

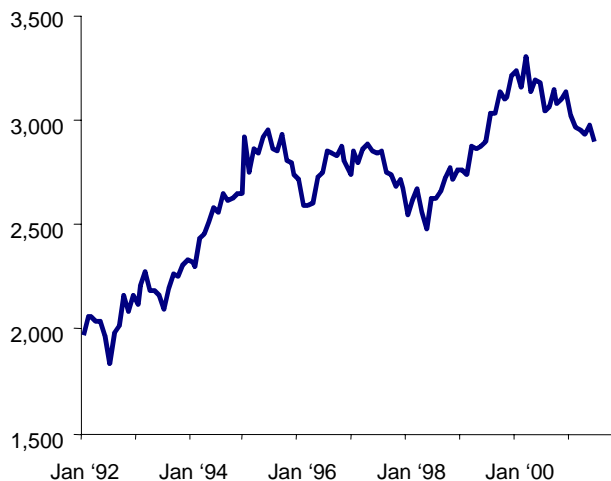
Current Statistics ♦ August 2001

- Manufacturing shipments in BC fell 2.5% between May and June (seasonally adjusted), marking the fifth decrease in the past six months.** Across the country, shipments were down 1.9% overall, as declines were posted in five provinces including BC, Ontario (-3.5%) and Alberta (-2.0%). BC shipments of durable goods fell 2.1%, following two months of increases. Declines were reported in seven of the major groups, including the largest of the sector, wood product manufacturing (-0.1%). Shipments by the electronic equipment, appliance and component (-13.7%), computer and electronic product (-12.4%) and transportation equipment (-8.1%) industries fell substantially. On the non-durable goods side, shipments fell 3.1% in June, following a 1.5% increase in the previous month. The drop was largely due to reduced shipments by manufacturers of paper (-5.5%) and food (-2.0%) although declines were also posted in printing (-5.6%) and clothing manufacturing (-6.8%).

Source: Statistics Canada

Manufacturing Shipments trending down

\$million, seasonally adjusted



- After two months of increase, exports of BC products fell 14.4% between May and June (seasonally adjusted).** The drop came

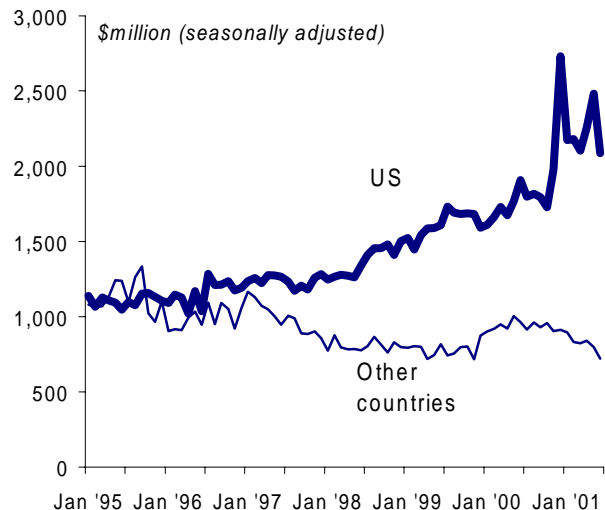
as declines were seen in exports to both the US (-15.9%) and overseas (-9.7%).

US-bound exports fell partly as a result of a 1.4% drop in the forestry sector. However, declines were also recorded in exports of mineral (-12.5%), agriculture and fish (-0.9%) and other (-29.3%) products. Shipments overseas also decreased in June, falling 9.7%.

As with exports to the US, declines were posted in the forestry sector (-9.5%), as well as agriculture and fishing (-47.9%), mining (-0.8%) and all other exports (-14.0%).

Source: BC Stats

Exports to the US and overseas decline



- British Columbia's retail sales rose 0.8% in June (seasonally adjusted).** This was the second straight month to see an increase. BC's gain was the second largest of all the provinces behind Prince Edward Island (+1.8%) and equal with Newfoundland (+0.8%). Across the country, retailers in five provinces saw sales decline between May and June. Nationally, sales fell 0.3%.

