

## Current Statistics ♦ July 2004

- **The unemployment rate in BC fell to 7.5% (*seasonally adjusted*) in June, with the strongest job growth rate seen in two years.** Employment expanded for the second month in a row (+1.3%), offsetting losses earlier in the year.

June's job growth was strongest in the goods-producing sector (+2.5%). Employment in construction was up 6.5%, reflecting the boom in the BC housing market. The natural resource sector—forestry, fishing and mining—also had strong employment gains (+5.9%) for the second straight month. Employment was also up in the service sector (+1.0%) led by transportation and warehousing (+4.3%) and accommodation and food service (+3.0%).

All of the new jobs created in June were full-time, which was partially offset by declines in part-time employment. However, nearly half (46%) of the new jobs were due to self-employment. Hiring by private sector employers accounted for 47% of the new jobs, while public sector employers contributed the remaining 6% of the job growth.

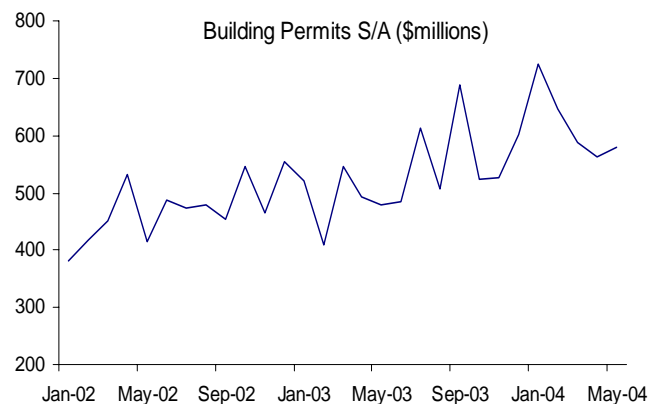
Employment in the Vancouver Metro Area went down slightly (-7,500), while employment in the rest of BC increased by almost 35,000 jobs. *Data Source: Statistics Canada*



- **Housing starts in BC were down 6.4% in June, the second consecutive month of decline.** Nationally, housing starts were unchanged.
- **The value of building permits issued in BC rose 3.2% (*seasonally adjusted*) in May, the first increase in four months.** Residential building permits were unchanged (+0.1%), but non-residential permits were up 15.0%. The major factor was a jump in institutional/governmental construction (+88.9%).

BC was one of the few provinces with an increase in construction intentions in May. Nationally, building permits fell 9.5%.

*Data Source: Statistics Canada*



- **British Columbia's all-items Consumer Price Index (CPI) rose 2.8% during the 12-month period ending in June.** This was the second straight month in which the province's year-over-year inflation rate has been well above two percent. The upward movement in the price level was partly driven by energy prices (+14.9%, year-over-year), which remained high after soaring in May. Prices for other items rose 1.9% in the twelve-month period ending in June.

High fuel prices had a big effect on the transportation component of the CPI, which was up 5.9% in June. Consumers paid a whopping 26.4% more at the pump than they did in June 2003, and public transportation costs, especially for intercity travel, were up 3.8%. Fuel prices also played a role in a 2.0% year-over-year increase in shelter costs, but property taxes and insurance premiums for homeowners were also factors. The cost of rented accommodation rose only moderately (+1.0%) in June. Alcohol & tobacco prices (+5.1%) remained well above 2003 levels in June, as did the cost of recreation, education & reading materials (+3.9%).

*Data Source: Statistics Canada*

- **British Columbia's inflation rate was among the highest in the country in June.** Manitoba and Saskatchewan (both at 2.9%) were the only provinces to record bigger increases in the average price level. The Canadian inflation rate was 2.5%, with prices increasing by at least 2.2% in every province. Residents of Yukon (+1.6%) and NWT (+0.8%) were less affected by rising prices.

*Data Source: Statistics Canada*

Victoria (+3.2%) was the only major urban centre where prices climbed more than three percent during the 12-month period ending in June. Vancouver's year-over-year inflation rate was 2.7%.

*Data Source: Statistics Canada*

- **Exports of BC products increased 12.4% (seasonally adjusted) between April and May.** Forest (+14.5%) and energy (+20.9%) products contributed to the increase, as did international shipments of industrial and consumer goods (+9.3%) and machinery and automotive products (+7.1%). Exports to the US rose 5.5%, while shipments to other international destinations jumped 25.0%.

*Data Source: Statistics Canada & BC Stats*

- **Shipments of goods manufactured in the province increased 3.9% (seasonally adjusted) between April and May.** This was largely due to strength in the forest sector, where producers

of both wood (+3.9%) and paper (+16.8%) products made substantial gains. In the case of the paper industry, this offset a large decline (-10.4%) in the previous month. Shipments of primary metals (+9.0%) and transportation equipment (+14.9%) also advanced in May. The computer and electronic products industry expanded its shipments (+1.3%) for the first time since February.

Canadian shipments rose 1.1% in May. Among the provinces, BC (+3.9%), Manitoba (+4.8%), PEI (+6.9%) and New Brunswick (+9.0%) posted the strongest shipment growth.

*Data Source: Statistics Canada*

