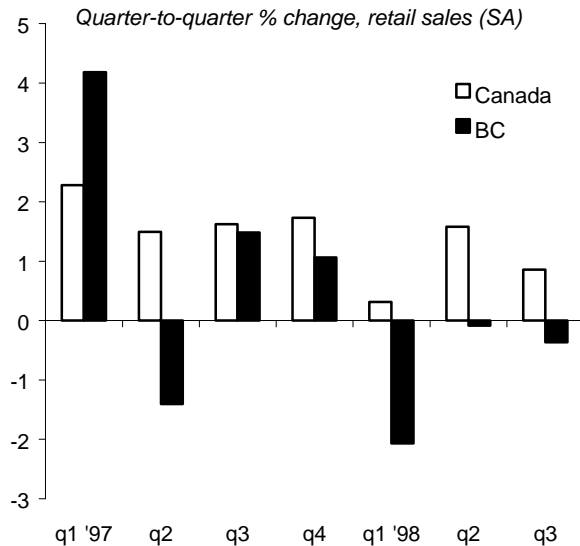


Current Statistics ♦ November 1998

Retail sales in the province have been weak during 1998



- **Retail sales advanced slightly (+0.3%, seasonally adjusted) in September after declining 1.3% in the previous month.** The improvement in sales marks a continuation of the roller coaster ride that the province's retailers have been on since the beginning of the year. Despite the ups and downs, retail sales in the province have fallen in every quarter this year. Nationally, sales have been weakening since the spring, as consumer expenditures have flattened or retreated in all sectors except the automotive sector and furniture stores. Nevertheless, total sales increased 0.9% between the second and third quarters.
Source: Statistics Canada

- **Shipments of goods manufactured in British Columbia rose for the fourth straight month in September (+2.1%, seasonally adjusted).** The largest month-to-month gains were made by manufacturers of machinery and equipment (+8.5%), paper (+5.9%) and non-metallic minerals (+5.7%). In addition, the miscellaneous manufacturing group increased

its shipments by 10.3%. Offsetting these gains were declines in the value of clothing (-7.1%) and chemical (-16.4%) products shipped by BC manufacturers. *Source: Statistics Canada*

- **British Columbia exports dropped 7.7% in September year to date from the same period of 1997, a modest improvement from August when year-to-date exports were 9.0% below those for the same months of 1997.** August (+4.7% from the same month of 1997) and September (+3.0%) were the two best export months so far this year, reflecting record high values of exports to the United States. A strong US economy and a low Canadian dollar brought shipments to the US up to \$1.48 billion in September. Nationally, the value of Canadian exports was 5.5% higher than in the previous September.
Source: Statistics Canada & BC STATS

- **British Columbia's consumer price index (CPI) was 0.4% higher this October than in the same month last year.** The low rate of inflation continues to be largely influenced by shelter costs, which were down 1.1% despite increased property taxes. Inflation rates in Vancouver (+0.6%) and Victoria (+0.5%) were marginally above the provincial average. The Canadian all-items CPI was up 1.0%, as price levels increased in all provinces except PEI (-0.6%).
Source: Statistics Canada

- **Canadian industrial product prices were up 0.7% in October, compared to a year earlier.** The effect of the exchange rate on export prices quoted in US dollars was the primary factor contributing to the increase. Excluding the exchange rate effect, industrial prices would have been down 2.4% from October 1997.

On a month-to-month basis, industrial prices increased 0.7% between August and September, but would have declined 0.2% if the ex-

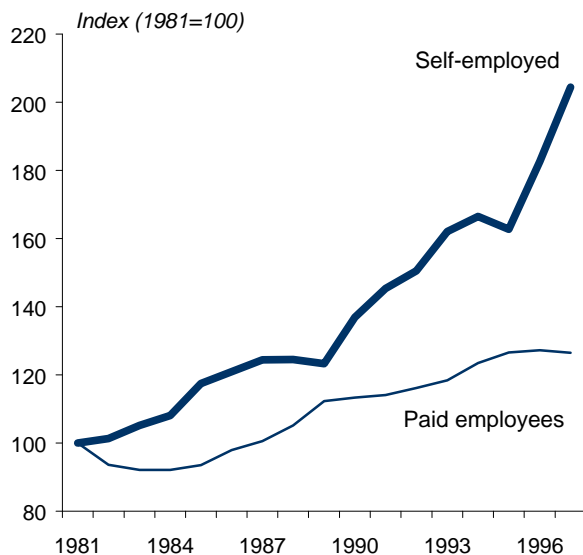
change rate had not worsened. Softwood lumber prices edged down 0.7% in October. Domestic prices fell 1.3%, but export prices, buoyed by the strong US dollar, were down 0.5%.

Source: Statistics Canada

- **Self-employment in British Columbia advanced 6.4%, to 396,000 in October, marking the fourth consecutive month in which the number of self-employed has increased from the same month of 1997.** Self-employment growth continued to be due to an increase in the number of people working without paid help (+13.9%), who make up two-thirds of the self-employed workforce. There were 6.2% fewer self-employed people with paid help this October than in October 1997.

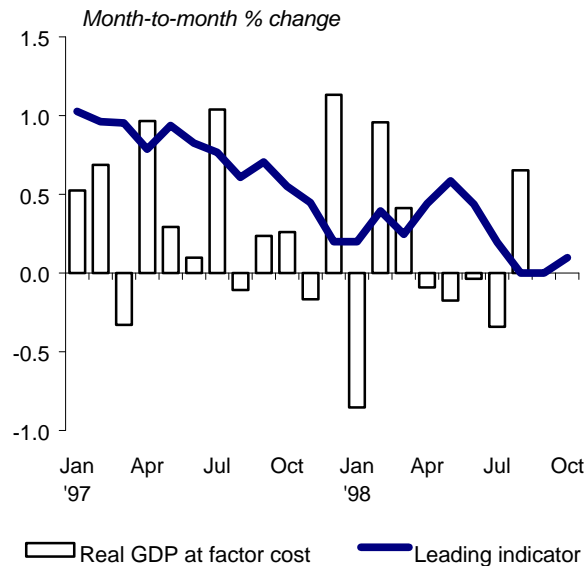
Source: Statistics Canada

The number of self-employed workers in BC has doubled since 1981



- **Since 1981, the number of self-employed workers in British Columbia has doubled, increasing more than in any other province.** In 1997, one in five workers in BC was self-employed. This compares to one in seven in 1981. Ontario (+81% over this period) has also seen significant gains in self-employment workers during this period. Nationally, the number of self-employed has grown by about two-thirds since 1981. Source: Statistics Canada

Canada's composite leading indicator improved in October after stalling during the summer



- **Canada's composite leading indicator edged up 0.1% (smoothed) between September and October, following two months of no change.** Six of the ten component indices were up, led by new orders for durable goods (+0.8%) and financial markets (the money supply was up 0.7%). Offsetting these increases was a decline in the TSE 300 stock price index (-4.2%, smoothed), which was still hampered by sharp declines earlier this year. However, the TSE is beginning to regain some of the ground it has lost since May. Most of the indicators of household demand continued to improve. Demand for personal services buttressed the overall growth of services employment, and spending on durable goods such as furniture and appliances was up 0.5%. Only the housing market remained insulated from the growth in consumer spending, with the housing index declining (-0.2%) for the fourth straight month.

Source: Statistics Canada