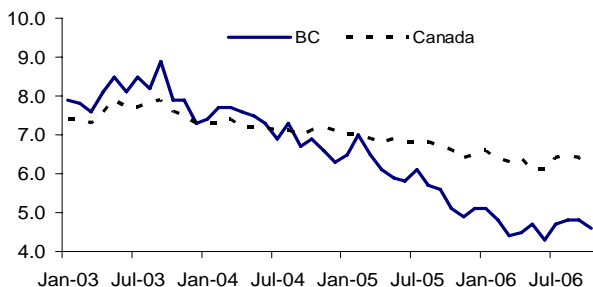


Current Statistics ♦ November 2006

- **British Columbia's unemployment rate dropped to 4.6% (seasonally adjusted) in October, as robust job growth of 0.6% (+13,300 workers) was more than enough to absorb a 0.4% increase in the size of the labour force.** Together, BC and Alberta (where there were 22,600 (+1.2%) net new jobs) accounted for about 70% of the increase in employment at the national level. BC's unemployment rate remains near its historical low of 4.3% (recorded in June), while Alberta's rate dropped to 3.0%, the lowest level on record since 1976, the first year for which provincial data are available.

Canada's unemployment rate fell to 6.2%. The improvement in the Canadian jobless rate was largely due to employment growth (+0.3%), most of which occurred in the west. The labour force was unchanged from September's level. *Data Source: Statistics Canada*

BC and Canada Unemployment Rate (SA) (%)



- **Despite weakness in many major industries, shipments of goods manufactured in British Columbia inched up 0.2%, (seasonally adjusted) in September.** Producers of durable products (+0.8%) saw shipments rise for the third consecutive month. The value of wood shipments (+1.2%) increased despite falling prices for softwood and other wood products. BC producers of machinery (+3.5%), fabricated metals (+6.2%) and computer & electronic (+1.9%) products also made notable gains,

managing to outweigh declines in the primary metal (-1.6%) and non-metallic mineral (-5.7%) industries. On the non-durables side, a drop in the shipment of paper products (-5.8%), offset increases in food (+5.2%) and chemicals (+0.6%). Overall, non-durables shipments were down 0.6%.

PEI (+0.1%) and BC were the only provinces where shipments increased in September. The Canadian total was down 3.3% from August, its lowest level since December of 2004. Provincial slowdowns ranged from 0.1% in Newfoundland & Labrador to 9.4% in New Brunswick. *Data Source: Statistics Canada*

- **Exports of BC products continued to see-saw in September, climbing 4.3% (seasonally adjusted), after slipping (-1.5%) in August.** Shipments of energy (+13.0%), machinery, equipment & automotive (+11.8%), agriculture & fish (+7.7%) and industrial & consumer (+4.1%) products were all higher. However, the value of forest product exports dropped (-2.7%). Exports to the US (+2.6%) as well as other destinations (+7.0%) rose in September.

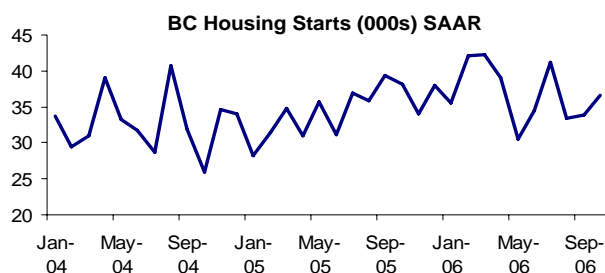
Canadian exports slipped (-2.0%) in September, reflecting lower exports of energy (-6.5%) and automotive (-4.2%) products. *Data Source: Statistics Canada & BC Stats*

- **The value of building permits issued by BC municipalities fell 7.5% (seasonally adjusted) in September.** The decline reflects a significant drop in non-residential building projects (-29.4%), which outweighed a 3.4% increase in residential permits. Abbotsford (+116.6%) was the only census metropolitan area in BC to show growth. Building intentions in both Victoria (-36.6%) and Vancouver (-15.2%) were substantially lower than in August. Canadian permits were down 2.5%. *Data Source: Statistics Canada*

• **Year-to-date, the value of building permits issued in the province was 9.6% higher than in the first nine months of 2005.** Investment intentions were fairly robust in most regions, with Northeast (+21.9%), Vancouver Island/Coast (+18.7%) and North Coast (+17.5%) posting the biggest gains. Stable, but less substantial increases were seen in Thompson/Okanagan (+4.7%) and Mainland/Southwest (+10.3%), but permits were down in Nechako (-20.5%), Cariboo (-16.5%) and Kootenay (-3.6%). *Data Source: Statistics Canada & BC Stats*

• **Housing starts in the province climbed 8.0% (seasonally adjusted) in October, building on a 1.5% increase the previous month.** Nationally, starts were up 6.8%, on the strength of robust building activity in five provinces.

Data Source: Canada Mortgage and Housing Corporation



• **Sales by retailers in the province slipped 0.9% (seasonally adjusted) in September, following a similar increase (+0.7%) the previous month.** Canadian sales were down 1.2% due to decreased automotive sales (-5.2%) and falling gas prices, which drove sales down 12.5% at gas stations. Among the provinces, only retailers in Saskatchewan (+1.4%) and Manitoba (+0.6%) made gains. In the rest of the country, sales declined at rates ranging from -0.7% in Newfoundland & Labrador to -1.9% in Ontario. *Data Source: Statistics Canada*

• **Sales by wholesalers in the province continued to seesaw in September, dropping 5.4% (seasonally adjusted) subsequent to a 6.9% increase in August.** Canadian sales were

off 1.6%, with three of the larger provinces posting declines. Along with BC, wholesalers in both Quebec (-1.1%) and Ontario (-2.2%) saw wholesales slip. *Data Source: Statistics Canada*

• **British Columbia's year-over-year inflation rate edged up to 1.1% in October.** Although the cost of energy fell (-5.9%) for a second straight month, prices for other goods and services continued to climb, and excluding energy, the inflation rate was 1.8%.

Lower fuel prices helped drive transportation (-0.2%) costs down last month, as vehicle owners paid 9.9% less to fill up their tanks. The cost of operating an automobile also fell (-2.2%) but consumers paid more to purchase (+1.5%) and to insure (+5.0%) an automotive vehicle. Despite significantly lower costs for piped gas (-10.4%) and fuel oil (-18.2%), BC residents paid 1.9% more for shelter than in October of last year. Homeowners faced higher property taxes (+0.4%) and insurance premiums (+6.8%) and also paid more for home maintenance and repair (+3.5%). Overall costs for accommodation were up 0.5% for renters and 3.0% for home owners.

Consumers in BC faced higher prices for most types of goods in October. Food prices rose 2.0%, reflecting increases in the cost of food purchased from stores (+2.2%) as well as restaurant meals (+1.6%). Clothing & footwear (+3.5%) and health & personal care (+2.0%) prices were also up as were prices for alcoholic beverages & tobacco (+1.6%).

In general, BC residents paid more for semi-durable goods (+1.9%) and services (+2.4%), while prices for durable and non-durable goods (-0.7% each) deflated moderately.

The inflation rate in Vancouver (+1.7%) was moderately higher than the provincial average, while Victoria's (+0.7%) rate was somewhat lower. *Data Source: Statistics Canada*