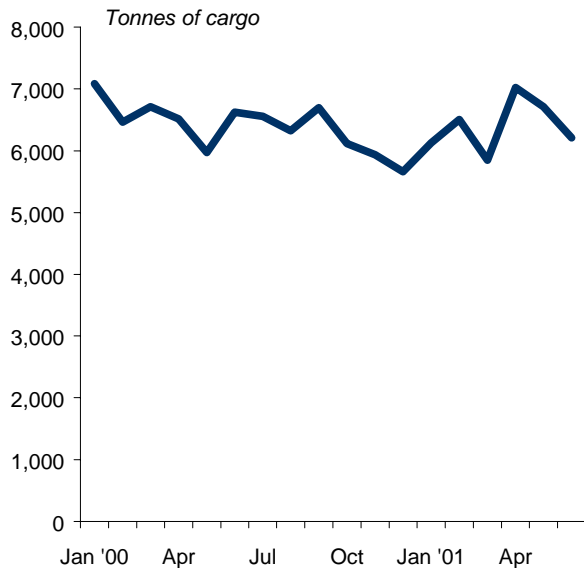
Source: Statistics Canada

- BC Manufacturers surveyed in July were pessimistic about their prospects in the third quarter of 2001.** Of those surveyed 39%

expected production would fall, while only 20% predicted a rise, yielding a balance of opinion of -19 percentage points, the lowest value since 1998. The latest figures marked the fourth consecutive quarter in which manufacturers have had a gloomy view of the future. Over half (54%) of manufacturers surveyed expected new orders to decline, compared to 12%, who anticipated an increase, for a balance of opinion of -42. The percentage of manufacturers who expected their inventory of finished products would be too high grew from 40% in April to 46% in July. Manufacturers in Canada were equally pessimistic about production levels. Thirty-five percent anticipated a decline and 16% expected production to rise, leaving a balance of opinion of -19, equal to that in BC.

Source: Statistics Canada

The volume of cargo handled by the Port of Vancouver declined in the first six months of the year



- **The amount of cargo handled by the Port of Vancouver dipped 3% to 38.4 million tonnes during the first six months of the year.** Container traffic was off 6%, as both import (-4%) and export (-7%) container traffic handled by the port dropped below last year's levels. The volume of bulk commodities handled by the port was also down. Shipments of forest products plunged 16%, falling to 3.6 mil-

lion tonnes, as the volume of lumber (-13%) and wood pulp (-16%) handled at the port fell. Dry bulk shipments were down 1% (to 28.5 million tonnes), despite a 5% increase (to 15 million tonnes) in the volume of coal, the major commodity handled by the Port. Grain shipments (-13%) were down substantially, but this was partly offset by an 8% increase in liquid bulk products.

Source: Vancouver Port Authority

- **The number of cruise ship voyages with stops in Vancouver fell slightly (-6%) to 122 sailings during the first four months of the cruising season.** However, this was partly due to increased capacity on newer cruise ships. Year-to-date passenger volumes (392,921) were virtually unchanged from 2000.

Source: Vancouver Port Authority

- **Farmers' receipts were up 11.7% in the second quarter of 2001, compared to the same period last year.** Crop receipts rose 17.6%, while livestock receipts grew 5.7%. The value of vegetables sold increased the most (+51.8%) while sales from tree fruits other than apples dropped 46.4%. Canada-wide, second quarter receipts increased by 8.4% compared to the same quarter of last year. The dry weather conditions that are currently causing havoc on farms in the prairies have not effected second quarter receipts. The effect of the drought will be more apparent in the second half of 2001, when the crops have been harvested and the extent of the problem will be known.

Source: Statistics Canada

- **The value of building permits issued by BC municipalities fell for the second straight month in June.** Total permits decreased 9.2% to \$416.4 million, as declines were registered in both the non-residential (-11.3%) and residential (-7.5%) sectors. The fall in the non-residential permits occurred despite a rise in the largest component of the non-residential sector, commercial permits (+1.2%), which was more than offset by decreases in both industrial (-26.4%) and institutional (-24.8%) permits. Compared to the first six months of the previous year, however, building permits in BC were up 18.7%, with gains posted in both the residential (+27.1%) and non-residential (+10.4%) sectors.

Source: Statistics Canada