

highlights

a weekly digest of recently released British Columbia statistics

Labour Market

- **Employment in British Columbia rose by 0.8% in March (seasonally adjusted), the highest monthly growth rate of any province.** Despite the increase of 14,000 jobs, the unemployment rate increased to 9.9% from 9.7% a month earlier. The reason for the deterioration in the unemployment rate was that the employment increase was more than offset by an increase in the number of people who wanted to work.

Adult women benefited most from the growth in employment, as employment of adult men declined and youth employment was flat. For adult women, part-time employment grew more strongly than full-time work and this was reflected in strong growth in retail and wholesale trade, where part-time work is common.

Employment in the country as a whole was up only marginally (+0.1%). In addition to BC, gains in Quebec (+0.6%), Manitoba and Prince Edward Island (both +0.5%), and Ontario (+0.1%) were offset by declines in the rest of Canada.

Source: Statistics Canada

- **The number of help-wanted ads in British Columbia newspapers continued to decline in March.** The province's help-wanted index fell 3 percentage points, to 114 (1996=100). Nationally, the help-wanted index rose from 136 in February to 138 in March.

BC's help-wanted index stood at the same level this March as it did twelve months previously. In the rest of Canada, the help-wanted index has advanced at an average rate of 19%, with increases ranging from 13% in Prince Edward Island to more than 20% in

New Brunswick, Quebec, Ontario and Manitoba.

Source: Statistics Canada

The Economy

- **The value of building permits issued by BC municipalities decreased 6.7% (seasonally adjusted) in February.** The decline was mainly due to fewer planned residential construction projects. The value of residential permits issued in the province was down 10.8% from January, while non-residential permits decreased only marginally.

Nationally, the value of building permits rose 14.3%, as planned non-residential projects surged ahead 30.5%. Permits for housing construction also increased (+2.1%) in February.

Quebec led the way among the provinces, as construction plans for rebuilding following January's ice storm got underway. Building permits issued in Quebec were up sharply (+56%), and non-residential permits rose 146%. The major factor in this increase was utility building construction plans in the industrial component. In the rest of Canada, Alberta (+81%), Manitoba (+111%), and Nova Scotia (179%) also experienced a boom in planned non-residential construction projects.

Source: Statistics Canada

- **The cost of new housing in the province continued to decline in February.** Vancouver's new housing price index was 4.4% lower than in the same month of 1997, while the index for Victoria was down 3.1%. The Canadian new housing price index rose 1.0% during the same period. The largest price increases for new housing were posted in

Did you know...?

The incidence of stomach cancer in Japan is much higher than in Canada, while prostate and breast cancer are much less common in Japan.

Calgary (+7.5%) and Regina (+5.7%).

Source: Statistics Canada

- **British Columbia exports to Asia continued to decline in January, falling to 46% below the January 1997 level.** Exports to Japan, BC's major Asian market, were down 48%. Exports to China and Hong Kong were down 46%, while South Korean exports declined 29%. The province's total sales to ASEAN nations plummeted to 72% below the January 1997 level. The lone bright spot in Asia was Taiwan, which purchased 17% more goods from BC this January than a year ago.

Source: BC STATS

Skiing

- **During 1996/97, skiers made 4.5 million visits to ski resorts in the province.** This was up 8.1% from the previous year, when there were 4.2 million skier visits to BC downhill skiing facilities.
- **During the last 20 years, BC's share of the regional market (BC, Alberta, Washington, Montana and Oregon) has increased from 22% to 42%.** The increase in BC's market share is due to strong growth in the number of skier days at BC facilities, which have more than tripled during the last twenty years. In most other parts of the regional market, the number of skiers has increased, but at a slower rate. In Alberta, for example, there were twice as many skiers in 1996/97 as there were twenty years earlier.

Source: BC STATS

Airport passenger volume

- **Passenger traffic through Victoria's airport continues to boom.** In March, 102,000 passengers travelled through the airport, an increase of 11.2%. Through the first quarter of 1998, the airport has seen 7.8% more passengers than in the same period of 1997.

Source: Victoria International Airport

Cancer

- **An estimated 129,200 cases of cancer are expected to be diagnosed in Canada during 1998.** About 62,700 Canadians—33,600 men and 29,100 women—are expected to die as a result of the disease this year.

