

highlights

a weekly digest of recently released British Columbia statistics

Private and Public Investment

- **Investment by private and public sector establishments in the province is expected to fall slightly (-1.2%) this year, based on a survey of businesses, governments and institutions taken between October and January.** Spending on machinery and equipment is forecast to show little change (+0.3%), but investment in structures is expected to decrease 1.9% during 2001, despite a predicted improvement (+4.3%) in the residential construction sector. Excluding housing, total investment in structures is expected to fall 6.3% this year. *Source: Statistics Canada*
- **Public sector investment is forecast to increase 2.8%, largely due to a 6.2% rise in purchases of machinery and equipment.** Spending on structures is expected to increase more modestly (+1.4%). However, private sector establishments that were surveyed presented a less optimistic outlook. They anticipate that investment will fall 2.2% as they hold the lid down on machinery and equipment (-1.0%) purchases while investing 2.9% less in structures. *Source: Statistics Canada*
- **Ontario (+5.2%), Alberta (+2.2%), Quebec (+0.5%) and the north are the only regions where an increase in investment spending is anticipated during 2001.** In four of the provinces, investment is expected to decrease marginally (at rates ranging from -0.2% in Nova Scotia to -1.2% in BC). Investment in the rest of Atlantic Canada is forecast to be well below 2000 levels. Nationally, investment spending is expected to rise 1.7% during 2000. It is anticipated that both public (+3.4%) and private (+1.4%) sector investment will increase slightly. *Source: Statistics Canada*

The Economy

- **The value of BC product exports rose 13.2% last year, marking the second straight year of double-digit export growth.** Exports were up almost across the board, with automotive products (-20.9%) being the lone exception. The biggest increase was in energy products (+66.5%). BC exporters of industrial (+20.1%) and consumer (+16.3%) goods also posted strong gains during 2000. Forest product exports were up 4.2%.
Nationally, exports grew 15.9% last year. Substantial gains were seen in every province except Ontario (+5.1%). BC had the second-lowest growth rate. In the rest of the country, exports rose at rates ranging from 19.2% in Quebec to 59.9% in Alberta, where gains were fuelled by the energy sector. Last year, the value of Alberta's energy product exports (\$34.7 billion) was greater than its total exports in 1999 (\$34.6 billion). *Source: Statistics Canada*
- **Exports to virtually all of BC's major markets increased last year, but the strongest gains were made in the smaller markets.** International shipments to the Pacific Rim excluding Japan picked up 21.6%, while exports to western Europe rose 34.8%. Exports to the US, the destination for two-thirds of BC's international shipments, rose more moderately (+10.7%), as did sales to Japan (+7.8%), BC's second biggest export market. These four regions together accounted for 98% of BC's total exports in 2000. *Source: BC STATS*
- **Shipments of goods manufactured in the province rose 3.9% last year.** Overall, shipments of non-durables were up 8.0%, while durable shipments edged up 1.0%. Manufacturers of paper and related products had another good year, with shipments rising 24.0%, partly because of higher prices. Wood shipments grew only marginally

Did you know...

In 1996, Canadian livestock produced an estimated 361 million kilograms of manure each day—totalling more than 132 billion kg for the year. Manure production is most concentrated in parts of southern Ontario and Quebec. South-central Alberta, southern Manitoba, PEI and the west Fraser River area in BC also have high concentrations. Most of the manure comes from beef (52%) and dairy (19%) cattle.

(+0.8%), and the food industry (-0.7%) recorded its fourth straight annual decline. Machinery and equipment (-7.3%) and transportation equipment (-15.2%) manufacturers did not fare well in 2000, but producers of electrical and electronic products (+15.2%) bounced back from a poor showing in 1999, resuming their long-term upward trend. Nationally, shipments were up 9.2% last year, increasing in every province except PEI (-2.4%). New Brunswick (+20.7%), which recorded the strongest growth, was one of four provinces with double-digit increases.

Source: Statistics Canada

- **Retail sales in BC increased 6.2% during 2000, partly due to strong growth in the automotive sector (+10.7%), which was driven by an upturn in motor vehicle sales as well as higher prices at the pump.** Sales at drug (+6.8%), furniture (+6.4%) and clothing (+6.3%) stores were also well above 1999 levels. However, food retailers (+3.0%) and general merchandise (+1.9%) stores did not fare as well. BC's 6.2% increase in retail sales was the strongest since 1995, and last year was the first time since then that sales in the province have not lagged behind the national average. Canadian sales were up 6.3% in 2000, as all provinces posted gains ranging from 4.2% in Manitoba to 8.9% in Alberta.

