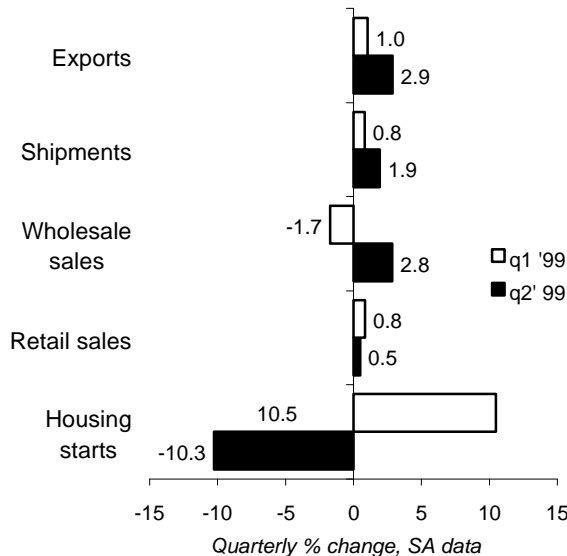


Current Statistics ♦ August 1999

Wholesale sales, manufacturing shipments, and exports improve in 2nd quarter



- **Exports (seasonally adjusted) were up 2.9% in the second quarter.** This was the strongest quarterly growth since the third quarter of 1998. Exports have been up consistently since the second quarter of 1998.

In the second quarter, growth in exports to the US (+6.6%) offset a modest decline the value of exports shipped to the rest of the world. Strength was seen in the value of US exports of all the major commodity groups, including a 7.2% jump in the value of forestry and related products.

Source: BC STATS & Statistics Canada

- **Total manufacturing shipments climbed (seasonally adjusted) 1.9%.** While manufacturing shipments have been on the upswing since the third quarter of last year, growth in the second quarter of 1999 was up from the 0.8% seen in the first quarter.

Shipments by the wood industry were up 6.6%, partly due to higher prices. In the pa-

per industry, which has faced lower prices for products such as newsprint, shipments were down 3.0%.

Nationally, the value of manufacturing shipments rose 1.6% between the first and second quarters of this year. Nova Scotia (+9.7%), Alberta (+8.4%) and New Brunswick (+7.5%) posted increases in excess of five percent. In the rest of the country, shipments grew more moderately, at rates ranging from 0.3% in Quebec to 4.7% in Newfoundland. Shipments were down in Manitoba (-0.9%) and Saskatchewan (-2.1%).

Source: Statistics Canada

- **Wholesale sales in BC rose 2.9% (seasonally adjusted) between the first and second quarters.** This compares to a 2.1% increase at the national level.

Source: Statistics Canada

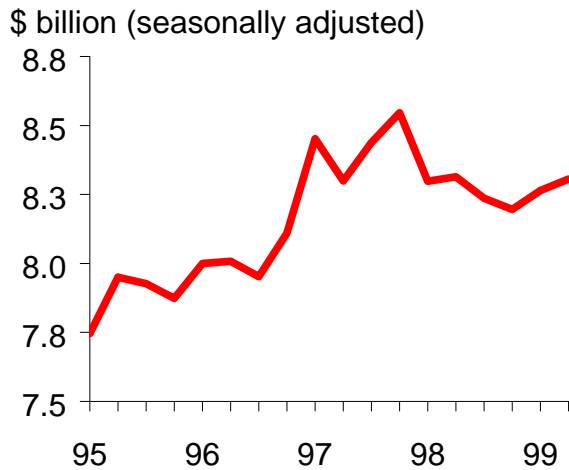
- **Housing starts faltered in the second quarter, following the first quarter's upswing.** Housing starts were down 10.3% in the second quarter. The first quarter saw housing starts jump 10.5%, the first increase since the second quarter of 1997.

Source: Canada Mortgage & Housing Corporation

- **Retail sales in BC were up a modest 0.5% (seasonally adjusted) in the second quarter.** After dipping during the last two quarters of 1998, retail sales grew in the first and second quarters of 1999. The gains have not yet pushed retail sales to the peak levels recorded in 1997.

Source: Statistics Canada

Retail sales slowly recovering



- British Columbia's consumer price index (CPI) rose 1.4% during the 12-month period ending in July. The year-over-year increase in the CPI was the largest since January 1996. Prices were up in six of eight major expenditure categories, at rates ranging from 0.6% for alcohol and tobacco products to 4.6% for transportation. The large increase in the cost of transportation was due to a 14.0% hike in gasoline prices and an 11.2% jump in the cost of intercity (mainly air) transportation, combined with smaller, but still significant, increases in other transportation-related prices.

Canada's inflation rate was 1.8% in July. Among the provinces, inflation rates were lowest in Saskatchewan (+1.2%), BC, Newfoundland and PEI (all at +1.4%). Residents of Alberta, New Brunswick and Manitoba faced the biggest increase in the overall price level (+2.1%). Vancouver's CPI was up 1.0% from July 1998, less than in any other metropolitan area. The inflation rate in Victoria was 1.5%.

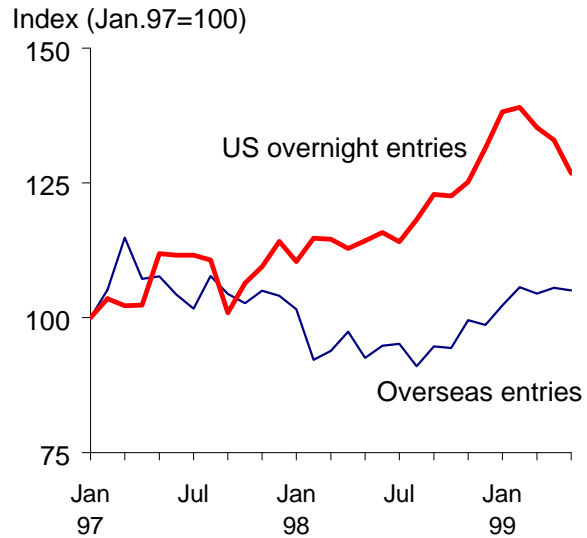
Source: Statistics Canada

- Tourism room revenue in BC was down for the second straight month in April, falling to 1.7% (seasonally adjusted) below the March level. The decline in revenue may have been related to a drop (-0.9%, seasonally adjusted) in the number of overnight visits to BC from the United States. Visits from the US had soared during the winter months, boosting room reve-

nues, but the downturn in March and April suggests that volumes may be returning to more normal levels.

Source: BC STATS

Overseas entries up, US overnight down (seasonally adjusted)



- The number of Americans entering Canada via BC for a stay of one or more nights fell for the fourth straight month in June. There were 8.8% fewer Americans crossing the border than in May, bringing the number to its lowest level since July 1998.

Overseas entries to Canada via BC were also down in June (-2.8%). After four months of growth, the number of Asian entries was off 1.4%. The number of entries from Europe was also down.

Source: BC STATS & Statistics Canada