

Current Statistics ♦ May 2004

- **British Columbia's unemployment rate fell 0.2 percentage points to 7.7% (seasonally adjusted) in April.** The drop in the jobless rate occurred as both employment (-0.2%) and the labour force (-0.3%) shrank after posting modest gains in the previous month.

April's job losses were localized in the service sector (-0.7%). Retail and wholesale trade, the biggest service sector employer, cut back its workforce by 5.3%. Other large employers such as health care (-2.0%) and education (-4.2%) also employed fewer people in April. However, transportation & warehousing (+5.2%) and accommodation & food services (+3.2%) took on more staff.

Goods-producing industries made strong gains, with employment expanding 2.1%. All industries within the sector were hiring, with particularly strong job growth occurring in utilities (+13.9%), agriculture (+6.7%) and construction (+3.1%).

Reflecting the downturn in the service sector, fewer women (-0.5%) had jobs in April. There were fewer full-time (-0.5%), but more part-time (+1.3%), jobs. The youth unemployment rate increased 0.4 percentage points, to 14.9%.

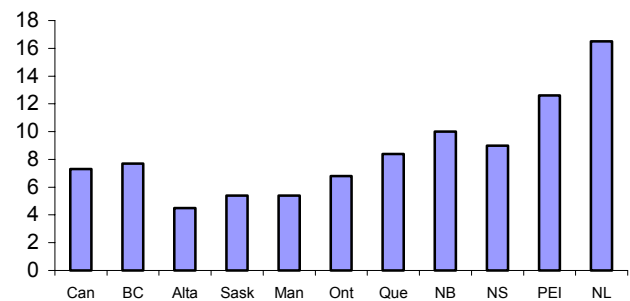
Public sector employment advanced 0.5%, but this was offset by a 0.6% decline in the number of private sector jobs. For the second month in a row, self-employment increased 0.8%.

Data Source: Statistics Canada

- **The Canadian unemployment rate was 7.3% (seasonally adjusted) in April, 0.2 percentage points less than in March.** Nationally, the improvement in the unemployment rate reflected a stronger labour market, as the number of people with jobs (+0.3%) grew faster than the labour force (+0.1%). Among

provinces, jobless rates ranged from 4.5% in Alberta to 16.5% in Newfoundland. BC continued to have the highest unemployment rate west of Quebec. *Data Source: Statistics Canada*

April 2004 s/a unemployment rates



- **Shipments of goods from British Columbia manufacturers rose 4.6% (seasonally adjusted) in March, the largest one-month expansion in four years.** Forestry-related manufacturing was the driving factor, with soaring shipments from paper (+13.0%) and wood (+4.5%) manufacturers. These two sectors, taken together, made up 43% of all manufacturing shipments. A related, though much smaller, furniture industry also posted strong gains (+10.9%). However, a part of the boost in forestry-related manufacturing may simply be inflation. Lumber and pulpwood prices are significantly higher than during the same time last year. Food producers—the next largest industry in BC manufacturing—posted little increase in shipments in March (+0.6%).

Data Source: Statistics Canada

- **British Columbia's booming housing market continued its expansion in April, with housing starts soaring 39.4% (seasonally adjusted).** Saskatchewan (+29.4%) and New Brunswick (+58.3%) also posted double-digit growth rates, though almost every other

province recorded declines. For Canada as a whole, housing starts dropped 4.5%.

Data Source: Statistics Canada

- **British Columbia's consumer price index rose 1.7% in April, compared to the same month last year. This is almost double the inflation rate in March (0.8%).** A major factor in April's inflation was higher shelter costs (+2.0%), particularly for fuel & electricity. Transportation prices were also higher in April, mostly due to a large increase in the price of gasoline (+7.0%, compared to a drop of 6.8% in March). Indeed, energy prices (+5.0%) were the source of inflationary pressure in April. After excluding energy, the increase in inflation in April was the same as the month before (+1.3%).

Data source: Statistics Canada

- **Nationally, inflation (+1.6%) was marginally below the price increases seen in BC.** As with BC, a spike in energy prices was the driving factor. The inflation rate increased in almost all provinces, with the exception of Quebec and New Brunswick.

Data source: Statistics Canada

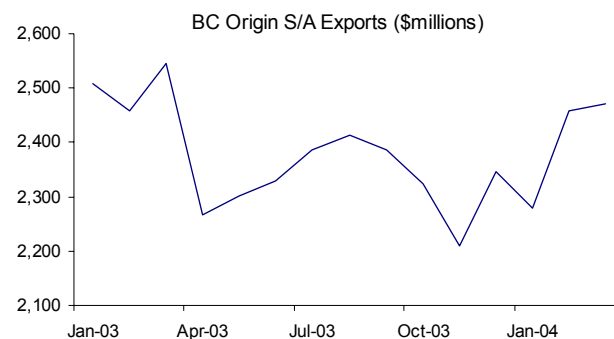
- **The value of building permits issued by BC municipalities continued to fall (-9.1%, seasonally adjusted) in March.** Permits for both residential (-9.9%) and non-residential (-6.3%) projects were down for the second month in a row. Permits in Vancouver slipped 4.3%; in Victoria, they plunged 31.5%. However, permits were sharply higher in Abbotsford (+34.8%). Canadian permits were weak (-4.2%) in March, largely due to a downturn in the non-residential sector (-19.4%).

Data Source: Statistics Canada

- **Exports (seasonally adjusted) edged up 0.5% in March, solely on the strength of a 9.1% jump in forest product exports.** Exports of agricultural and fish products (-5.6%), energy (-1.5%), machinery, equipment and automobiles (-5.6%) and industrial and consumer goods (-9.2%) all declined. Exports increased 4.7% in the first quarter from the

fourth quarter of 2003. Of the major commodity categories, only agricultural and fish exports experienced a decline (-4.6%), likely due to the avian flu outbreak that resulted in poultry export restrictions.

Data source: BC Stats



- **Canadian manufacturers' prices were 1.4% lower in March than in the same month of 2003, marking the 12th straight year-over-year decline.** The drop in prices was largely due to the effect of a strong Canadian dollar; without the exchange rate effect, the all-items Industry Product Price Index (IPPI) would have been up 1.6% over the March 2003 level. BC softwood lumber prices continued to improve, rising 12.0% in March, largely due to higher prices for lumber produced in the Interior of the province. Plywood prices rose nearly a third, and producers also received more for pulp and pulpwood chips. Metal prices, which have been climbing since last fall, and longer in some cases, soared. Prices for copper, lead and molybdenum were all at least fifty percent higher than in March 2003. However, oil and gas prices were weaker than they had been a year earlier.

Data Source: Statistics Canada

- **Preliminary GDP estimates for the US suggest that the American economy grew at an annualized rate of 4.2% in the first quarter of 2004.** Consumer (+3.8%), business (+7.2%) and government (+2.0%) spending advanced, and exports were up 3.2%, while imports rose 2.0%. National defense expenditures increased 15.1%.

Data source: US Bureau of Economic Analysis

