

highlights

a weekly digest of recently released British Columbia statistics

Prices

- **British Columbia's all-items consumer price index (CPI) was 2.4% higher in December than in the same month of 1999.** This marked the sixth straight month in which the inflation rate has stayed close to or above two percent. Inflation rates have been creeping up in every region of the country except NWT, where they have remained fairly stable during the last year. The territory was the only region where the year-over-year inflation rate (1.6%) in December was lower than in BC.

Nationally, the overall increase in the price level remained at 3.2% in December. In the rest of the country, inflation rates ranged from a low of 2.5% in Yukon to a high of 4.0% in Saskatchewan.

Source: Statistics Canada

- **Clothing and footwear (-0.9%) was the only commodity group for which prices in December were lower than they had been a year earlier.** The cost of household operations (communication services, furniture, equipment and supplies) rose marginally (+0.3%). Food prices in the province were up (+1.4%) for the second month in a row. Prices for other types of commodities increased at rates ranging from 1.8% for recreation, education and reading materials to 5.7% for transportation.

Transportation costs in BC increased 2.5 percentage points more than the national average in December, largely because the cost of gasoline rose at more than double the national rate, but also due to higher prices for local and commuter transportation.

Source: Statistics Canada

- **Gasoline (+26.2%), piped gas (+34.0%) and fuel oil (+28.5%) prices all increased by more than a quarter during the twelve-month period ending in December.** Year-over-year price in-

creases for gasoline have stayed near or above 20% since mid-1999. Excluding energy products, BC's inflation rate would have been 1.2% in December.

Source: Statistics Canada

- **Price increases for gasoline and other energy products have been higher in BC than in the country as a whole.** Energy products in BC cost consumers 20.0% more this December than they did a year earlier. The Canadian energy products price index was up only 13.6%. Similarly, gasoline prices nation-wide have not risen as steeply (+11.7%) as they have in BC (+26.2%).

The reason BC continues to have one of the lowest inflation rates in the country is that prices for other goods and services have not risen as much here as they have elsewhere. Canada's inflation rate excluding energy prices was 2.2% in December, nearly double the 1.2% increase that occurred in BC.

Source: Statistics Canada

- **Residents of Victoria have fared better, in terms of price increases, than those in other parts of the province during the last few months.** The capital city's inflation rate was 2.2% in December, lower than in any other metropolitan area. The inflation rate in Vancouver was 2.9%. Calgary's inflation rate (4.1%) was the highest in the country.

Source: Statistics Canada

- **Annual inflation data show similar trends.** The province's annual inflation rate was 1.9% last year, up from 1.1% in 1999, and the highest it has been since 1995, when the inflation rate was 2.3%. Relative to 1999, food prices were down 0.5%, but prices for all other commodity groups rose. Excluding energy, BC's annual inflation rate last year would have been just 0.7%.

Did you know...

Canadian grade 8 students get an average of 150 hours instruction in math each year. Students in BC spend the least time (132 hours) learning math, while those in Newfoundland (174 hours) spend the most. The other provinces are within an hour or two of the national average.

Vancouver's all-items price index rose 2.2%, and the inflation rate in Victoria was 1.7%, less than in any other city.

Source: Statistics Canada

The Economy

- **Exports of BC products increased 16.6% in November 2000, compared to the same month of 1999.** The growth in the value of BC's exports was largely due to a sharp rise (+87.1%) in energy products, which was undoubtedly related to BC's exports of electric power to California and other states. Forest product exports were only marginally (+1.9%) higher than in November 1999. However, shipments of industrial goods (+35.3%), consumer goods (+16.5%) and agriculture and fish products (+12.3%) posted strong gains. BC's international shipments of automotive products were down (-35.4%) for the ninth month in a row.

Year-to-January 19, the value of BC's exports was up 12.1% from the first eleven months of 1999. Energy products (+50.2%), industrial (+20.4%) and consumer (+20.4%) goods exports posted the strongest increases. Forest product exports were 5.3% higher than in 1999.

Source: Statistics Canada

- **Among the provinces, exports in most parts of the country were well above 1999 levels during the first eleven months of the year.** Ontario (+6.2%) was the only province to see below-average export growth. BC (+12.1%) and Quebec (+18.7%) were the only other provinces where exports rose less than 20% during the period from January to November. Oil-rich Alberta (+54.7%) and Newfoundland (+37.4%) registered the biggest increases. Nationally, the value of exports was up 15.6% over the first eleven months of 1999. Source: Statistics Canada
- **Restaurant, caterer and tavern receipts in the province continued to improve in November, increasing to 14.2% above the November 1999 level.** This marked the tenth straight month in which revenues have risen. Revenues at drinking places in the province also continued to grow, rising 6.2%. Full-service restaurants in the province did particularly well during most of last year. Since February, increases in receipts at these establishments have ranged from a low of 10.1% in May to November's 17.3% gain. Canadian restaurant,

caterer and tavern receipts were up 9.9% in November.

