q2	1,300	1,563	13,994	16,857
% change year-over-year last available quarter	-10.5%	16.3%	17.6%	14.7%

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						
1998	8	-13	-7	10	14	1
1999	6	-5	5	9	16	2
2000	8	-1	6	11	20	2
2001	9	-19	-9	9	18	3
2002	1	-6	-1	9	17	3
2003	7	6	11	12	20	2
2004	5	16	16	11	20	5
2005	3	18	16	9	23	8
2006	2	20	19	6	29	12
Quarterly						
2001 Q1	6	-19	-10	10	18	2
Q2	13	-11	19	9	21	3
Q3	10	-23	-6	8	16	3
Q4	8	-24	-38	9	17	3
2002 Q1	3	-26	-16	8	16	4
Q2	2	8	27	10	15	2
Q3	-1	4	3	7	18	4
Q4	1	-9	-17	11	18	3
2003 Q1	6	7	2	14	21	3
Q2	8	6	22	12	18	1
Q3	8	2	10	11	19	2
Q4	7	9	8	10	22	3
2004 Q1	7	5	-2	13	16	3
Q2	5	16	31	13	18	4
Q3	2	23	25	8	21	7
Q4	6	20	11	10	23	6
2005 Q1	1	17	12	7	19	6
Q2	3	26	29	7	23	7
Q3	6	18	22	11	24	8
Q4	2	9	2	10	26	9
2006 Q1	9	20	15	7	27	8
Q2	4	31	37	4	30	9
Q3	-3	19	16	7	33	14
Q4	-1	11	7	6	27	16
2007 Q1	1	12	13	7	31	20
Q2	4	15	26	7	29	16
Q3	1	5	15	6	32	18

* **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						
1998	32	-16	-1	7	3	0
1999	19	6	10	7	4	0
2000	10	10	11	5	5	1
2001	24	-31	-5	6	5	0
2002	15	1	5	7	5	1
2003	15	1	9	9	8	1
2004	7	16	10	7	8	2
2005	12	3	6	5	11	5
2006	8	9	11	6	15	8
Quarterly						
2001 Q1	19	-24	-7	4	3	0
Q2	27	-40	4	2	8	0
Q3	37	-33	-9	8	3	1
Q4	14	-26	-7	9	7	0
2002 Q1	15	-5	-2	10	4	1
Q2	13	2	15	2	5	0
Q3	13	11	6	6	5	0
Q4	19	-4	-1	9	6	1
2003 Q1	16	-1	-8	11	12	0
Q2	15	1	15	8	8	1
Q3	20	-6	18	11	7	0
Q4	10	9	10	6	6	1
2004 Q1	5	11	2	7	6	1
Q2	-1	25	24	13	6	1
Q3	16	16	7	4	7	2
Q4	9	13	7	4	12	2
2005 Q1	14	-3	-15	2	11	4
Q2	13	2	26	4	11	5
Q3	9	9	17	5	9	5
Q4	10	4	-3	9	14	4
2006 Q1	7	5	12	6	11	6
Q2	14	19	26	8	16	6
Q3	5	11	10	6	17	11
Q4	6	-1	-6	5	15	9
2007 Q1	17	-9	-9	5	18	10
Q2	22	16	30	7	17	10
Q3	1	14	21	2	19	12

* **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.