

Current Statistics ♦ September 2007

- **British Columbia's unemployment rate fell to 4.0% in August, among the lowest in the nation and only 0.5 percentage points higher than Alberta's (3.5%).**

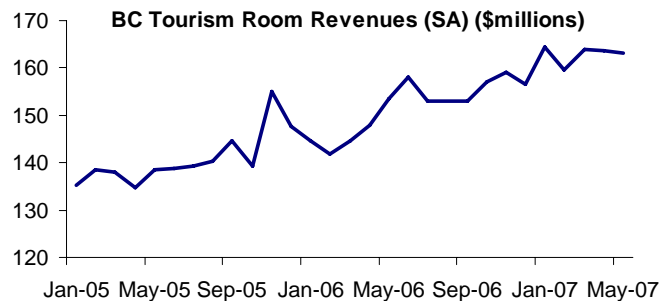
British Columbia's goods sector took on 0.7% more workers in August. Employment in construction (+4.6%) has picked up after shrinking in both of the two previous months. The manufacturing industry (-2.1%) pared down the size of its workforce for the fourth time in five months, while the number of jobs in forestry, fishing & mining rose (+2.2%) for the first time since April.

The services sector increased employment by 0.3% in August. Employment in the accommodation & food services industry surged (+7.9%), while the number of job opportunities in information, culture & recreation (+4.9%) also increased. While educational services (+1.2%), retail & wholesale trade (+0.8%) and management & administration (+0.2%) increased employment, fewer openings were available in professional, scientific & technical services (-4.4%), public administration (-3.3%) and health care & social assistance (-1.6%).

Data Source: Statistics Canada

- **Room revenues at BC accommodation properties inched down (-0.4% *seasonally adjusted*) in May.** Five regions recorded gains, with the biggest increase occurring in Nechako (+11.6%). Cariboo (+7.6%), Northeast (+4.9%), and Kootenay (+4.0%) posted robust growth but room revenues in Thompson/Okanagan (+0.4%) increased only slightly in May. Revenues in Mainland/Southwest slipped (-1.9%), as a four-month-long upturn came to an end.

Data Source: BC Stats



- **The value of BC origin exports increased 1.0% (*seasonally adjusted*) in July, following two months of significant declines.** Energy exports rebounded 10.4%, reflecting the effect of higher export prices for gasoline. Exports of machinery & transportation equipment (+2.9%) were also up. However, agriculture & fish (-8.2%), forestry (-1.7%) and industrial & consumer (-0.6%) product exports showed less promise.

Exports to the US were off 2.0%, as shipments of agriculture & fish (-7.9%), energy (-4.8%) and machinery & equipment (-3.8%) all slipped. Slight increases in exports of forestry (+0.1%), and industrial & consumer products (+0.8%) south of the border were unable to offset the declines. Shipments to destinations other than the US climbed 5.7%, largely because of sharp escalations in machinery & equipment (+23.8%) and energy (+36.4%) product exports.

Data Source: Statistics Canada & BC Stats

- **Shipments of goods manufactured in the province inched down 0.5% (*seasonally adjusted*) between June and July.** Durable products continued to see-saw as producers saw shipments fall 1.8%. The value of wood shipments (-2.1%) decreased as manufacturers continued to face low prices for softwood and other wood products. BC producers of primary (-4.0%) and fabricated (-1.5%) metals and

transportation equipment (-3.8%) also posted notable declines. On the non-durables side, shipments of plastics & rubber (-5.5%) and food (-0.5%) were lower than in June, but the decrease was offset by the paper (+2.7%) and chemical (+1.3%) industries. Overall, non-durables shipments were up 1.1%. *Data Source: Statistics Canada*

- **The value of building permits issued in British Columbia slipped 24.3% (seasonally adjusted) in July, as planned spending on both residential (-11.3%) and non-residential (-45.6%) projects declined.** In Abbotsford, permits were up 57.1%, one of the most significant increases in the country. On the other hand, Vancouver (-26.2%), Victoria (-36.4%) and Kelowna (-55.8%) all posted substantial decreases. *Data Source: Statistics Canada*

- **Housing starts in the province showed continued volatility in August, climbing 7.1% (seasonally adjusted), following a similar decline in the previous month.** Canadian starts were up 5.1%, as most provinces posted increases. Nova Scotia (+33.3%) and Manitoba (+31.4%) recorded double-digit rises, while starts rose more moderately in Alberta (+8.9%), Ontario (+4.0%) and parts of Atlantic Canada. Starts were off in Quebec (-0.6%) and Saskatchewan (-14.8%). *Data Source: Statistics Canada*

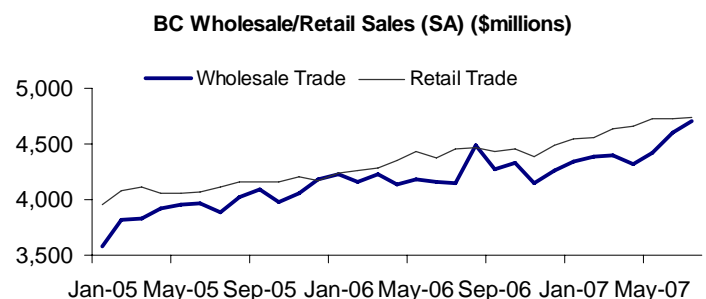
- **British Columbia's year-over-year inflation rate fell 0.3 percentage points to 1.3% in August.** Lower energy costs (-5.0%), particularly gasoline (-8.0%), kept the inflation rate at its lowest level since October 2006. The Consumer Price Index (CPI), excluding energy, was up 2.0% in August.

Food bills were 2.6% higher as the cost of meals at restaurants rose 4.0% and the price of groceries was up 1.8%. Shelter costs (+2.1%) were also on the rise, as prices for both owned (+3.1%) and rented (+1.3%) accommodations climbed. Increases in the cost of water (+7.5%) and piped gas (+2.3%) were offset by lower prices for electricity (-0.6%) and fuel oil & other fuels (-2.4%) leaving the cost of household utilities relatively unchanged (+0.1%).

British Columbians were forced to dig deeper into their wallets for alcohol & tobacco products (+3.1%) as well as health & personal care (+2.2%) and recreation, education & reading (+2.7%) materials. Prices for clothing & footwear, however, continued to fall in August (-2.6%). *Data Source: Statistics Canada*

- **Retail sales in BC were virtually unchanged in July, remaining stable at \$4.7 billion (seasonally adjusted) for the second straight month.** Stronger sales at furniture, home furnishings & electronics stores (+3.1%), pharmacies (+2.1%) and clothing & accessories stores (+1.3%) were overshadowed by falling sales in the automotive (-2.5%) as well as food retailing (-1.0%) sectors. Miscellaneous retailers saw receipts inch higher (+0.6%) while business at general merchandise stores was flat (+0.1%). *Data Source: Statistics Canada & BC Stats*

- **British Columbia's wholesale sales jumped 2.2% (seasonally adjusted) in July.** Wholesalers of metal products (+5.3%), building supplies (+4.8%) and other products (+4.0%) provided much of the boost. BC's wholesale industry has experienced steady growth throughout most of 2007. *Data Source: Statistics Canada & BC Stats*



- **New motor vehicle sales in British Columbia dropped 1.7% (seasonally adjusted) in July as truck sales in the province slowed.** Despite rising sales of both North American- and overseas-made cars, a continued slide in purchases of both foreign and domestic trucks has been driving overall motor vehicle sales down. *Data Source: Statistics Canada & BC Stats*