Source: Statistics Canada

- **The number of new motor vehicles sold in BC rose 1.8% (seasonally adjusted) between October and November.** Sales were up in all provinces except Manitoba and Alberta, with five provinces showing increases of at least 6%. Nationally, sales rose 3.4%. However, compared to November 1999, new vehicle sales were down 3.3% nationally and in all provinces except PEI (+4.0%) and BC (+3.7%). Source: Statistics Canada
- **Wholesale sales in BC fell 0.2% between October and November (seasonally adjusted).** This made November the 8th consecutive month that sales have declined or increased only marginally. BC was not alone in reporting a drop in sales. Five other provinces: Saskatchewan (-5.5%), Manitoba (-2.2%), Ontario (-1.4%), Nova Scotia (-0.9%) and New Brunswick (-0.3%) also posted declines for the period. Wholesale sales nationally fell 0.7% largely due to drops in the automobile and computer sectors, although an additional four of the eleven trade groups also posted lower sales. Source: Statistics Canada

Cable Internet access

- **In 1999, there were 364,000 households in Canada with subscriptions to cable Internet services.** A fifth (71,000) of these households were located in BC and the territories. Canadians have plugged into this type of service more than their neighbours to the south. The US, which has a population roughly ten times that of Canada, had just over four times (1.6 million) as many cable Internet subscribers. Nearly half (45%) of all Canadian households with access to cable services could, if they chose, subscribe to cable Internet services. In the US, this was true for less than a third (30%) of all households.

Source: Statistics Canada, Catalogue 56F004MIE, No 2

highlights, Issue 01-03
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Infoline Report: BC unions continue to receive the

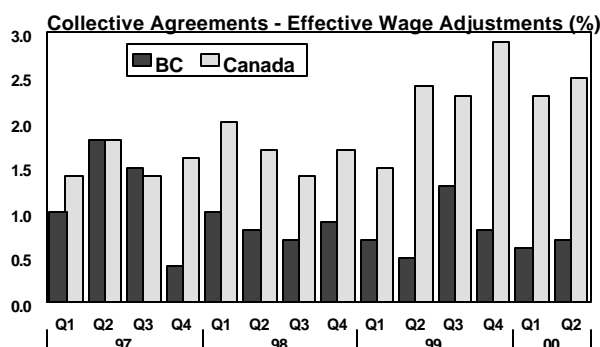
Contact: Anne Kittredgel / (250) 387-0374

lowest wage settlements in the country

Originally published in the October 2000 issue, *Earnings & Employment Trends*. Annual subscription: \$60 + GST

Data released in the fall 2000 edition of *Workplace Gazette*¹ show that wage settlements in British Columbia have been perpetually below the Canadian average since the fall of 1997.

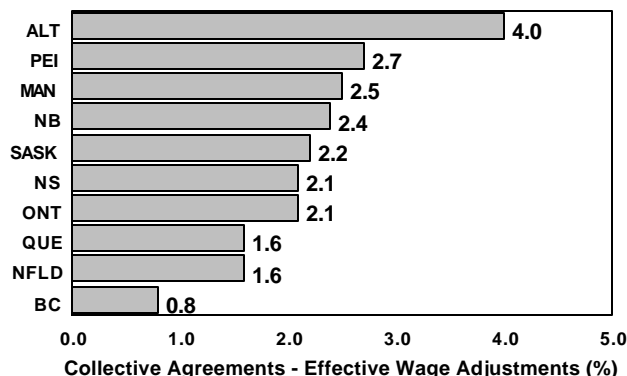
Since 1997, BC collective agreement wage settlements have been losing ground compared to the rest of Canada



The extent of this gap has been increasing. In recent months, from January to June 2000, the rest of Canada saw wage settlements approximately 4 times those of BC.

It is not just the booming provinces of Alberta and Ontario that are pushing up the Canadian average. In fact, since 1998 BC has seen considerably lower wage settlements than every other province across the country. The chart below shows the variation between province for 1999.

Inter-provincial comparisons show that BC's wage increases have been well below all other provinces -- 1999.



The chart shows that Alberta unions have been very successful at bargaining wage increases – wage gains above the 3 per cent level have become the norm for that province.

Furthermore, since 1999, the divergence among the provinces is even more severe. In the first six months of 2000, BC is once more at the bottom, gaining only 0.6 per cent, Ontario and Quebec are edging closer to the 2.5 per cent level and Alberta, again at the top, is registering a 5 per cent wage boost.

Further analysis shows that BC wage settlements have not kept up in either the private or public sector. Recently the private sector in BC has been receiving wage adjustments in the 1.3 per cent range which is half the 2.6 per cent for Canada as a whole. While that gap is substantial, the public sector gap between BC and Canada is much larger.

The adjacent chart shows the extent of the gap in wage settlements over the past year between the public sectors in BC and the rest of the country. For that time frame, all provinces except BC have received an average settlement of greater than 2 per cent while BC has averaged 0.7 per cent.

