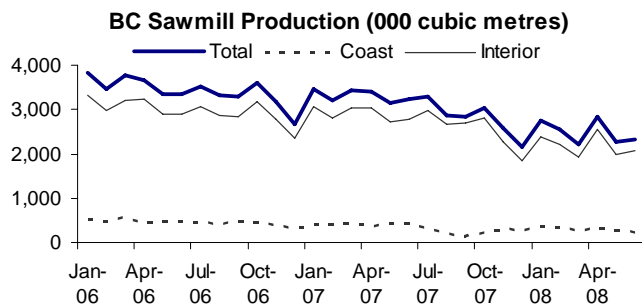


Current Statistics ♦ September 2008

- **Sawmills and planing mills in the province produced 28.1% less lumber this June than in the same month last year.** Mills in the Interior slowed their output by 25.5%, while production at coastal mills was down even more substantially (-44.9%). Canadian lumber production tumbled 24.7%, as both BC and Quebec (-15.1%) posted big declines. Year-to-date, BC sawmills have accounted for over half (51%) of the lumber production in Canada.

Data Source: Statistics Canada



- **British Columbia's unemployment rate inched down again in August, falling to 4.3% (seasonally adjusted).** The latest decline in the jobless rate was largely due to a slight contraction of the labour force (-0.1%, or -2,800 people). Employment was virtually unchanged (+0.0%) from July.

More men (+1.1%, *seasonally adjusted*), but fewer women (-1.2%) in BC were working in August. The number of men with jobs has been increasing since the beginning of the summer, as most of the recent job growth has occurred in goods industries which traditionally employ more men than women.

There were fewer full-time (-1.0%), but more part-time (+4.5%) jobs available, and the number of self-employed workers increased significantly (+2.4%) for a third straight month. However, public sector employment was down 2.5%.

The youth unemployment rate rose to 8.2%, while the jobless rate for those aged 25 and over fell 0.3 percentage points to 3.5%.

Data Source: Statistics Canada

- **The value of BC origin exports stalled (-3.1% seasonally adjusted) in July, following three consecutive months of increases.** Energy exports declined 5.8%, reflecting the effect of lower export prices for gasoline. Shipments of industrial & consumer (-9.4%) and agriculture & fishing (-3.0%) products were also down from June. However, forestry (+4.0%) and machinery & equipment (+0.6%) exports showed more promise. Exports to the US were off 4.1%, as shipments of energy (-16.1%), agriculture & fish (-4.5%) and machinery & equipment (-2.1%) all slipped. Increases in exports of forestry (+1.3%), and industrial & consumer products (+4.3%) south of the border were unable to offset the declines. Shipments to destinations other than the US fell 2.0%, largely because of a sharp downturn in exports of industrial & consumer (+20.7%) products.

Data Source: Statistics Canada & BC Stats

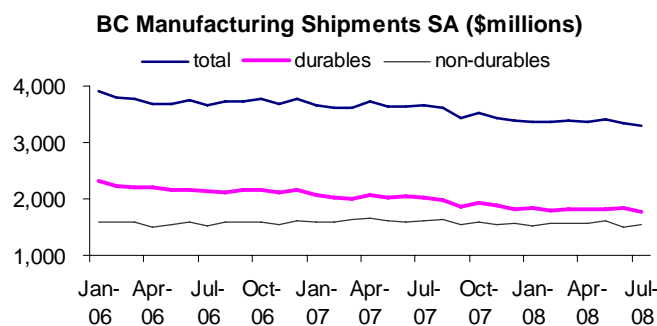
- **Housing starts in the province showed continued volatility in August, falling 10.5% (seasonally adjusted), more than reversing a 4.8% climb in the previous month.** Canadian starts were up 13.1%, with many provinces posting double-digit growth. PEI (+75.0%) and Newfoundland (+72.2%) recorded the most substantial rises, but a 51.7% upsurge in Ontario had the biggest impact on the national increase. Starts were off in Quebec (-1.4%), Nova Scotia (-2.9%) and Alberta (-21.0%).

Data Source: Statistics Canada

- **The value of building permits issued in British Columbia slipped 19.0% (seasonally adjusted) in July, as planned spending on both residential (-7.1%) and non-residential (-37.6%) projects declined.** In Abbotsford, permits were

up 52.6%, one of the most significant increases in the country. However, Kelowna (-34.1%), Vancouver (-32.3%) and Victoria (-1.9%) all posted decreases. *Data Source: Statistics Canada*

- **Shipments of goods manufactured in the province fell 1.2% (seasonally adjusted) between June and July.** Durable products continued to see-saw as producers saw shipments decline (-3.9%). The value of wood shipments (-3.8%) decreased as manufacturers continued to face low prices for softwood and other wood products. BC producers of primary (-8.0%) and fabricated (-11.2%) metals and machinery (-3.8%) also posted significant drops. Conversely, on the non-durables side, shipments of food (+1.9%) and paper (+3.0%) were notably higher than in June. Overall, non-durables shipments were up 2.1%. *Data Source: Statistics Canada*



- **British Columbia's wholesalers saw sales in the province slip 0.9% (seasonally adjusted) to \$4.3 billion in July.** Total Canadian sales were 2.3% above the June level, as strength in the other large provinces well outweighed decreases in BC and parts of Atlantic Canada. Alberta, where sales of agricultural products were high, recorded its third double-digit growth (+10.4%) of the year. In Ontario (+2.6%), sales were pushed up by strength in the automotive sector. *Data Source: Statistics Canada*

- **Sales by retailers in the province continued to seesaw in July, slipping 0.8% (seasonally adjusted) to \$4.8 billion.** Across the country, gains in retail sales were seen in six provinces, most markedly in New Brunswick (+3.0%) and Newfoundland & Labrador (+2.2%). Other than

BC, sales were off in Alberta, Manitoba (each -0.8%) and PEI (-1.0%).

Nationally, retailers saw sales inch down (-0.1%) as a decline in the automotive sector was offset by strength in five of the seven other major sectors. *Data Source: Statistics Canada*

- **British Columbia's year-over-year inflation rate remained at 3.3% in August.** Soaring energy costs (+23.4%), particularly gasoline (+30.7%), kept the inflation rate at its highest level since March of 2003. Excluding energy, the Consumer Price Index (CPI) was up 1.5% in August.

Food bills were 3.9% higher as the cost of meals at restaurants rose 2.8% and the price of groceries was up 4.5%. Shelter costs (+4.0%) were also on the rise, as prices for both owned (+2.7%) and rented (+2.1%) accommodations climbed. Increases in the cost of electricity (+4.1%), water (+9.0%), piped gas (+20.7%) and fuel oil (+40.3%) were all substantial, leaving the overall cost of household utilities significantly higher (+12.8%) than in the same month last year. On the other hand, homeowners did get some relief in the cost for household furnishings & equipment (-1.9%).

Transportation costs were up 7.4% in August, fuelled by the hike in the price of gasoline (+30.7%). The cost of operating (+16.2%), insuring (+5.2%) and maintaining (+1.6%) a vehicle more than outweighed the decreases in the cost of purchasing and leasing an automobile (-7.1%).

British Columbians were forced to dig deeper into their wallets for alcohol & tobacco products (+1.4%) as well as health & personal care (+0.7%) and education & reading (+1.4%) materials. However, prices for clothing (-1.0%), footwear (-1.8%) and recreation equipment & services (-6.5%) continued to fall. *Data Source: Statistics Canada*