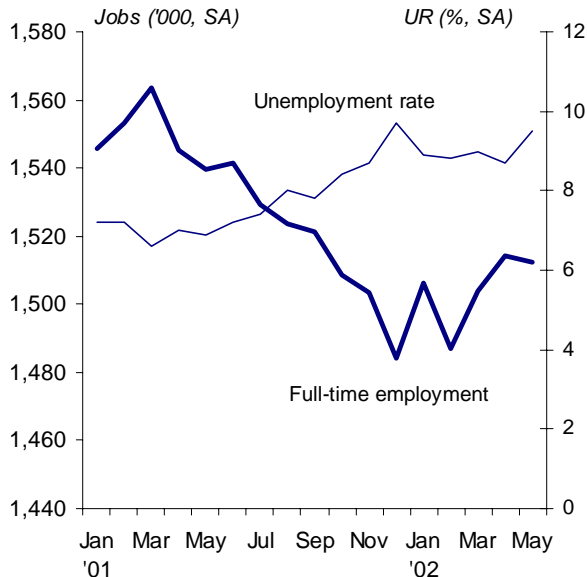


Current Statistics ♦ June 2002

BC's unemployment rate remains just under 10%, but the long-run decline in the number of full-time jobs appears to be coming to an end



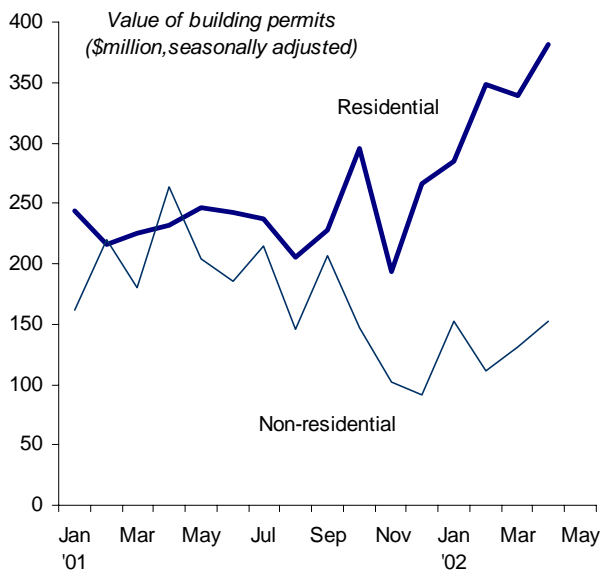
- **British Columbia's unemployment rate jumped 0.8 percentage points in May to 9.5% (seasonally adjusted) following a decline (-0.3 percentage points) in April.** This was the result of a fall in employment (-0.6%) coupled with an increase (+0.3%) in the labour force. Both full-time (-0.1%) and part-time (-2.1%) employment in the province dropped. Men were hardest-hit by the job losses, with employment declining 1.0% in May. Employment in both the goods (-0.7%) and service (-0.5%) sectors fell in May. *Source: Statistics Canada*
- **Following four months of growth, wages, salaries and benefits earned by BC workers fell 0.5% (seasonally adjusted) in March.** At the national level total payrolls remained steady (0.0%). *Source: Statistics Canada*
- **Shipments of goods manufactured in the province increased 0.6% (seasonally adjusted) between March and April, marking the fourth consecutive monthly gain after a year of declines.** The increase came primarily

from the non-durables sector (+4.6%) where shipments of wood products were up 3.5%. In the computer and electronic products industry, shipments rose 4.7% after expanding 10.1% in March. On the non-durables side, the picture was not as rosy. Overall shipments were down 5.4%, largely due to a 12.5% drop in the value of paper shipments. Food shipments showed modest growth (+0.5%).

Source: Statistics Canada

- **Sales by retailers in the province bounced back in April, increasing 0.9% (seasonally adjusted) after falling (-0.7%) in the previous month.** Cash registers were kept busy as consumers dug deeper into their pockets, spending more on clothing, furniture, autos and other consumer durables. *Source: Statistics Canada*
- **Wholesale sales in British Columbia were up 4.0% (seasonally adjusted) in April as BC recorded the strongest sales increase of any province.** Wholesalers of automotive and computer, software and electronic products posted strong gains. *Source: Statistics Canada*
- **The number of new vehicles driven off car lots in the province increased 6.9% (seasonally adjusted) between March and April, more than anywhere else in the country.** However, sales in the province had fallen 10.6% in March, and remain below the levels seen earlier in the year. *Source: Statistics Canada*
- **Investment in residential construction in BC jumped 20.5% in the first quarter, compared to the same period of 2001.** Canada-wide residential construction investment climbed 15.1%. *Source: Statistics Canada*
- **Housing starts in the province continued to seesaw in May, jumping 35.8% (seasonally adjusted) after plunging 22.1% in the previous month.** The number of starts in BC has been bouncing up and down since the end of last year, but year-to-date are above 2001 levels. *Source: Statistics Canada*

Building permits for residential construction projects are soaring as homebuilders react to a hot housing market



- **The value of building permits issued in the province climbed 13.5% (seasonally adjusted) in April, the fifth consecutive monthly increase.** Both residential (+12.3%) and non-residential (+16.6%) permits were up. Nationally, building permits rose 5.6%, with residential permits jumping 10.1% and non-residential permits falling 3.0%.
Source: Statistics Canada

- **The cost of new housing in BC's biggest cities continued to climb in April.** The New Housing Price Index was up 3.2%, year-over-year, in Vancouver and rose 0.7% in Victoria.
Source: Statistics Canada

- **British Columbia's year-over-year inflation rate edged down 0.1 percentage point, to 2.2%, in May.** The modest drop in the all-items consumer price index was largely due to lower shelter costs, which fell 0.6% as the cost of owned accommodation decreased (-0.4%) for the sixth month in a row. Utility costs continued to slide (-5.3%) as prices for fuel oil (-6.1%) and piped gas (-13.1%) moderated. Overall, energy prices were down 3.0% from May 2001. Excluding energy, the inflation rate was 2.6% in May.
Source: Statistics Canada

- **Canadian industries increased their rate of capacity utilization in the first quarter, ending a string of six consecutive quarterly declines.** Goods-producing industries operated at 81.7% of their full capacity, up from 80.4% in the fourth quarter of 2001. Despite the decline in capacity use during the recent economic slowdown, capacity utilization rates have remained well above the levels reached during the recession in the early 1990s, when utilization dropped to 77.1%.
Source: Statistics Canada

- **There were 846 consumer bankruptcies in the province in April, up from 744 a year earlier.** Business bankruptcies totaled 119, a 29.3% increase over the same period. Sixteen establishments in the construction industry filed bankruptcy papers. Total liabilities of businesses that filed for bankruptcy in April were \$1.3 billion. By comparison, the total liabilities of bankrupt firms in March were \$21.4 million. The huge increase in liabilities was attributable to the forest sector, which has been pummeled by punishing US duties on lumber exports. The 8 firms in logging and forestry industries that declared bankruptcy accounted for almost all (98%) of the liabilities.
Source: Industry Canada

Business bankruptcies have been climbing