¹ Produced by Human Resources Development Canada showing the effective (including COLA) annual average wage adjustment over the life of the contract from collective agreement settlements in Canada which cover 500+ employees. The effective wage adjustment is based on the "base rate" which is for the lowest paid classification of qualified workers in the bargaining unit.

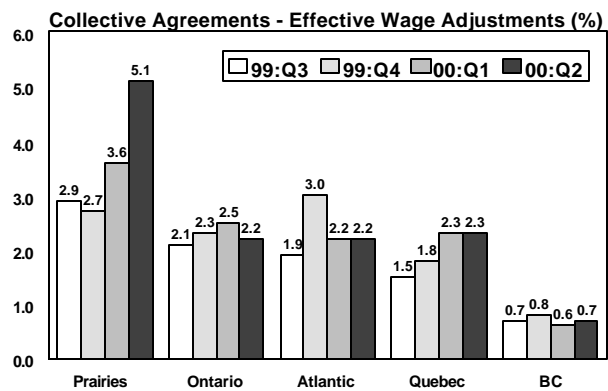
The “public sector” is defined as bargaining units that negotiate wages with non-commercial employers who are part of, or an agent of, the government. Examples of jobs that fall within this category are:

- ❑ public school teachers
- ❑ hospital nurses
- ❑ university and college staffs
- ❑ staff of social services businesses
- ❑ provincial government employees
- ❑ municipal government employees

While federal government settlements are included in the Public Sector, their data is not under the provincial breakouts but rather under the separate category of “federal jurisdiction”. On average, the “federal” public sector has consistently had wage adjustments exceeding 2 per cent from 1998 on.

It should be kept in mind that because many collective agreements are in effect for two and three years, the wage adjustment numbers settled in the last year could well still be in effect in 2001 and 2002.

Recently, in the Public Sector, every other province in Canada has been receiving wage adjustments at least 3 times the level of those for BC



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BC at a glance . . .		
POPULATION (thousands)		% change on one year ago
	Oct 1/00	
BC	4,072.5	0.8
Canada	30,714.7	0.8
GDP and INCOME		% change on one year ago
(BC - at market prices)	1999	
Gross Domestic Product (GDP) (\$ millions)	118,783	4.2
GDP (\$ 1992 millions)	104,323	2.1
GDP (\$ 1992 per Capita)	25,899	1.3
Personal Disposable Income (\$ 1992 per Capita)	16,700	0.0
TRADE (\$ millions)		
Manufacturing Shipments (seas. adj.) Oct	3,108	-2.5
Merchandise Exports (raw) Oct	2,653	4.4
Retail Sales (seasonally adjusted) Oct	2,977	5.4
CONSUMER PRICE INDEX		% change on one year ago
(all items - 1992=100)	Dec '00	
BC	114.3	2.4
Canada	115.1	3.2
LABOUR FORCE (thousands)		% change on one year ago
(seasonally adjusted)	Dec '00	
Labour Force - BC	2,123	1.5
Employed - BC	1,973	2.3
Unemployed - BC	150	-8.0
		Dec '99
Unemployment Rate - BC (percent)	7.1	7.8
Unemployment Rate - Canada (percent)	6.8	6.8
INTEREST RATES (percent)	Jan 17/01	Jan 19/00
Prime Business Rate	7.50	6.50
Conventional Mortgages - 1 year	7.40	7.60
- 5 year	7.75	8.55
US/CANADA EXCHANGE RATE	Jan 17/01	Jan 19/00
(avg. noon spot rate) Cdn \$	1.5121	1.4523
US \$ (reciprocal of the closing rate)	0.6617	0.6888
AVERAGE WEEKLY WAGE RATE		% change on one year ago
(industrial aggregate - dollars)	Dec '00	
BC	638.01	0.8
Canada	621.24	2.9
SOURCES:		
Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada		
Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics		
For latest Weekly Financial Statistics see www.bank-banque-canada.ca/english/wfsgen.htm		

Web site improvements

We have made some changes to our site that should help you locate information more efficiently. As always, we welcome your comments.

The **Search** tab on our top-level banner pages takes you to a new page that includes four different approaches to locating files or services:

A-Z is our renamed 'Detailed Subjects List', a handy way to find things like *Consumer Price Index*.

Subjects is our broad subject approach that partly follows the organizational structure of BC STATS.

Regions is a geographic based search that offers up our maps and data that are organized by location. Note that many of our tables available through **A-Z** have a geographic dimension but cannot be reached through **Regions**.

Off-the-Shelf Reports & Publications is a new listing of many of our larger, multi-dimensional products. Often clients require only a particular geographic 'slice' of several different products. While we have long provided such a service we have never published a complete description of the possibilities. This is our remedy for that shortcoming.

The **Reports & Publications** tab on our top-level banner pages takes you to a completely revised presentation where, for each listing, descriptions, samples, previous articles, and more are only a click away.

Released this week by BC STATS

- Consumer Price Index, December 2000
- Tourism Sector Monitor, August – December 2000

Next week

- Business Indicators, January 2001
- Current Statistics, January 2001
- Earnings & Employment Trends, Dec. 2000