

## Current Statistics ♦ December 1998

- Shipments of goods manufactured in British Columbia continued to improve in October.** The value of shipments increased 2.0% (seasonally adjusted) from September, to \$2.9 billion. This marked the fifth straight month in which shipments from BC have risen, suggesting that the manufacturing sector may be on the road to recovery. Wood shipments were up for the second month, increasing 5.1%. However, pulp and paper shipments were only moderately higher (+0.4%) than in September, while food manufacturers—the third largest industry in this sector—increased their shipments 0.5%

Nationally, shipments rose 2.1% on the strength of a 10.0% advance in the auto sector, where shipments were boosted by the addition of new assembly lines, new model launches, and the resolution of the GM strike in the United States. Excluding the auto sector, shipments increased only marginally (+0.2%) in October. Three of the four Atlantic provinces posted strong gains, ranging from 6.2% in Nova Scotia to 12.7% in Newfoundland. Shipments were down in all three prairie provinces, with the largest decline occurring in Saskatchewan (-4.7%).

*Source: Statistics Canada*

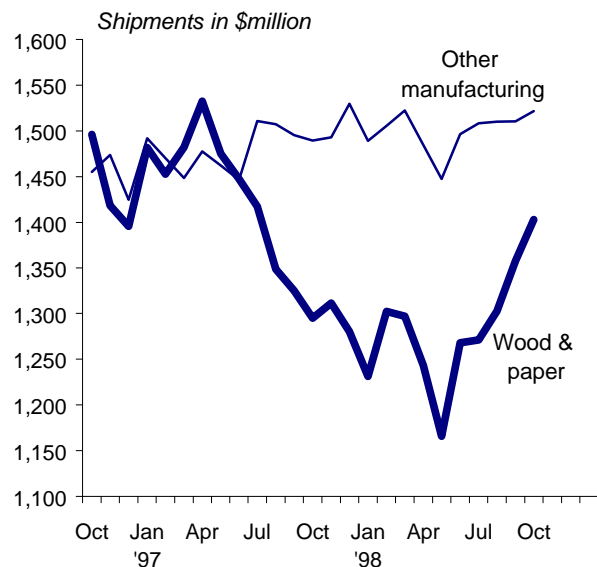
- Weakness in the forest sector has been a major factor in the bumpy ride manufacturers have had during the last two years.** Shipments of wood products have been in a tailspin during most of this period, while paper shipments have remained stagnant. However, after bottoming out in May, shipments of forest products appear to be making a comeback.

In total, other manufacturing industries have seen little growth over the last two years, but some sectors have posted strong gains. Shipments by the transportation equipment industry were 39% higher this October than two years ago, and the miscellaneous

manufacturing (29.7%); machinery and equipment (29.5%), electrical and electronic equipment (22.3%) and clothing (21.2%) industries have all increased their shipments by more than a fifth since late 1996.

*Source: Statistics Canada*

### Forest product shipments are making a comeback



- In 1997, BC provincial general government net debt was \$7.5 billion, or \$1,904 per person.** Total liabilities for the general government sector (government ministries, departments and agencies, including some which are not reported in the consolidated revenue and expenditure fund) were \$69.8 billion, but these were offset by assets of \$62.3 billion.

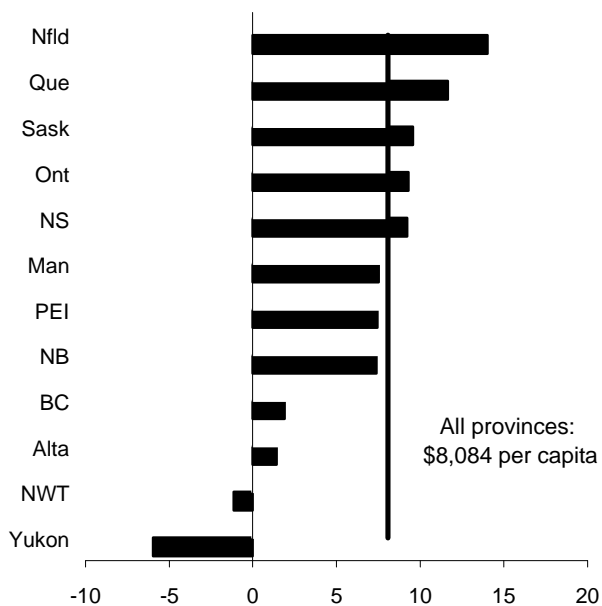
*Source: Statistics Canada, FMS data*

- Alberta (\$1,427) was the only province with a lower per capita debt.** The two territories both had more assets than liabilities (there was a net surplus of \$5,969 per person in Yukon and \$1,162 in NWT). In the rest of the country, per capita debt levels ranged from \$7,532 in Manitoba to \$14,018 in Newfound-

land. The average for all provinces and territories was \$8,084—four times the debt load in BC.

Source: Statistics Canada, FMS data

**On a per capita basis, the provincial government's net debt is about a quarter of the national average**



Per capita provincial/territorial net debt (\$ '000), 1997  
Source: Statistics Canada, Financial Management System

- **There were an average of 326,760 British Columbians working in the federal, provincial and local government sectors during the period from July to September.** This was marginally higher (+0.3%) than in the third quarter of 1997. Increased employment in health and social services institutions (+4.0%) and in schools, colleges and universities (+0.8%) offset declines in the number of people working in federal (-2.1%), provincial (-3.3%) and local (-3.0%) offices and agencies. Crown corporations (+2.3%) also had more staff than in the third quarter of last year.  
Source: Statistics Canada, Public Institutions Division
- **There were 81 public sector employees for every 1,000 people living in the province in the third quarter.** This compares to 82 in the third quarter of 1997. Relative to their population, Ontario (80 employees per 1,000) and

BC (81) had the smallest public sectors in the country. The Canadian average was 89. During the last few years, most governments have been paring down the public payroll. In BC, there were 97 public sector workers for every 1,000 residents at the beginning of the decade. The national average has fallen from 109 to 89 during this period.

Source: Statistics Canada, Public Institutions Division

- **Canadian industries operated at 83.5% of their full capacity in the third quarter of 1998 as capacity use fell for the second time this year.** Capacity utilization rates were 3.3% below the peak level reached during the economic expansion of 1988. Industry use of existing plant and equipment had been climbing steadily since mid-1995. During the period since 1986, the lowest capacity utilization rate was reached early in 1991, when the rate fell to 77.9%. Utilization rates were down in four of the five major goods-producing industries. The largest decline was in the logging and forestry sector, where about a quarter of the production capacity was idle.  
Source: SC, The Daily

**Capacity utilization rates declined for the second straight quarter**

