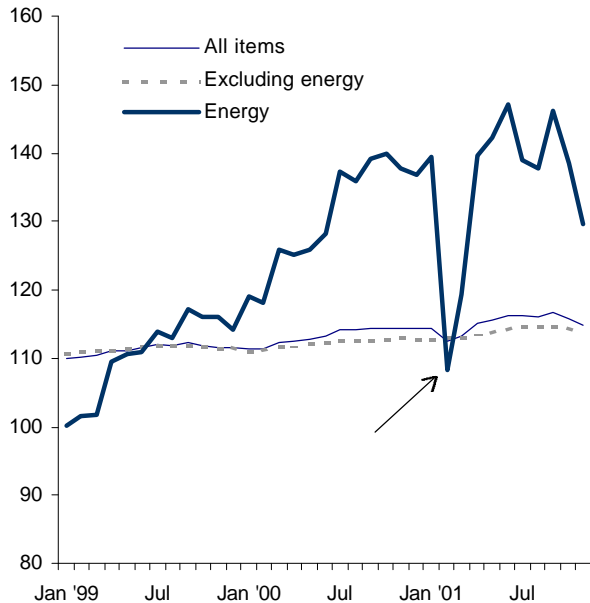


## Current Statistics ♦ December 2001

**Energy prices have begun to moderate, easing the inflationary pressure they were exerting on BC's economy**



- **BC's consumer price index (CPI) edged up 0.3% (year-over-year) in November, giving the province its lowest inflation rate in more than two years.** Energy prices were down 5.9% from their peak last fall. Excluding energy, the CPI increased a relatively modest 0.8%. Food prices (+3.7%) were the driving force behind this growth. Prices for products other than food and energy rose just 0.2%. The cost of transportation saw a 4.7% decline in November compared to the same month of last year, while shelter prices increased 1.0%. The inflation rate in both Vancouver and Victoria was 0.3%.

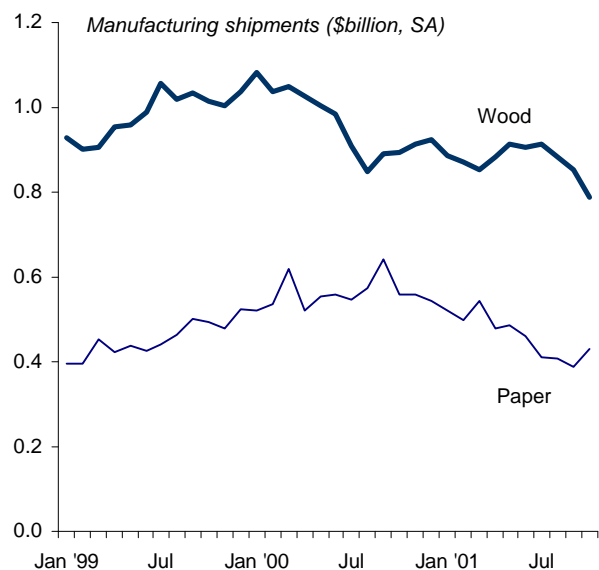
Source: Statistics Canada

- **Net migration to BC from all sources totaled 3,198 persons in the third quarter of 2001.** Despite this increase, there was a net outflow (-1,833) of people from BC to the rest of Canada. This was down from a net outflow of 3,470 in the third quarter of 2000. For the first time since late 1998, BC gained people

(+119) from Ontario. However, the province continued to lose people to Alberta (-3,003). The main sources of interprovincial migrants were Saskatchewan (+360), Manitoba (+292) and Quebec (+227). International migration weakened in the third quarter, largely as a result of a drop in the number of non-permanent residents (-1,582), possibly stemming from the September 11<sup>th</sup> attacks. Source: BC STATS

- **Shipments by BC manufacturers fell 0.9% (seasonally adjusted) in October, marking the fifth straight monthly decline.** Shipments were down in 13 of the 19 industries for which BC data is published. Durable goods manufacturers shipped 3.8% less than in September but shipments of non-durable goods were up 3.3%. The forest sector had mixed results. Wood shipments fell 7.6%, as the industry continued to be buffeted by mill closures and production cutbacks in the face of uncertainties around the softwood lumber dispute. However, the value of paper shipments was up (+9.8%) in October. Source: Statistics Canada

