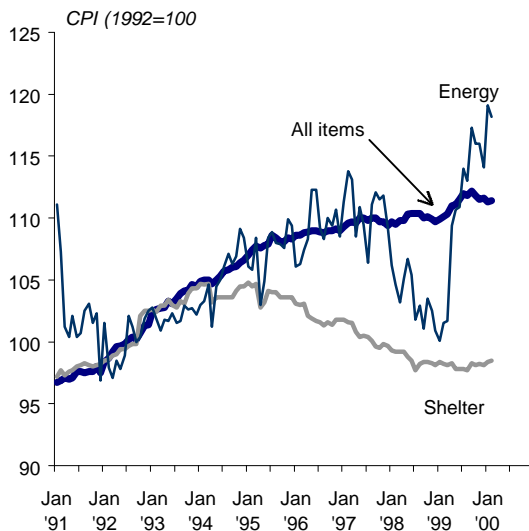


Current Statistics ♦ March 2000

A weak housing market has kept shelter costs in the province down, dampening the effect of soaring gas prices on BC's inflation rate



- **Soaring gas prices kept BC's inflation rate above one percent last month, although increases in the cost of most other goods and services were modest.** The all-items consumer price index (CPI) was 1.2% higher this February than in the same month last year, largely due to rising energy costs. Excluding this component of the index, BC's overall price level would have been virtually unchanged (+0.2%) from February 1999. The cost of owned accommodation has been falling since the mid-1990s and this has helped counteract the effect of skyrocketing gas prices in recent months. However, the shelter cost index has begun to stabilize as BC's housing market picks up steam.

Source: Statistics Canada & BC STATS

- **Lumber shipments from BC mills rose 5.9% last year, boosted by a 9.4% increase in coastal lumber shipments.** Shipments had fallen more than five percent in 1998. The improvement was largely attributable to increased housing starts in the US and other parts of

Canada. In addition, improved economic conditions in Asia boosted demand for BC lumber products. British Columbia supplies nearly half (46%) of Canada's lumber, with total shipments of 31.8 million cubic metres (mcm) in 1999.

Source: Statistics Canada

- **Shipments of goods manufactured in the province rose again in January (+1.5%, seasonally adjusted) but at a slower rate than in the previous month (+3.4%).** Shipments of wood products were up 2.0% in January, and paper shipments (+7.6%) continued a seven-month-long expansion. However, shipments by food processors, the third largest industry in the sector, were down 3.2%. Source: Statistics Canada

- **Canadian industries operated at 86.8% of their full production capacity in the fourth quarter of last year, matching the peak capacity utilization rate reached during the economic expansion of 1987-88.** The capacity utilization rate was up for the fifth straight quarter. Logging and forestry, construction and eight of the 22 manufacturing industries were operating at 90% or more of their full potential in the fourth quarter.

Source: Statistics Canada

- **Retail sales in the province fell (-1.0%, seasonally adjusted) in January, after making a strong showing (+4.0%) in December.** Retailers in BC were affected by a nationwide slowdown that saw sales fall or stagnate in nine of the thirteen regions. Source: Statistics Canada

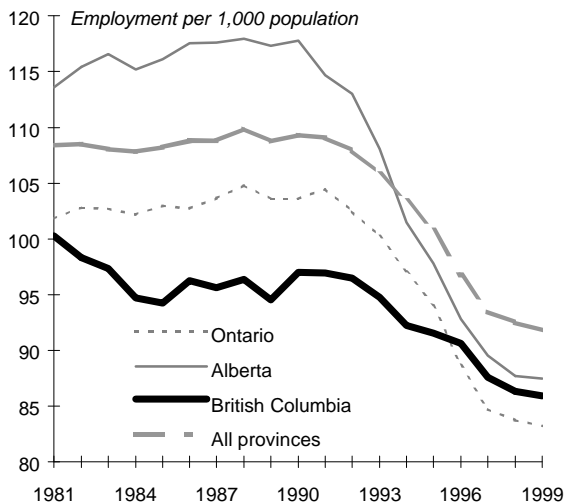
- **Sales by BC wholesalers rose 2.4% (seasonally adjusted) between December and January.** Wholesale sales have been seeing up and down since the middle of last year, and the 2.4% increase came on the heels of a flat (+0.1%) sales performance in December. Source: Statistics Canada

- **Revenues of aquaculture operators in the province reached \$270.1 million in 1998, 17.4% more than in the previous year, when the industry's revenues from all sources totalled \$230.0 million.** The province has the

biggest aquaculture industry in the country, with BC fish and shellfish farmers generating more than half (51%) of total Canadian revenues (\$528 million). New Brunswick's aquaculture industry accounted for about a third (\$178.8 million) of the Canadian total. Finfish (primarily salmon) production is the backbone of BC's aquaculture industry, accounting for nearly all (\$248.5 million) of its revenues in 1998.

Source: Statistics Canada

The long decline in per capita public sector employment appears to be coming to an end



- **Public sector employment in the province remained virtually unchanged (+0.1%) at 345,650 in 1999.** Employment in the federal (-0.9%) and local (-0.6%) sectors, which include school boards and the military as well as government ministries and agencies, fell in 1999, but this was offset by a 0.7% increase in the number of people working in the provincial government sector. The increase in the provincial sector was due to more people working at hospitals and other health and social service institutions (+1.7%). Employment at universities and colleges (-0.5%) and provincial government ministries and agencies (-0.3%) was down. However, federal, provincial and local crown corporations (+1.0%) in BC increased the size of their workforce in 1999.

Source: Statistics Canada & BC STATS

- **After declining throughout most of the 1990s, the number of public sector jobs per 1,000 population fell in most parts of the country last year.** Ontario (83), BC (86) and Alberta (87) remained the only regions where the number of people on the public payroll, relative to the size of the population, was below the Canadian average (92) in 1999. Source: Statistics Canada & BC STATS
- **Exports of BC products rose 2.5% (seasonally adjusted) between December and January, boosted by higher shipments of resource-based products.** Forest product exports were up 5.3%, while agriculture and fish (+4.4%) and mineral (+2.2%) product exporters also made gains. However, exports of other processed products fell (-1.9%) for the third month in a row. After providing most of the impetus for export growth during the last year, exports to the US (+0.8%) have begun to slow while shipments to other countries are starting to pick up speed, increasing a healthy 5.7% in January.

Source: BC STATS

US-bound exports are slowing, but shipments overseas are beginning to pick up

