

highlights

a weekly digest of recently released British Columbia statistics

The Economy

- **BC manufacturers surveyed in April were split about their prospects in the second quarter of 2001.** Twenty-two percent expected production to fall, compared to 19% who anticipated increases, for a balance of opinion of -3 percentage points. This was better than the first quarter of the year, when the balance of opinion was -12. However, the percentage of manufacturers who expected new orders to rise fell from 10% in the first quarter to 9% in the second, while those expecting fewer new orders rose from 35% to 51%. This gave a balance of opinion, in the April survey, of -42. The percentage of manufacturers who thought their inventory of finished products would be too high increased from 35% in January to 38% last month, while only 4% thought their inventory would be too low, down from 5% in the previous quarter.

Shortages of working capital (5%), unskilled labour (0%) and raw material (4%), are not expected to pose problems for most manufacturers. However, 14% thought they may face other difficulties and 10% reported anticipating a shortage of skilled workers, the highest level since January 2000.

Manufacturers in Canada were also unsure about the outlook for the next quarter. The balance of opinion on production was -1, with 18% of manufacturers expecting production to rise, and 62% anticipating no change. Just over a third (36%) of manufacturers expected new orders to decline, compared to 10% who anticipated increases. Similarly, a fifth (20%) thought their inventories would be too high, and only 5%, too low. *Source: Statistics Canada*

- **Department store sales in BC and the north rose 13.3% in March compared to the same month in 2000.** This was the fifth consecutive month to see an increase. First quarter sales in the province were also higher in 2001 than the pre-

vious year, reaching \$441 million, up 10.8%. Sales in March were up in all provinces, with the largest rise (28.0%) seen in Newfoundland and Prince Edward Island combined. In Canada overall, sales increased 9.8% year-over-year. *Source: Statistics Canada*

- **The number of consumer bankruptcies in BC was up 7.3% in March, compared to the same month in 2000.** There were 912 bankruptcies in the province, compared to 850 registered twelve months previously. Across the country, the number decreased in 8 of the 13 provinces and territories, with an overall decrease of 116 or 1.6% in March. *Source: Industry Canada*

- **Business bankruptcies in the province fell 14.7% year-over-year compared to March 2000.** In Canada overall, however, the number of businesses filing bankruptcy papers rose 1.5%. In total, 1,002 businesses in Canada, and 93 in BC, went bankrupt in March. *Source: Industry Canada*

Energy

- Net generation of electric energy in BC fell 12.0% to 5,469 gigawatt hours (GW.h) in February 2001, compared to the same month last year. Most (84.0%) of the electricity was generated by hydro (including wind and tidal generation). Of the rest, 13.6% came from conventional steam generation, 2.3% from combustion turbines, and 0.1% from internal combustion generation. *Source: SC Catalogue 57-001-X1B*

Health

- **British Columbians are expected to live longer than most Canadians.** Life expectancy for babies born in the province in 1996 was 79 years. Nationally, the figure was 78.4. Women were expected to have a longer life than males, reaching an age of 81.9 years in BC compared to a national average of 81.2 years. Life expectancy

Did you know...

Approximately one in twelve people (aged 4 and over) suffer from asthma. In BC, the percentage of sufferers rose from 7.5% in 1994/95 to 8.1% in 1998/99, while in Canada overall, the proportion rose from 7.2% to 8.5% over the same period.

for BC's male population was 76.2 years, almost 10 months longer than the national average. The shortest life expectancy was found in Nunavut, where children born in 1996 could expect to live, on average, 70.1 years.

Within BC, inhabitants of the Richmond health region were expected to attain the greatest age (81.4 years), followed by North Shore (80.5 years) and South Okanagan Similkameen (80.2 years) health region residents.

Source: SC Catalogue 82-221-XIE

- **BC had the second highest proportion of caesarean section live birth deliveries of all provinces in 1997/98.** A total of 21.8% of births in the province occurred by this method. The highest percentage was seen in New Brunswick (22.1%). Within BC, the proportion of caesarean births varied between health regions, with the lowest percentage performed in Central Vancouver Island (20.6%), and the highest in North Okanagan (27.0%). Nationally, 18.7% of live deliveries occurred by caesarean section.