Source: Statistics Canada

- **Wholesale sales in the province rose 2.2% during 2000, following a 4.0% increase in the previous year.** Sales were up in all provinces. Alberta (+12.7%) and Saskatchewan (+9.7%) posted the biggest gains, while Manitoba (+1.8%) and BC saw the smallest increases. Nationally, wholesale sales rose 6.3% last year. *Source: Statistics Canada*

Agriculture

- **Farm cash receipts in the province increased 7.0% last year, as both crop (+8.6%) and livestock (+6.1%) receipts rose.** Vegetable receipts were up more than a third (+35.1%), while revenues from floriculture and nursery products increased 3.1%. Apple growers earned 3.9% more from sales of their products than they had in 1999, but producers of other tree fruits (-3.7%), and berries

and grapes (-2.8%) saw their crop receipts decline. Among livestock producers, sales were up for cattle (+12.0%) and poultry (+2.7%) farmers, but dairy receipts fell 0.9%.

Farmers in most parts of the country did better last year than they had in 1999. Receipts were up 6.7% overall, led by a 12.6% increase in Alberta. Cash receipts decreased in three of the four Atlantic provinces, but in the rest of the country, they rose at rates ranging from 4.7% in Ontario to 7.0% in BC.

Source: Statistics Canada

Learning Computer Skills on the Job

- **When asked how they acquired their job-related computer skills, nearly half (45%) of the employees surveyed in the Workplace and Employee Survey in 1999 said they taught themselves using manuals, books and on-line tutorials.** A similar number (44%) received training from co-workers or supervisors. Another 7% reported learning their main computer application at college or university, while 3% had paid for formal training.

Source: Statistics Canada

Migraine Headaches

- **One in twelve (8%, or about 2 million) Canadians have been diagnosed with migraine headaches.** Migraine headaches are three times as common in females (12%) as in males (4%). The ailment most frequently affects people who are between 25 and 54 years old. Those with some post-secondary education (9%) are slightly more likely to be migraine sufferers than people with no more than a high school education (8%). It's estimated that migraines account for 7 million lost working days in Canada each year. In the US, the annual cost of migraine headaches is estimated at \$13 billion due to lost workdays and lower productivity, and another \$1 billion in direct health care costs.

Source: SC, Catalogue 82-003

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Infoline Report: Statistics Canada's new data

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on turnover in the workforce

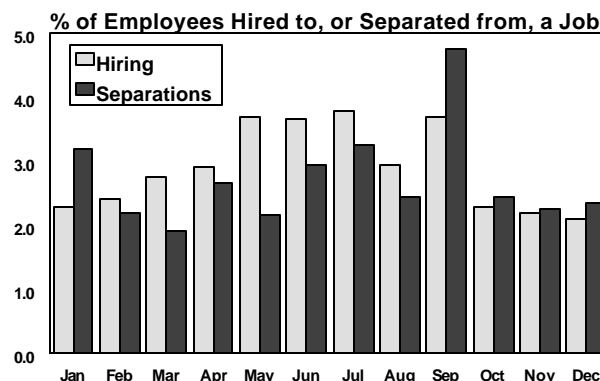
The Labour Force Survey provides monthly data on employment levels in BC. Comparing these levels from one month to the next provides the user with estimates of net job creation or loss. However, to date there have been no measures available on the dynamics behind these changes. For example, what does a 5,000 increase in employment, mean -- did 5,000 new people find work in the month or did 20,000 new people find work alongside 15,000 who lost their job?

As well as this issue of flow into and out of employment, there is also the question of how much turnover or movement between employers occurs each month. Previously, data from the Labour Force Survey were not able to provide answers to such questions.

Statistics Canada has released an experimental set of numbers covering the 1998/99 period that measures the movement in and out of jobs each month -- how many people were hired and how many were laid-off or quit. The adjoining chart demonstrates the seasonal nature of hiring and separations in BC.

September is definitely the month when the most churning in the workforce goes on. Each September, almost 8.5 per cent of the workforce is either in a new job and/or has left a job¹.

Seasonality of Hiring and Separation Rates British Columbia -- Average 1998 & 1999



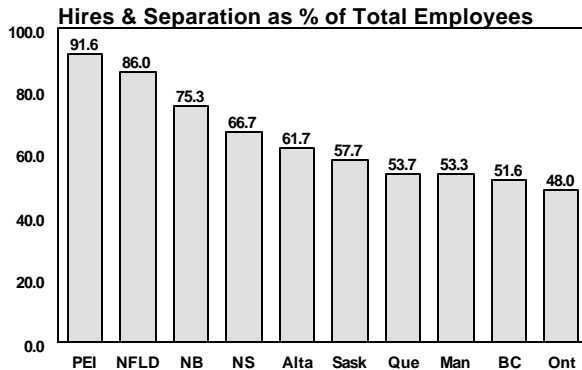
Students returning to school represent a significant proportion of the large September separation of employees. Alongside this occurrence is a high hiring rate. The data suggest that much of this influx is a direct result of the student phenomenon -- employers are hiring new employees to replace the student outflow.