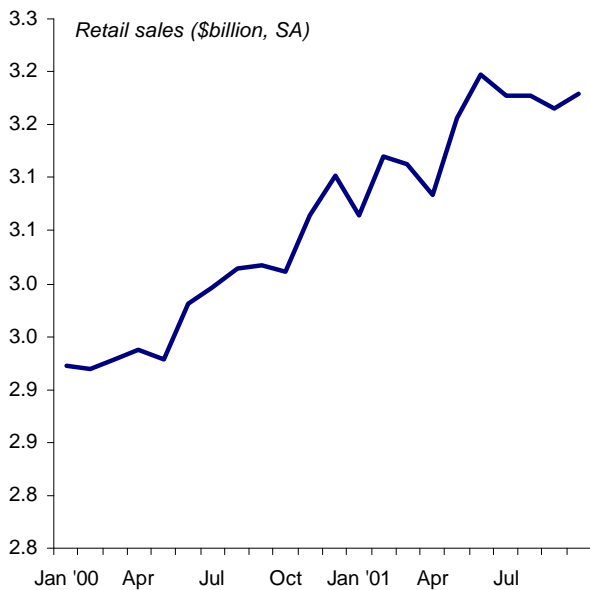
### Shipments by wood manufacturers continued to fall



- **Exports of BC products were down in October for the fifth straight month, falling to 14.6% below the October 2000 level.** The drop in the value of exports reflected widespread weakness in the province's export sectors. International shipments of forest products, BC's dominant export commodity, fell 10.3%. Energy (-35.3%), industrial goods (-29.9%) and automotive product (-25.4%) exports also plunged. However, consumer goods edged up (+0.8%), and exports of agriculture and fish products increased 21.3%. Canadian exports dropped 11.2% in October as exports slumped in most provinces. Newfoundland (-38.3%) and Alberta (-23.4%), where high energy prices had been fueling export growth, posted substantial declines.

Source: Statistics Canada

**Retail sales regained the ground lost in September**



- **Retail sales in the province rose 0.5% (seasonally adjusted) between September and October.** Canadian sales were up 1.7%, as cash register receipts bounced back to pre-September levels in virtually every province. BC's 0.5% increase was the weakest in the country, but the province had fared better than other parts of Canada in September,

when retail sales dropped 0.4% here and 1.5% nationally.

Source: Statistics Canada

- **Sales by wholesalers were 1.2% higher (seasonally adjusted) in October than in September.** Canadian sales fell 0.9.
- **Following strong growth in October (+4.7%, seasonally adjusted), department store sales in BC were flat (+0.1%) in November.**
- **British Columbia's unemployment rate increased 0.3 percentage points between October and November, rising to 8.5% (seasonally adjusted), its highest level in two-and-a-half years.** However, the rise in the jobless rate was largely due to an expanding labour force (+0.5%), which increased faster than the number of jobs (+0.2%).

Source: Statistics Canada

- **The number of British Columbians receiving regular employment insurance (EI) in October rose 2.7% (seasonally adjusted) to 62,180.**
- **The number of business bankruptcies in the province soared in October, rising to its highest level in nearly a decade.** There were 117 business failures registered in the province in October, compared to 85 in the same month last year.
- **There were 840 consumer bankruptcies registered in BC in October, down from 858 a year earlier.** Year-to-date, the number of consumer bankruptcies in the province was up 3.6%, as a long-term trend of rising consumer bankruptcies continued.

Source: Statistics Canada

Source: Industry Canada

Source: Industry Canada

- **BC housing starts fell 3.6% (seasonally adjusted) in November.** Despite the recent weakness, BC is set to end the year on an upturn. During the first eleven months of 2001, the number of housing units started in the province was up 20.2% from the same period of 2000. Canadian starts increased 5.6%. After spending years in the doldrums, BC could show the strongest growth in housing starts in the country this year.

Source: CMHC & BC STATS