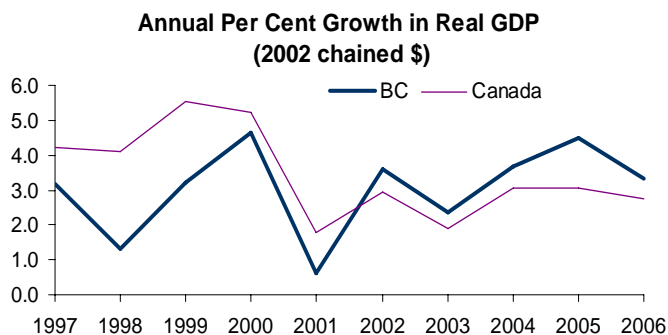


Current Statistics ♦ November 2007

- **British Columbia's economy expanded 3.3% during 2006, more than in any other province except Alberta, where a booming energy sector helped fuel a 6.6% increase in real GDP.** BC and Alberta, together with Newfoundland (+3.3%), Manitoba (+3.2%) and New Brunswick (+3.0%) outpaced the national economy, which posted a 2.8% gain during 2006.



British Columbia's economic growth continues to be driven by domestic demand for goods and services (+6.2%). Both business (+10.0%) and government (+7.7%) investment remained robust, even though growth in residential investment (+7.4%) fell short of the double-digit gains posted earlier in the decade. Consumer spending (+5.5%), especially on durable goods (+8.9%), was robust.

BC exports advanced 2.5% despite slower growth (+1.1%) in sales to foreign countries. Exports of goods and services to other provinces were up significantly (+5.0%) in 2006. Import growth (+8.1%) was even stronger, reflecting the extent to which the province relies on goods and services produced in the rest of Canada (+3.7%) or other countries (+11.8%) to supply domestic demand.

This data includes revisions to the estimates for the period from 2003 to 2006, as well as a rebasing of the real GDP figures to 2002 prices.

Previously-published data was reported using 1997 prices.

Data Source: Statistics Canada

- **The value of building permits issued by BC municipalities fell 19.2% (seasonally adjusted) in September.** The decline reflects a significant drop in non-residential building projects (-38.7%) coupled with a 9.8% decline in residential permits. Among census metropolitan areas in BC, Victoria (+32.4%) and Kelowna (+10.4%) showed growth, while building intentions in both Abbotsford (-14.8%) and Vancouver (-31.3%) were substantially lower than in August. Canadian permits were down 1.7%.

Data Source: Statistics Canada

- **Housing starts in the province showed continued volatility in October, slipping 6.8% (seasonally adjusted), following a 14.0% increase the previous month.** Nationally, starts fell 22.0%, pulled down by slower building activity in seven provinces.

Data Source: Statistics Canada

- **British Columbia's unemployment rate inched up to 4.4% (seasonally adjusted) in October.** The modest increase in the jobless rate occurred as the province's labour force expanded slightly more (+6,700) than the number of jobs (+5,800).

Labour market conditions in BC as well as the Prairie provinces have been very robust of late, and all four western provinces continue to record jobless rates that are significantly lower than the national average. Although BC had the highest unemployment rate in western Canada last month, it was still 1.4 percentage points lower than the average (5.8%) for all of Canada.

Data Source: Statistics Canada

- **The number of business bankruptcies registered in BC was down 30.0% in September from the same period a year ago.** Just under half of the

bankruptcies were in the construction and manufacturing sectors. Consumer bankruptcies were 13.4% lower than in September 2006.

Data Source: Statistics Canada

- **Shipments of goods manufactured in British Columbia slumped 3.7% (seasonally adjusted) in September.** Durable goods were off 2.8% as the value of machinery (-11.6%), fabricated metals (-11.5%) and wood products (-4.1%) were all down. Producers of transportation equipment (+8.0%), primary minerals (+2.2%), furniture (+1.6%), computer & electronics (+1.1%) and non-metallic minerals (+1.1%) all enjoyed gains. A sharp drop in the value of shipments by paper producers (14.4%) weighed heavily on non-durables (-4.7%). Shipments of plastics & rubber (-3.6%), printing & related products (-1.4%) and chemicals (-0.5%) were also lower in September. Modest gains were made by producers of food (+0.8%) and beverages & tobacco (+0.7%).

Data Source: Statistics Canada

- **Exports of BC products declined for the second consecutive month (-2.4% seasonally adjusted) in September.** The value of forest product exports plunged (-14.2%), offsetting increases in energy (+6.2%), machinery, equipment & automotive (+2.3%), agriculture & fish (+7.3%) and industrial & consumer (+5.9%) products. Exports to the US (+2.6%) as well as other destinations (-2.7%) fell. Canadian exports slipped (-2.3%) in September, reflecting lower shipments of machinery & equipment (-7.2%) and industrial (-3.6%) products.

Data Source: Statistics Canada & BC Stats

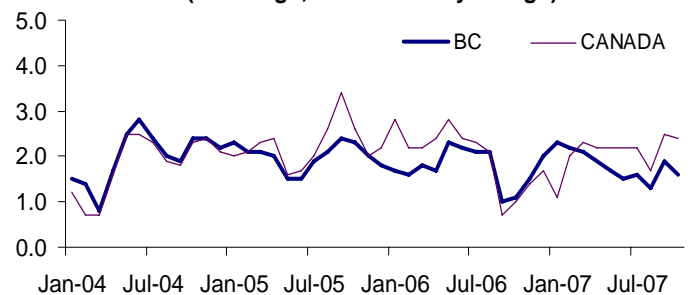
- **British Columbia's year-over-year inflation rate edged down to 1.6% in October.** Although the cost of energy remained higher than in the same month last year (+2.4%), prices for several other goods and services fell, and excluding energy, the inflation rate was 1.4%.

In general, BC residents paid more for non-durable goods (+1.4%) and services (+2.4%), while prices for durable goods (-2.0%) dropped.

Consumers in BC experienced the lowest overall price increase in the country in October. Alberta's inflation rate (+5.0%) was more than double the national average (+2.4%), and Saskatchewan had the second-highest increase in the country (+3.6%).

Data Source: Statistics Canada

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



- **Sales by retailers in the province were relatively flat (+0.1%, seasonally adjusted) in September.** Canadian sales were down 0.2% due to decreased automotive sales (-0.7%) and falling prices at furniture and electronics stores (-2.2%). Among the provinces, only retailers in Saskatchewan (+1.9%), Nova Scotia (+1.0%) and Manitoba (+0.8%) made gains. In the rest of the country, sales declined at rates ranging from -0.7% in Newfoundland & Labrador to -1.9% in Ontario.
- **Wholesale sales in BC continued to fall in September, dropping 3.1% (seasonally adjusted) subsequent to a 5.2% decline in August.** Canadian sales were up 1.1%, with most provinces posting increases. Along with BC, only wholesalers in Nova Scotia (-1.1%) and New Brunswick (-2.1%) saw wholesales slip.
- **Production at the province's sawmills and planing mills was significantly lower (-13.9%) in September than in the same month last year as mills continued to feel the effects of a labour disruption.** Mills in the Interior produced 4.6% less lumber while coastal mills cut output by 69.2%. Canadian production was also down (-11.9%), largely because of slowed activity in BC, Quebec (-9.2%) and Ontario (-22.5%).

Data Source: Statistics Canada