There is not a hard and fast rule on how to measure employee turnover. Usually, turnover is measured either by the hiring rate, the separation rate or the sum of the two rates. Probably the latter measure is the best indicator of the relative disruption employers encounter over the year due to staff turnover.

Seasonal employment, when employees are hired and laid off within the same year, is the main driver of turnover. All four Atlantic provinces, particularly PEI, have high seasonal employment fluctuations whereas Ontario, BC and Alberta have low seasonal fluctuations. The chart on the next page demonstrates the high correlation between provincial turnover rates and seasonal employment fluctuations across the country.

¹ Persons who separated from an employer and were hired by another employer within the month would be counted both as a hire and a separation.

Annual Turnover Rate by Province Average 1998 & 1999



It should be noted that the numbers in this chart do not reflect the number of employees who are impacted by turnover. For example, the 92% for PEI's turnover rate does not mean that 92% of the workforce either separated or were hired over the year. This results from the fact that those who move from one job to another within the year are counted twice, once as a separation and once as a new hire. In addition, many temporary employees may make several job moves over the year. Instead, the 92 per cent reflects the amount of staffing actions required by employers each year.

The only province that shows relatively high turnover despite low seasonality is Alberta. This discrepancy illustrates another factor that will create high turnover and that is tight labour market conditions. In 1999, Alberta employees seemed to have a lot of bargaining power -- their quit rate was the highest in the country. Thus their high turnover is primarily due to employees moving between employers.

On the other hand, over the 1998/99 period, BC's labour market was fairly stagnant compared to other provinces -- employment growth rates were the lowest in the country and unemployment rates underwent little change. Because of this, BC had relatively low separation rates, both in terms of quits and layoffs, as well as low hire rates.

Another factor that contributed to BC's low turnover rates is its relatively low seasonal fluctuations in employment. Despite this, there are

some industries that had much higher variation in employment over the year. While it is not possible to measure the full turnover by industry², the hiring rate provides a good indicator of the turnover magnitude by industry.

Most of the Industries that have high hiring rates are the highly seasonal industries.




*Primarily consists of business services such as Employment Agencies but also includes travel agencies

The industry with the highest turnover is the Management/Administrative Services, which includes temporary job services. As would be expected, next come the seasonal Primary industries and the tourist industry of "Accommodation & Food". At the low end of the turnover scale sit the Finance & Insurance and Public Sector where services are required all year around.

The high retirement levels of baby boomers expected over the next several years should have a significant impact on employee turnover. Continued monitoring of turnover rates may provide insights into possible pressures facing some industries.

² Because industry detail is collected only on the current job, it is not possible to categorize the industry from which the employee separated if they moved to another industry within the same month.

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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.) Dec	3,155	-4.9
Merchandise Exports (raw) Dec	2,888	21.1
Retail Sales (seasonally adjusted) Dec	3,108	6.1
CONSUMER PRICE INDEX		% change on one year ago
(all items - 1992=100)	Jan '01	
BC	114.5	2.9
Canada	114.7	3.0
LABOUR FORCE (thousands)		% change on one year ago
(seasonally adjusted)	Jan '01	
Labour Force - BC	2,097	0.5
Employed - BC	1,943	0.3
Unemployed - BC	155	2.0
		Jan '00
Unemployment Rate - BC (percent)	7.4	7.3
Unemployment Rate - Canada (percent)	6.9	6.8
INTEREST RATES (percent)	Feb 21/01	Feb 23/00
Prime Business Rate	7.25	6.75
Conventional Mortgages - 1 year	7.20	7.60
- 5 year	7.75	8.55
US/CANADA EXCHANGE RATE	Feb 21/01	Feb 23/00
(avg. noon spot rate) Cdn \$	1.5366	1.4644
US \$ (reciprocal of the closing rate)	0.6507	0.6844
AVERAGE WEEKLY WAGE RATE		% change on one year ago
(industrial aggregate - dollars)	Jan '01	
BC	640.63	2.0
Canada	625.00	3.0
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		

Community Census Profiles

- ◆ 457 different areas within BC
- ◆ 6 pages each
- ◆ free, on our Internet site

Two lookup pages are provided. One features all regions with dropdown boxes that include all available components for a region. The region's profile and link to a map are found just above each drop box. The second lookup option consists of incorporated municipalities listed in alphabetical order. This may be more helpful if you don't know in which region your community is found.

There are several ways to find your community profile. There is a direct link from our home page, under the **News** section in the centre of the page. Alternatively you can drill down through [New Releases](#) in the **Current Releases** block on the left of the page or through [Census](#) under the **Popular Topics** block.

Printed copies are available on a fee basis: \$5 per profile (six pages), \$10 minimum, \$2000 for a complete set (2,742 pages.)

Released this week by BC STATS

- Business Indicators, February 2001
- Current Statistics, February 2001

Next week

- No subscription releases