

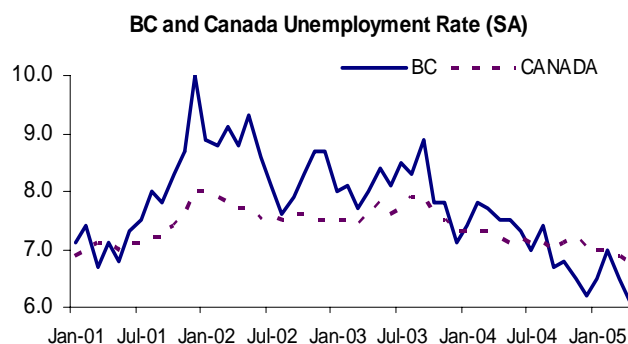
Current Statistics ♦ May 2005

• **British Columbia's unemployment rate fell 0.4 percentage points to 6.1% (*seasonally adjusted*) in April, its lowest level in almost 25 years.** The decline was the result of a 0.6% increase in employment. There was a net increase of more than 13,000 jobs in April, which more than outweighed the rise in the labour force (+0.1%, or 2,800 people).

The industry contributing the most to the increase in employment was the accommodation and food sector, where 11,200 workers were added (+6.7%). Other service sector industries also experienced significant growth in employment, including education (+5.4%) and professional, scientific and technical services (+2.7%). Overall there was a net addition of 7,300 service jobs in April (+0.4%).

The goods sector also saw employment growth (+1.3% or 5,900 jobs), led by a surge in the resource industries. Jobs in forestry, fishing, mining, oil and gas jumped 11.7%. Employment growth in the construction sector remained robust, climbing 2.9% in April. Low mortgage rates have helped boost demand for housing in the province, which has spurred residential construction, but non-residential construction is also booming, which has resulted in strong demand for construction workers.

Data Source: Statistics Canada



• **The value of building permits issued by BC municipalities advanced 17.7% (*seasonally adjusted*) in March, following strong growth in February (+22.6%).** The non-residential sector (+71.8%) was the leading factor in the construction boom, with all components going full steam ahead. The value of institutional and government building permits almost tripled (+178.8%) and the industrial sector doubled (+101.1%). Commercial permits were up 48.5% from the previous month. On the other hand, the value of residential permits was 6.1% below the February level.

In Vancouver, permits jumped 61.1% in March. Abbotsford (+256.1%) had an even higher growth; however, permits in Victoria plunged 11.8%.

Data Source: Statistics Canada

• **Exports of BC products slipped 2.5% (*seasonally adjusted*) in March.** Forest product exports, accounting for about 44% of the total, fell 2.1%, but shipments of energy (+0.6%) and machinery, equipment & automobiles (+0.8%) inched up. Exports to the US slipped 0.5%, largely due to a decline in the value of forest product shipments (-2.4%). Shipments to other destinations slumped 6.2%, reflecting downturns across all major commodities, especially energy products (-10.7%). Canadian exports edged down 0.4%.

Data Source: Statistics Canada & BC Stats

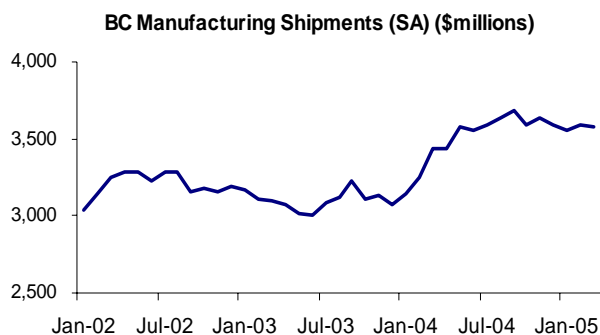


- **Shipments of goods produced by British Columbia manufacturers were virtually unchanged (-0.1%, *seasonally adjusted*) in March, following a modest gain in February (+0.9%).** BC's two biggest manufacturing industries gave mixed signals as paper shipments jumped a solid 7.5%, while wood shipments fell 2.6%. The drop in wood manufacturing may be partly price driven, as BC's lumber prices are significantly lower than they were last year.

Driven by paper shipments, the non-durables total inched up 0.6% in March, even though the food industry—the third largest manufacturing sector—posted its first decrease (-1.5%) of 2005.

On the durable side, machinery (+11.3%) and transportation equipment (+11.3%) producers saw the most noticeable gains, although they were not big enough to offset the downturn in the wood industry.

Data Source: Statistics Canada



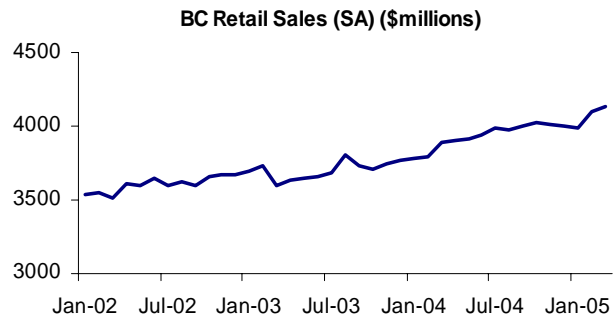
- **British Columbia's year-over-year inflation rate stood at 2.0% in April, a slight drop from the 2.1% figure recorded in March.** The increasing cost of energy products (+8.6%) continues to put inflationary pressure on the economy, contributing a full half of a percentage point to the overall Consumer Price Index (CPI). Excluding energy, the inflation rate was 1.5%. Transportation costs have risen 4.8% in the last year, largely due to soaring prices for gasoline (+15.2%). Consumers are paying a third more for fuel

oil (+33.3%) and natural gas is 4.3% more expensive; however, a 1.6% decline in the price of electricity has helped moderate the inflation in the cost of shelter (+1.7%).

Data Source: Statistics Canada

- **Sales by retailers in the province climbed 0.8% (*seasonally adjusted*) to \$4.1 billion in March, well above the national average of 0.2%.** The only other provinces to experience a significant increase in sales were Alberta (0.6%), Saskatchewan (+0.5%) and Quebec (+0.5%). Sales in New Brunswick (+0.1%) and Ontario (0.0%) were essentially flat. Yukon retailers experienced a 3.3% boost in sales.

Data Source: Statistics Canada



- **Wholesale sales increased 3.5% (*seasonally adjusted*) to almost \$4 billion in March, posting the second consecutive monthly gain.** Lumber & millwork and machinery & equipment were the main sources of sales growth. Wholesale trade of motor vehicles, as well as motor vehicle parts & accessories, dropped substantially.

Data Source: Statistics Canada