

Current Statistics ♦ December 2006

- **British Columbia's unemployment rate increased to 4.9% (seasonally adjusted) in November, as employment in the province fell slightly (-0.2%), while the labour force was unchanged from October.** There were fewer jobs in the service sector (-1.0%), which employs eight out of every ten working British Columbians. Information, culture & recreational services (-4.5%), health care (-4.1%) and professional, scientific & technical services (-3.5%) posted particularly large declines. Employment in goods industries jumped 2.6%, with relatively strong job growth more or less across the board. Manufacturing employment increased (+1.9%) for a third straight month, and in the construction industry, employment picked up (+0.6%) after a three-month long downturn.

Reflecting the job growth in the goods sector, which employs more men than women, the number of men with jobs increased 0.3% but fewer women (-0.8%) were employed in November. For the second month in a row, full-time employment (-0.8%) fell, but there were more (+2.0%) part-time workers.

Data Source: Statistics Canada

- **Housing starts in BC eased in November, dropping 7.1% (seasonally adjusted), following an 8.0% rise in October.** Canadian starts were relatively flat (+0.8%), reflecting decreases in three of the four largest provinces and steady increases in several others. New home building activity was down in Ontario (-3.5%) and Quebec (-10.0%), but was significantly higher in Alberta (+36.9%).

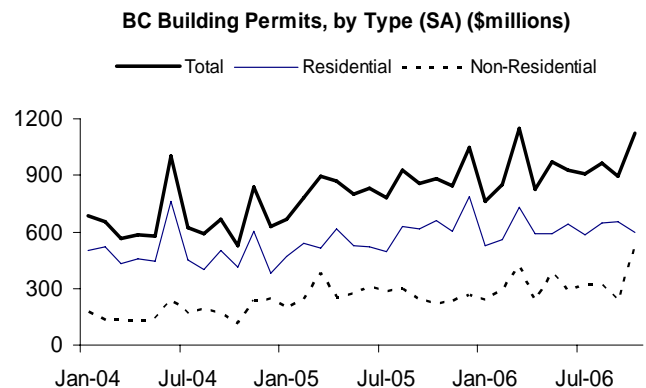
Data Source: CMHC

- **The value of building permits issued by BC municipalities surged ahead (+26.0%, seasonally adjusted) in October, more than recovering from a 7.4% drop in September.** Permits for residential projects slipped (-9.4%) but shot up for other types of buildings (+124.1%) as planned spending for institutional & government projects jumped 93.5% and nearly

tripled (+188.2%) for commercial buildings. However, the value of permits issued for industrial projects (-47.4%) saw a significant downturn from September. Non-residential permits have been volatile since March, and the latest increase followed a 26.1% decline in September.

Canadian permits climbed 6.1%, as increased activity in Quebec (+19.7%), BC and parts of Atlantic Canada offset slowdowns in Ontario (-1.8%) and the Prairie provinces. The value of non-residential permits issued in Canada jumped 9.1% in October and permits for residential projects (+4.3%) were also up.

Data Source: Statistics Canada



- **Exports of BC products expanded 2.1% (seasonally adjusted) in October, building on a 4.3% increase in the previous month.** The export growth reflected a jump (+11.8%) in the value of industrial & consumer goods, particularly to overseas markets. Shipments of energy (+0.4%) and machinery, equipment & automotive (+2.0%) products increased, but at a slower pace than in September. However, exports of forestry (-1.7%) and agriculture & fish (-3.3%) products slipped.

Export growth in October was largely due to a 3.9% increase in shipments to overseas markets while US-bound shipments were up slightly (+0.9%).

Data Source: Statistics Canada & BC Stats

- **Shipments of goods manufactured in British Columbia rose slightly (+0.9%, seasonally adjusted) in October, mirroring a slip in September (-0.9%).** Durable manufacturers saw an increase (+1.3%) in the value of shipments, as non-metallic minerals (+6.7%), fabricated metals (+6.5%), transportation equipment (+6.4%), computer & electronic products (+5.6%) and primary metals (+2.9%) all posted significant gains. However, shipments by the wood industry were down (-2.1%) for the fifth time since May. Driven by increases in the plastics & rubber (+2.0%), chemical (+0.9%) and paper (+0.3%) industries, non-durable goods managed to inch up (+0.3%) despite a drop in shipments by the food industry (-1.5%).

Across the nation, shipments were flat (-0.1%) in October due to continued volatility in the transportation equipment sector and falling prices. Six provinces made gains, with Newfoundland & Labrador (+7.1%), and Nova Scotia (+6.4%), posting the most significant growth. However, these were not enough to offset declines in Ontario (-0.4%), Alberta (-1.9%) and New Brunswick (-10.6%).

Data Source: Statistics Canada

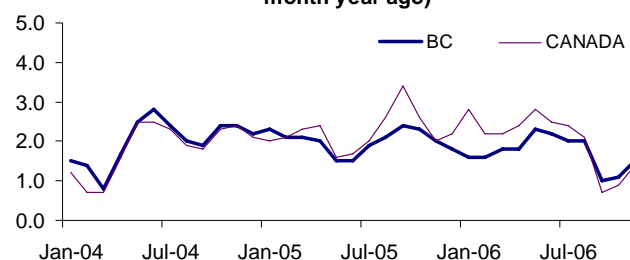
- **British Columbia's year-over-year inflation rate stood at 1.5% in November, up slightly from October (1.1%).** The cost of energy products (-0.8%) continued to ease, such that excluding energy, the overall Consumer Price Index (CPI) would have been slightly higher (+1.7%). Despite falling prices for piped gas (-10.4%) and fuel oil (-15.5%), the cost of shelter was up 2.0%. Residents paid more for other utilities such as water (+9.1%) and electricity (+4.0%) than in the same month last year. The cost of home insurance (+7.2%) and maintenance & repairs (+2.1%) also took a bigger chunk out of the household budget. Drivers paid less at the pump (-0.6%) in November but transportation costs were up (+1.1%) as prices for operating (+2.3%) and insuring (+5.0%) a motor vehicle were also higher than last year. The cost of food climbed by 3.0% as grocery bills (+2.5%) and restaurant meals (+4.2%) were more pricey.

Prices for clothing & footwear (+1.6%) were also higher than in October of 2005.

Health & personal care was more costly (+1.9%) than last year as was tuition (+1.9%), though British Columbians enjoyed lower prices for recreational equipment & services (-5.4%).

Data Source: Statistics Canada

BC and Canada Inflation Trend (% change, same month year ago)



- **Sales by retailers in the province edged down (-0.1%, seasonally adjusted) in October, after dropping 0.7% in the previous month.** None of the provinces made gains and Saskatchewan (-2.2%) posted the most significant decline in sales. At the national level, sales were off 0.7% in October as sales in the automotive sector continued to slide.

Data Source: Statistics Canada

- **Wholesale sales in BC strengthened in October, expanding 1.9% (seasonally adjusted) following a 4.9% slip in September.** Canadian sales were relatively flat (-0.2%), with six provinces posting decreases.

Data Source: Statistics Canada

- **Production at BC's sawmills and planing mills was flat (+0.1%, year-over-year) in October.** Although mills in the Interior (+3.0%) produced more lumber, production at Coastal mills was down substantially (-16.1%). Canadian lumber production was 1.7% lower than in the same month last year.

Data Source: Statistics Canada