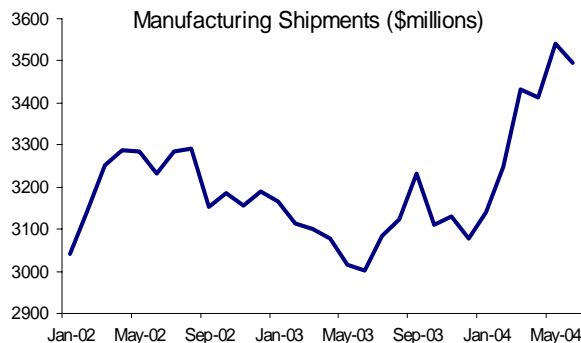


Current Statistics ♦ August 2004

- **Shipments of goods from BC manufacturers fell 1.3% (seasonally adjusted) in June.** A decline in shipments of paper (-7.3%)—the second largest manufacturing good in BC—was the primary reason for the softness in the market. Shipments of wood were essentially unchanged (-0.1%), while shipments of food edged downward (-0.6%). Partly offsetting the drop in shipments were increased flows of primary metals (+1.0%) and chemicals (+2.6%).

Across Canada, manufacturing shipments rose 1.5%, with strongest growth in Alberta (+3.3%) and Quebec (+2.9%).

Data Source: Statistics Canada



- **British Columbia's unemployment rate edged down 0.2 percentage points to 7.3% (seasonally adjusted) in July.** The improvement in the jobless rate was due to marginal employment growth (+0.1%, a net gain of 1,200 jobs) combined with a decline (-0.2%, or 4,500 people) in the number of people in the labour force.

Employment in the goods sector was flat in July, as a 2.4% gain in the manufacturing sector was offset by job losses in construction (-1.7%), agriculture (-2.3%) and utilities (-12.0%). In the service sector, wholesale and retail trade (+1.4%), transportation (+2.5%)

and professional & scientific services (+3.3%) took on more workers, but there were fewer jobs in most other industries. Overall, service sector employment edged up 0.1% during July.

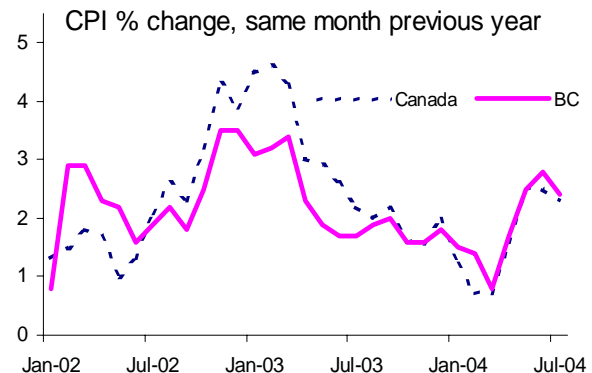
There were fewer full-time (-0.6%), but more part-time (+2.6%), workers in July. The number of self-employed fell back 0.2%. A decline (-0.4%) in public sector employment was offset by job growth (+0.3%) in the private sector.

Canada's unemployment rate edged down to 7.2% in July, also reflecting weak job growth (+0.1%) combined with a shrinking labour force (-0.1%).

Data Source: Statistics Canada

- **British Columbia's July inflation rate (2.4%) was the third highest among the provinces, with Manitoba (2.7%) and Saskatchewan (2.8%) being larger.** The Canadian CPI rose 2.3%. Of the major cities, Victoria, at 2.7%, had the second highest rate of increase with Regina showing 2.9%.

Data Source: Statistics Canada



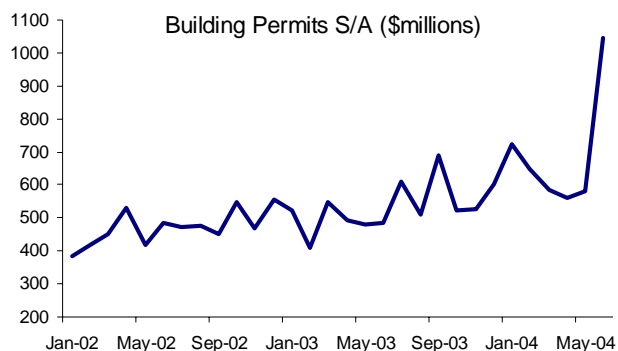
- **There was a boom in BC construction intentions in June.** The value of building permits soared 80% (seasonally adjusted), exceeding the \$1 billion mark for the first time. This was the largest one-month increase since April 1985 (+88%).

All sectors of the construction market were buying up building permits. Industrial building permits had the highest growth (+173%), followed by residential (+80%). Permits for commercial construction rose 67%, while permits in the government/institutional sector were up 69%.

There had been three consecutive months of decline in building permits earlier this year. Between January and April permits dropped 22%. The gains posted in June easily exceeded the spring slowdown, with permits now 44% higher than they were in January.

The building boom was centred around Vancouver, where permits were up 122%—well above the BC average. In Victoria, the value of building permits was unchanged.

Data Source: Statistics Canada

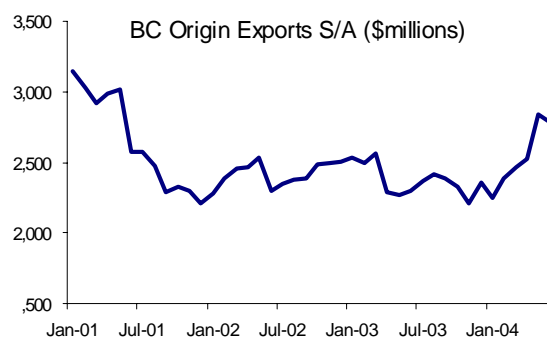


- **Exports of commodities produced in British Columbia fell 2.2% (seasonally adjusted) in June, unable to sustain the substantial growth of 12.5% achieved in May.** A drop in exports of industrial and consumer goods (-8.6%) was

responsible for much of the overall decline, but shipments of energy (-4.9%) and forest products (-0.9%) also contributed to the weaker performance in June.

Shipments to destinations other than the United States plunged 11.7% in June after climbing a whopping 25.6% in May. However, exports to the United States rose 3.9%, the fifth consecutive monthly increase.

Data Source: Statistics Canada & BC Stats



- **Wholesale sales in BC bounced back in June (+1.3%, seasonally adjusted) after inching down in May.** Nationally, sales crept up 0.6%, as most provinces posted modest gains. Manitoba (+5.1%) and Saskatchewan (+4.0%) had the strongest growth. *Data Source: Statistics Canada*

- **Room revenues in BC rose 3.5% (seasonally adjusted) in April, the first increase in room revenues seen since December.** Gains posted in April were more than enough to recover from the downturn in the first three months of the year. Mainland/Southwest was the major engine of revenue growth (+5.7%), supported by the much smaller Northern BC (+9.0%) and Kootenay regions (+6.1%). Thompson-Okanagan (-1.6%) and Cariboo (-4.4%) were the only two regions with falling revenues in April. In March, these two regions were the only places with growing revenues. *Data Source: BC Stats*