

Current Statistics ♦ February 2001

Investment in the province is expected to weaken during 2001...

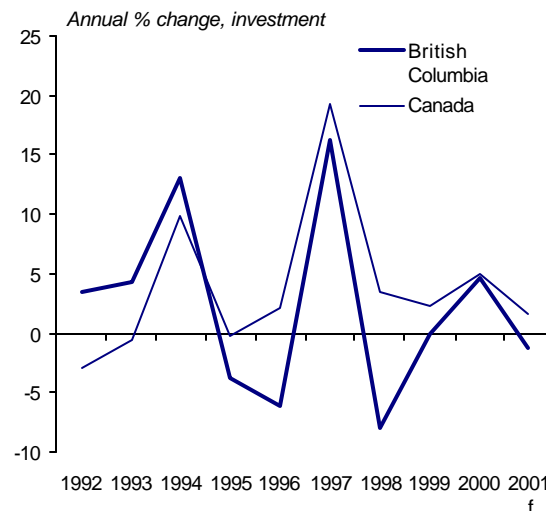


- Investment by private and public sector establishments in the province is expected to fall slightly (-1.2%) this year, based on a survey of businesses, governments and institutions taken between October and January.** Spending on machinery and equipment is forecast to show little change (+0.3%), but investment in structures is expected to fall 1.9% during 2001, despite a predicted improvement (+4.3%) in the residential construction sector. Excluding housing, total investment in structures is expected to decrease 6.3% this year. *Source: Statistics Canada*
- Public sector investment is forecast to increase 2.8%, largely due to a 6.2% rise in purchases of machinery and equipment.** Spending on structures is forecast to increase more modestly (+1.4%). However, private sector establishments that were surveyed presented a more gloomy outlook. They anticipate that investment will fall 2.2% as they hold

the lid down on machinery and equipment (-1.0%) purchases while investing 2.9% less in structures. *Source: Statistics Canada*

- Ontario (+5.2%), Alberta (+2.2%), Quebec (+0.5%) and the north are the only regions where an increase in investment spending is anticipated during 2001.** In four of the provinces, investment is expected to decrease marginally (at rates ranging from -0.2% in Nova Scotia to -1.2% in BC). Investment in the rest of Atlantic Canada is forecast to be well below 2000 levels, falling at double-digit rates in both Newfoundland (-14.1%) and New Brunswick (-16.8%). Nationally, investment spending is expected to rise 1.7% during 2001. It is anticipated that both public (+3.4%) and private (+1.4%) sector investment will increase slightly. *Source: Statistics Canada*

...following a national trend



- The value of BC product exports increased 13.2% last year, marking the second straight year of double-digit export growth.** Exports were up in all regions, with substantial gains seen in every province except Ontario (+5.1%). Nationally, the value of exports increased 15.9%, as export

growth in the rest of the country ranged from 19.2% in Quebec to 59.9% in Alberta, where gains were fuelled by the energy sector. Last year, the value of Alberta's energy product exports (\$34.7 billion) was greater than its total exports in 1999 (\$34.6 billion). British Columbia also received a boost from energy sales, which rose from \$3.2 billion in 1999 to \$5.3 billion last year. BC exporters of industrial (+20.1%) and consumer (+16.3%) goods also posted strong gains during 2000. Forest product exports were up 4.2%.

Source: Statistics Canada

- **Shipments of goods manufactured in the province rose 3.9% last year.** Overall, shipments of non-durables were up 8.0%, while durable shipments edged up 1.0%. Manufacturers of paper and related products had another good year, with shipments rising 24.0%, partly due to higher prices. Wood shipments were up only marginally (+0.8%), and the food industry (-0.7%) recorded its fourth straight annual decline. Machinery and equipment (-7.3%) and transportation equipment (-15.2%) manufacturers did not fare well in 2000, but producers of electrical and electronic products (+15.2%) bounced back from a poor showing in 1999, resuming their long-term upward trend. Nationally, shipments were up 9.2% last year.

Source: Statistics Canada

- **Retail sales in BC increased 6.2% during 2000, partly due to strong sales in the automotive sector (+10.7%).** This was the largest annual increase in sales since 1995, when the province posted a 7.0% rise. BC's performance in 2000 was just below the national average of 6.3%.

Source: Statistics Canada

- **Wholesale sales in the province rose 2.2% during 2000, following a 4.0% increase in the previous year.** Nationally, wholesale sales were up 6.3%.

Source: Statistics Canada

- **Annual sales of new motor vehicles rose 6.9% in BC and the north last year.** Both car (+10.2%) and truck (+4.1%) sales were well above 1999 levels. A total of 168,032 units were sold in the region, of which 53% were trucks (including vans) and the rest passenger cars. Last year, Canadians purchased nearly

1.6 million vehicles, 3.0% more than in 1999.

Source: Statistics Canada

- **There were 9,184 consumer bankruptcies registered in the province last year, 12.3% more than in 1999.** This was the fifth time in the last six years that consumer bankruptcies in the province have increased at double-digit rates. Nationally, the number of consumer bankruptcies has been levelling off, rising 2.9% between 1999 and 2000.
- **There were 980 business bankruptcies registered in the province last year.** This was well below the 1,077 recorded in the province during 1999. BC was one of only three provinces (the other two being Quebec and PEI) where the number of business failures registered fell. At the national level, the number of bankruptcies was virtually unchanged (+0.2%).

Source: Industry Canada

- **The value of building permits issued in BC last year fell 4.6%.** This made 2000 the fourth consecutive year during which there has been a decline. The largest drop was seen in the residential sector (-8.2%), while non-residential permits decreased only slightly (-0.3%).

Source: Statistics Canada

Most economic indicators for the province improved during 2000

