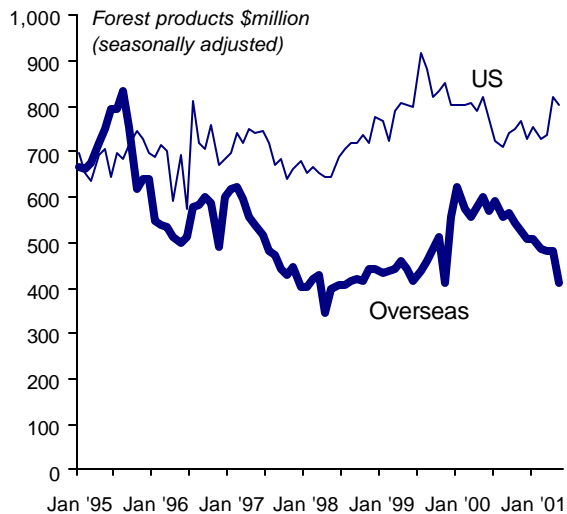


## Current Statistics ♦ July 2001

### Forest product exports fell in May



- **Exports of BC products fell 2.0% between April and May (seasonally adjusted).** The drop, which followed two months of increases, came as declines were seen in exports to both the US (-0.3%) and overseas (-7.2%).

US-bound exports fell largely as a result of a 2.3% drop in the forestry sector. This, in combination with a 0.6% decline in exports of other products, more than offset increases in other areas. Agricultural and fish products (excluding processed goods) rose (+2.1%), as did exports of mineral products (+3.1%).

As with shipments to the US, exports to other countries, were down mainly due to a sharp drop in forestry-related product exports (-14.5%). Exports of mineral products also fell (-4.8%). These declines were more than enough to offset increases in exports of agricultural and fish products (+39.1%) and other products (+6.3%).

Source: BC STATS

- **British Columbia's year-over-year inflation rate (+2.7%) was below the national average (+3.3%) in June.** Energy prices continued to put upward pressure on the cost of living, accounting for about a third of the increase in the

all-items consumer price index (CPI) since June 2000. Prices for fuel, gas and electricity were up 14.8%, largely because the cost of piped gas remained 54.0% higher than it had been a year earlier. In addition, prices for gasoline jumped (+11.2%) as the start of the summer driving season approached. The cost of gasoline is now almost 50% higher than it was in 1992.

However, energy prices are only part of the reason why the province's inflation rate in recent months has stayed at a level that had not been seen since the mid-1990s. Prices for other goods and services purchased by individuals have also been rising. Food prices were up (+4.3%) across the board, with the biggest increases seen in the cost of fresh fruits (+12.9%) and vegetables (+13.4%). Consumers also paid more for health and personal care products (+3.3%), alcohol and tobacco (+2.1%) and recreation, education and reading materials (+1.6%). Increases in shelter (+3.6%) and transportation (+3.0%) costs were partly due to higher utility and gas prices, but also reflected other factors such as a stronger housing market, and rising prices for auto maintenance and repair services.