Source: Statistics Canada

- **Lung cancer remains the leading cause of cancer deaths among men.** It is expected that 10,600 men will die as a result of this disease during 1998. More than half of the cancer deaths among men during 1998 are expected to be due to lung, prostate (4,300) and colorectal (3,400) cancers. The mortality rate for the latter two cancers is only about half that of lung cancer. Over a lifetime, 1 in 11 men will develop lung cancer and almost as many (1 in 12) will die of the disease. Prostate cancer has a considerably better prognosis: during a lifetime, 1 in 8 men will develop the disease, but only 1 in 26 will die as a result.

Source: Statistics Canada

- **Lung cancer is also the leading cause of cancer deaths among women.** The disease is expected to take the lives of 6,500 women during 1998, while female breast cancer is expected to result in 5,300 deaths. Colorectal cancer (2,900) is the third most common cause of death among women with cancer. Women remain much less likely than men to develop lung cancer. Over a lifetime, 1 in 21 women will develop lung cancer and 1 in 24 will die as a result of it. In comparison, 1 in 9 women will develop breast cancer and 1 in 25 will die from the disease.

Source: Statistics Canada

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Info line Report:

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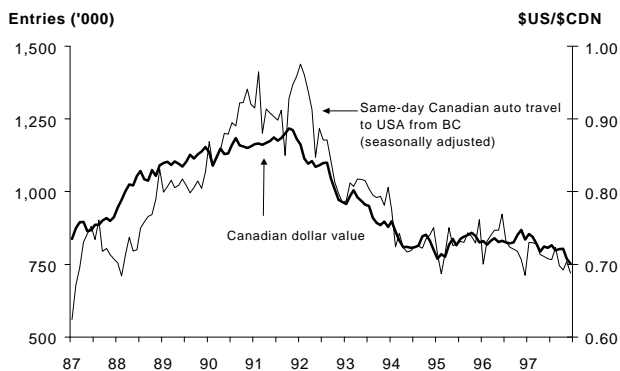
Exchange Rates and Cross-border Travel

Originally published in November 1997 issue of *Tourism Room Revenue*. An annual subscription is \$60 + GST

It is a widely held belief (at least by Canadians) that exchange rates have a profound impact on international travel. But is this in fact true?¹

Same-day travel to USA by Canadians follows dollar

As the chart below shows, the number of Canadians travelling to the USA from BC on a single day automobile trip is strongly affected by the relative value of the Canadian dollar.



A regression analysis reveals that for same-day auto travel to the USA, the exchange rate explains over 70% of the variation in the series. The analysis shows that for every decrease of one cent in the Canadian dollar, 30,000 fewer Canadians will make a same-day trip to the USA from BC each month (and the reverse occurs when the currency increases in value).

¹ This analysis supports the findings of an earlier report prepared by Tourism BC (Victor Li, "The effects of exchange rates and tourism inflation on British Columbia's inbound and outbound travel", Research and Economic Analysis Unit, Ministry of Small Business, Tourism and Culture, December 1994.)

Overnight travel to USA by Canadians remains steady

Overnight trips to the United States show no relationship between exchange rates and the number of travellers. In spite of the steady decline in value of the Canadian dollar since 1992, overnight trips to the USA from BC have remained fairly constant, averaging about 320,000 per month.

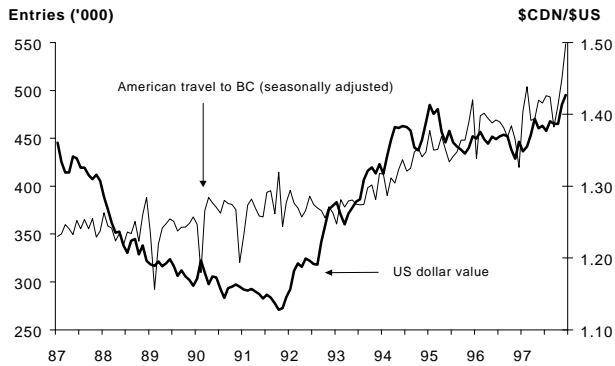
What this indicates is that a strong Canadian dollar causes Canadians to go cross-border shopping, but the value of the dollar isn't an overriding factor in the decision to travel further afield for a vacation.

