

Current Statistics ♦ November 2003

- **British Columbia manufacturers surveyed in October continued to be guardedly optimistic about the future.** About a third of them (32%) expect production prospects to improve in the fourth quarter, while 20% say they think they will be lower, for a balance of opinion of +12 percentage points. Slightly more manufacturers expect that orders will increase (24%) rather than decrease (20%). They're more worried about inventory levels, with 22% expecting levels to be too high, compared to 6% who think they will be too low. Overall, more manufacturers expect that employment prospects in their industry will improve (16%) rather than worsen (8%), although most expect to see little change during the next three months.

Data Source: Statistics Canada

- **The number of British Columbians receiving regular employment insurance (EI) benefits dipped 1.0% (seasonally adjusted) in September.**

Data Source: Statistics Canada

- **The pace of new building activity in British Columbia continued unabated in October.** Housing starts were up 2.8% (seasonally adjusted), after rising nearly ten percent in the previous month.

Data Source: CMHC

- **Sales by retailers in the province declined 2.2% (seasonally adjusted) in September.** The drop in the value of sales followed relatively strong growth in the previous month (+1.6%), but reflected widespread weakness within the retail sector. Supermarkets, grocery and drug stores, and retailers of furniture & appliances and semi-durables were the only businesses that posted gains.

Data Source: Statistics Canada

- **Wholesale sales in the province advanced 3.2% (seasonally adjusted) in September boosted by strong gains virtually across the board.**

Data Source: Statistics Canada

- **Fewer new motor vehicles were driven off car lots in BC in September (-3.5%, seasonally adjusted) than in the previous month.** Sales of trucks and vans were particularly weak (-6.2%) but car sales were also lower (-1.5%) than in August.

Data Source: Statistics Canada

- **Exports of BC products rebounded (+1.3%, seasonally adjusted) in September, boosted by an upturn in international shipments of forest products (+5.8%).** Exports to the US remained weak (-0.9%), but shipments to other destinations were substantially higher (+6.1%) than in August, due to industrial products and consumer goods (+37.0%).

Data Source: Statistics Canada & BC STATS

Exports overseas were up again in September

Overseas Exports (\$billion, sa)



- **Shipments of goods manufactured in the province increased for the third consecutive month in September (+2.5%, seasonally adjusted) as the manufacturing industry began to pick up speed after stalling at the beginning of the year.** The improvement was largely driven by a turnaround in the wood products industry, where shipments have been climbing since June.

Data Source: Statistics Canada

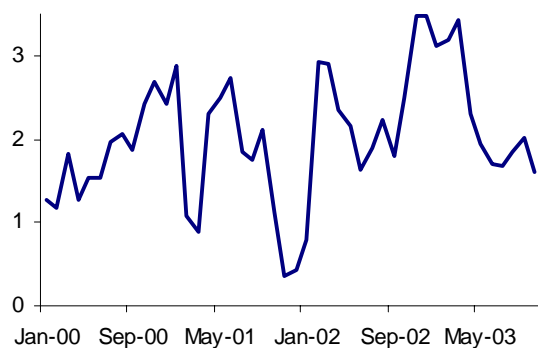
• **British Columbia's year-over-year inflation rate moderated to 1.6% in October, as pressure from energy prices eased off.** The cost of energy was 0.8% lower this October than in the same month of 2002. Prices for other consumer goods and services were up 1.9%.

Rising shelter costs (+1.9%) continued to boost BC's inflation rate. Consumers are paying more for water (+3.1%) and property taxes (+4.4%) have risen, as have homeowner's insurance premiums (+9.8%). Prices for recreation, education and reading materials (+4.5%) and alcoholic beverages & tobacco products (+4.3%) were also higher than in October 2002, largely due to the effect of tobacco taxes and tuition fees. However, consumers paid less for clothing & footwear (-1.3%), and transportation (-1.0%).

Data Source: Statistics Canada

Inflation rate moderated as pressure from energy prices eases

Inflation Rate (%)



• **The cost of new housing in BC's two largest cities continued to climb in September.** New housing prices in Victoria were 8.6% higher than in the same month last year, as builders spent more on both land (+9.0%) and housing construction costs (+8.6%). In Vancouver, prices were up a more modest 3.4%, as the value of buildings constructed was 4.7% higher than in September 2002, while land prices rose 1.3%.

Data Source: Statistics Canada

• **There were 767 consumer bankruptcies registered in the province in September, 3.5% less than in the same month last year.** There were also significantly more (+31.8%) business bankruptcies in BC this September than in the same month of 2002. Construction (15), accommodation, food & beverage services (15) and business services (11) accounted for nearly half of the 87 business failures registered in September. *Data Source: Industry Canada*

• **Visitor entries to BC from the US and overseas slipped (-0.7%, seasonally adjusted) in September.** The drop in entries was largely due to fewer visits from the US (-1.1%). Travel from overseas continued to pick up (+1.1%), but at a slower pace than in the recent past. *Data Source: Statistics Canada*

• **Restaurant, caterer and tavern receipts in the province rose (+1.0%, seasonally adjusted) for the third straight month in September.** Earnings at BC food service establishments were up 1.1%, while receipts at drinking places advanced a modest 0.2%. *Data Source: Statistics Canada & BC STATS*

• **British Columbia's economy expanded 2.4% in 2002 (revised from a previously published estimate of +1.8%).** On a per capita basis, real (\$1997) GDP rose 1.5%, to \$31,143. *Data Source: Statistics Canada*

BC's economy expanded modestly in 2002

Real GDP Growth (cst \$1997)

