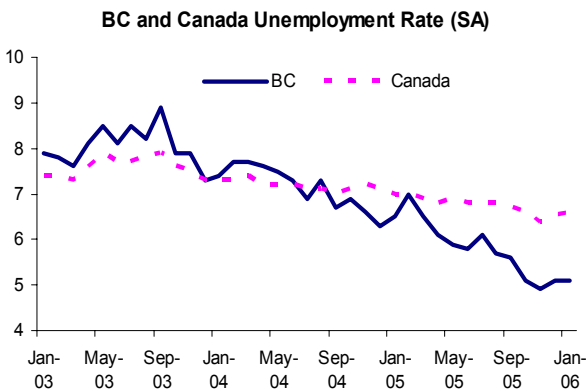


Current Statistics ♦ February 2006

• **British Columbia's unemployment rate held steady at 5.1% (seasonally adjusted) in January.** There was little change in overall labour market conditions, with the number of jobs remaining at about 2.167 million and the size of the labour force edging up only marginally (+0.1%) from December. Residents of the province continued to enjoy one of the best job markets in the country. BC's unemployment rate was well below the national average (6.6%) and lower than in any other province except Alberta (3.5%) and Manitoba (4.3%).

The Canadian jobless rate inched up 0.1 percentage points to 6.6% in January, as unemployment rates increased in Ontario, Quebec and Newfoundland.

Data Source: Statistics Canada



• **In BC, the number of people with jobs showed little change for the second month in a row, as employment gains in the service sector (+0.8%) were offset by a reduction in the number of people working in goods industries (-3.0%).** Manufacturing (-1.0%) and construction (-6.7%), the biggest employers in the goods sector (accounting for eight out of every ten jobs), had fewer people on their payrolls. In the service sector, job growth was

most pronounced in the management and administration (+8.0%), transportation and warehousing (+4.9%) and education (+4.0%) industries, as well as miscellaneous services (+5.6%).

Data Source: Statistics Canada

• **Vancouver's unemployment rate rose to 5.4% (seasonally adjusted) in January, as the number of people with jobs dropped 2.2%.** In Victoria, the job market remained robust, and the unemployment rate continued to improve. It was 3.6% in January, the second-lowest rate observed since 1987 (the first year for which data is available). Victoria's lowest jobless rate (2.4%) was recorded just a few months ago, in June 2005.

Data Source: Statistics Canada

• **The number of housing starts in the province continued to seesaw in January, dropping 6.1% after posting an 11.8% gain at the end of last year.** BC, Alberta (-2.6%) and Newfoundland (-3.7%) were the only provinces where starts were down in January. Nationally, starts rose (+6.6%) for the third month in a row.

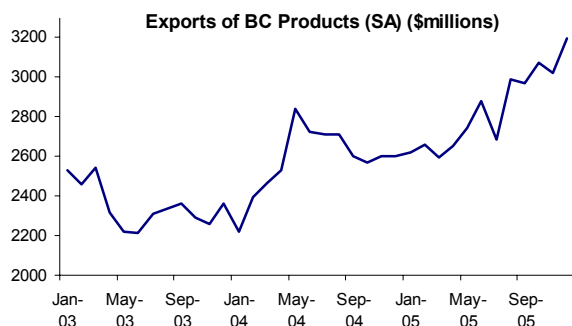
Data Source: CMHC

• **BC product exports increased 5.9% (seasonally adjusted) in December, as exports to overseas destinations soared (+20.2%), offsetting a downturn in the demand for most BC products south of the border (-1.1%).** Exports of BC energy products overseas were up 95.9%, accounting for much of the increase in shipments to countries other than the US. Forest product exports rose 4.2%, largely because shipments to the US increased (+6.2%) in December. US-bound exports of all other major commodity groups were down from November levels.

Canadian exports surged, rising 3.9% to \$41.3 billion. Energy exports rebounded (+11.2%), accounting for nearly half of the total growth in exports. Excluding energy, exports would

have been up just 2.0%. Exports to the US rose 3.9%, with even stronger growth in shipments to the EU (+5.6%) and Japan (+20.3%).

Data Source: Statistics Canada & BC Stats



- British Columbia manufacturing shipments advanced 1.4% during 2005, despite price-related downturns in two of the three largest manufacturing industries** Although shipments of non-durable products were relatively robust (+4.1%), producers of durable goods (-0.4%), especially wood products (-8.3%) saw shipments fall during the year. The decline in the wood industry was largely price-driven. Prices for BC softwood lumber products plunged 12.4% last year, and plywood prices fell even more. The 8.3% decline in shipments suggests that producers were partly able to compensate for this by boosting production. Paper producers saw shipments drop off 3.5%, also due in large part to lower prices (-3.0%) for BC paper products. On the other hand, prices for BC food products fell (-1.1%) last year, but shipments were up 8.1%.

Canadian shipments rose 3.1% in 2005, on the strength of solid growth in energy producing provinces such as Alberta (+11.9%). Shipments from Quebec were up a substantial 4.5%, but BC and Ontario (+0.8%) posted only modest increases. Soaring industrial prices for petroleum contributed to the increase in Canadian shipments during 2005. Shipments by manufacturers of goods other than petroleum products were up only 1.5%. Chemicals and primary metals advanced significantly, but the auto and food

industries saw shipments fall last year. Also hard hit were wood products and the clothing industry, which faced tough competition as quotas on imported textile on clothing products were lifted.

Data Source: Statistics Canada & BC Stats

- During 2005, the value of wholesale sales in BC rose 8.8% as wholesalers marked a fourth straight year of solid growth.** The increase was above the national average (+5.7%), but well below the double-digit gains seen in the Prairie provinces.

BC wholesalers of metal products, motor vehicles, machinery and equipment and farm products made particularly strong gains (well into the double-digits). Most wholesalers had a good year in 2005. The lone exception was wholesalers of alcohol and tobacco products, who saw sales drop off 6.0% during 2005.

Data Source: Statistics Canada

- BC's Consumer Price Index rose 1.6% from January 2005, the lowest year-over-year increase in the CPI among the provinces.** Alberta posted the highest increase at 4.1%. Nationally, prices rose 2.8% during the same period. Among the metropolitan areas, Calgary posted the highest increase in the CPI from last January at 4.4%, followed by Edmonton with a 3.6% increase. Residents of Vancouver enjoyed the lowest increase in prices at 1.4%, followed by Victoria with a 1.9% increase.

Energy prices continue to contribute to rising inflation as BC residents paid more for fuel oil (+21.4%), piped gas (+15.0%), and gasoline (+13.7%) compared to a year ago. Significant price increases were also recorded for fresh vegetables (+13.8%), local and commuter public transportation (+6.9%), fresh fruit (+4.5%), and coffee and tea (+4.4%). Offsetting these increases were lower costs for women's clothing (-7.9%), non-alcoholic beverages (-3.2%), and children's clothing (-2.9%).

Data Source: Statistics Canada