So it's true, to a limited extent—Canadian travel to the USA is, in part, influenced by the exchange rate. But do travellers from other countries think the same way as bargain-hunting Canucks?

American travel not as susceptible to exchange rate fluctuation

In 1997, 5.9 million Americans crossed the border into British Columbia. This was an increase from 5.5 million the previous year. Did the increase in the value of the US dollar relative to the Canadian currency play a role? The long-term evidence suggests not.

The value of the US dollar fell relative to the Canadian dollar between January 1987 and October 1991, and then rebounded sharply in 1992 and 1993. Since then the exchange rate has seen less extreme variations. Through this 12 year period, entries of Americans to Canada via BC increased steadily, in spite of the fluctuations in the relative value of the currencies.



There is little difference in the pattern between same-day and overnight trips made by Americans.

This suggests that other factors, such as the economic climate in the USA and marketing tactics used by BC, may be more important in influencing American travel to BC, although the record low value of the Cana-

dian dollar seen in early 1998 would certainly not hinder the northward trek of Americans.

Travel to BC from overseas not affected by exchange rate

Like the Americans, visitors from overseas countries also show no evidence of being affected by the exchange rate.

Other factors, such as the economic climate in the source country and interest in BC as a destination, may play a more important role in the changing number of visitors to Canada.




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BC at a glance . . .

POPULATION (thousands)			% change on one year ago
		Jan 1/98	
BC	3,950.7		1.7
Canada	30,425.3		1.0
GROSS DOMESTIC PRODUCT			% change on one year ago
<i>(BC - at market prices - \$ millions)</i>		1996	
Current Dollars	103,631		1.7
Constant (1986) Dollars	74,001		1.0
TRADE (\$ millions)			
Manufacturing Shipments (seas. adj.) Jan	2,740		-7.3
Merchandise Exports (raw) Jan	1,858		-18.1
Retail Sales (seasonally adjusted) Jan	2,791		-0.7
CONSUMER PRICE INDEX			% change on one year ago
<i>(all items - 1992=100)</i>		Feb '98	
BC	109.5		-0.1
Canada	108.3		1.0
LABOUR FORCE (thousands)			% change on one year ago
<i>(seasonally adjusted)</i>		Mar '98	
Labour Force - BC	2,044		2.7
Employed - BC	1,841		1.0
Unemployed - BC	203		20.4
		Mar '97	
Unemployment Rate - BC (percent)	9.9		8.5
Unemployment Rate - Canada (percent)	8.5		9.3
INTEREST RATES (percent)		Apr 1/98	Apr 2/97
Prime Business Rate	6.50		4.75
Conventional Mortgages - 1 year	6.40		5.55
- 5 year	6.85		7.65
US/CANADA EXCHANGE RATE		Apr 1/98	Apr 2/97
<i>(avg. noon spot rate)</i> Cdn \$	1.4173		1.3875
US \$ <i>(reciprocal of above rate)</i>	0.7056		0.7207
AVERAGE WEEKLY EARNINGS			% change on one year ago
<i>(industrial aggregate - dollars)</i>		Jan '98	
BC	612.78		0.4
Canada	604.17		1.6
SOURCES:			
Gross Domestic Product: Statistics Canada, revised by BC STATS			
Population, Trade, Prices, Labour Force, Earnings: Statistics Canada			
Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics			

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BC Economic Accounts 1987-1996

This detailed accounting of economic activity in the province is an essential resource for anyone wanting to develop an understanding of the structure of the economy. It is also a firm starting point for those seeking to model or project economic scenarios. The introductory notes for the publication provide an accessible overview and interpretation of trends in BC's economy during the last two decades. These notes are now found on our Internet site at:

<http://www.bcstats.gov.bc.ca>

Business/Economics

The 170 page paper publication includes the write-up and tables for the years 1987-1996. It may be purchased for \$20 plus GST.

The diskette version includes only the data tables but covers the entire period from 1961 to 1996 and may be purchased for \$75 plus GST.

If you wish to know more about the publication or to order a copy, please contact Kris Ovens at

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Note

The interest and exchange rates shown on this page are not updated as *Weekly Financial Statistics* was not updated as we "went to press".

Released this week by BC STATS

- No subscription releases

Next week

- Labour Force Statistics, March 1998