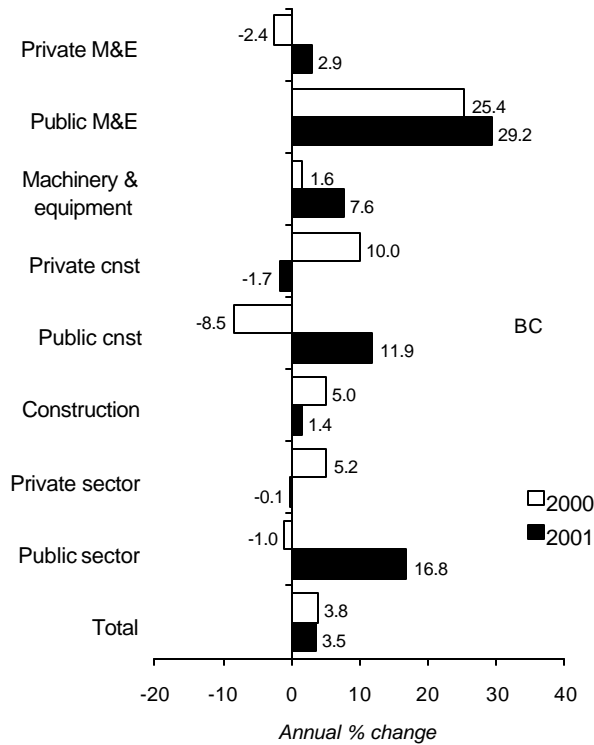
Source: Statistics Canada

- **Investment by private and public sector establishments in the province is expected to increase 3.5% this year, largely due to public sector spending, which is forecast to rise 16.8%.** Private sector establishments surveyed between April and June had a less optimistic outlook, anticipating no change (-0.1%) in spending on structures and equipment this year.

Total spending on construction is expected to rise 1.4%, with a predicted 11.9% jump in public spending more than offsetting a 1.7% drop in investment by the private sector. However, spending on residential structures is expected to increase (+2.9%) for the first time since 1997. Purchases of machinery and equipment are also expected to rise (+7.6%), driven mainly by public sector spending (+29.2%). A small increase is anticipated in private sector investment (+2.9%).

Source: Statistics Canada

**Investment by BC's public sector is forecast to increase 16.8% this year**



- **There were 365,172 public sector employees in BC in the first quarter of 2001, up 1.8% on the same quarter of 2000.** The number of general government jobs rose at both the federal (+3.8%) and provincial (+3.5%) levels. Employment in BC's universities and colleges (+5.4%) also increased, as did the number employed by school boards (+2.7%) and in local general government (+1.5%). Fewer jobs, however, were seen in the province's crown corporations (-1.7%), and health and social service institutions (-0.9%).

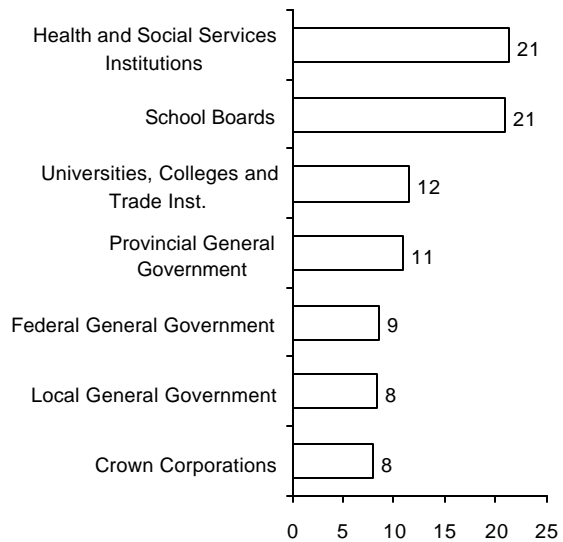
Public sector employment rose in most parts of the country, increasing 1.1% in Canada overall. The largest rises were seen in Nunavut (+15.5%), NWT (+3.8%) and PEI (+2.5%). The only provinces in which public sector employment decreased during the quarter were Nova Scotia (-2.0%) and Newfoundland (-1.5%). *Source: SC, Public Institutions Division*

- **Relative to the population, BC's public sector slipped from the second to the third smallest in the country between the last**

**quarter of 2000 and the first quarter of this year.** There were 90 public sector workers for every 1,000 residents of the province, compared to 84 in Ontario and 89 in Alberta. However, BC still remains below the national average of 93. The highest rates of employment were seen in NWT (170) and Yukon (158).

Greatest per capita employment in the province was found within the health and social service institutions (21 per 1,000) and school boards (21), which together with universities and colleges (12) accounted for 60% of all public sector workers. General government jobs employed 28 in the first quarter of the year, and crown corporations accounted for the lowest per capita employment at 8 per 1,000 population. *Source: SC, Public Institutions Division*

**Six out of every ten public sector jobs are in health care and education**



*Public Sector Employment per 1,000 population*