Source: SC Catalogue 82-221-XIE

- **There were 10.4 suicide deaths per 100,000 population (age-standardized) in BC in 1996.** This was the second lowest rate in the country, behind Ontario (9.2 per 100,000). Within BC's health regions, the highest rate was found in Thompson (18.7), Cariboo (18.6) and North Okanagan (18.3), while the lowest was in North Shore (5.7). Men were far more likely than women to successfully commit suicide in all provinces and territories. In BC, the rate per 100,000 for males was 17.1 compared to 3.9 for females. Nationally, male suicide deaths occurred at a rate of 20.8 per 100,000, compared to 5.3 for females.

Source: SC Catalogue 82-221-XIE

Education

- **Most BC university graduates of the class of 1993 stayed close to home after finishing school.** Eighty-seven percent of graduates were still living in the province five years after graduation. By 1998, only 1.7% had moved to the US. The most popular destinations within Canada were Ontario (3.1%) and Alberta (2.7%). Over two thirds of students graduating with a bachelor's degree continued on to some form of further education, with 59.0% pursuing university level education. Three quarters of those students continuing their

education began their studies within two years of graduation, with the most popular choice of qualification (20.0%) being a Master's degree.

BC's graduates faced a much lower unemployment rate (2.1%) than the average for the province in 1998 (8.8%). The lowest rates occurred for those in the Health Professions (0.7%), followed by Business (1.3%), Education (1.5%) and Social Professions (1.6%). The highest rate occurred for graduates of Applied Science (4.9%).

Median earnings for graduates from the class of 1993, five years after graduation, were \$45,000. Applied Science graduates enjoyed the highest salary (\$51,000), while the lowest amount (\$37,800) went to those who graduated in Fine Arts.

Source: Ministry of Advanced Education, Training and Technology

The Nation

- **Canada's gross domestic product (GDP) fell 0.1% in February (seasonally adjusted).** This was the first decline since April last year. Service producing industries GDP decreased 0.1% while in the goods sector, total value added was unchanged, marking the fourth consecutive month in which the goods industries have stalled.

Source: Statistics Canada

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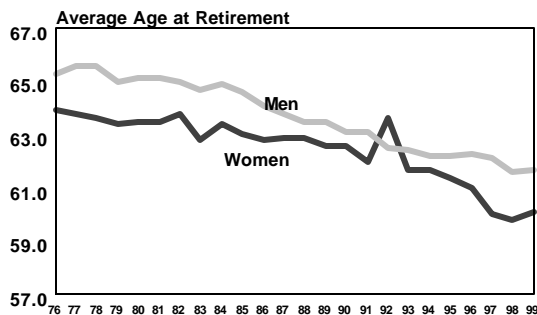
Originally published in Jan/Feb 2001 issue, Earnings and Employment Trends. Annual subscription \$60 + GST

When Workers Retire

A new series on the average age of retirement is now available from Statistics Canada's Labour Force Survey. Data are only being produced at the Canada level as the sample size is too small to give reliable estimates at the provincial level. However, the retirement patterns of Canadians will likely be very similar to those of BC workers.

The data go back to 1976, the time frame when the parents of the baby boomers were beginning to retire. At that point, the average worker in Canada retired at the age of 64.9 years. Today, workers are retiring at 61.0 years on average, a decrease of almost 4 years over one generation.

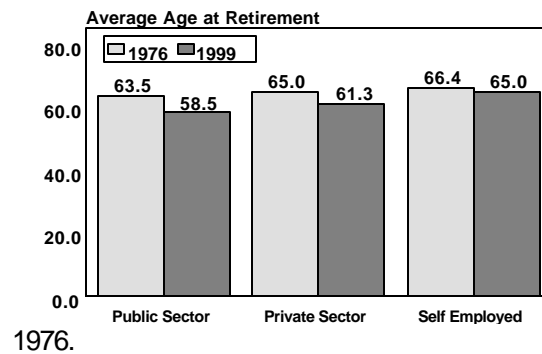
The average age of retirement declined from 64.9 years to 61.0 years between 1976 and 1999.



Between 1976 and 1999, the trend to retiring younger and younger has continued at a fairly steady pace for both men and women (except there appears to be a more significant drop in age for women in recent years). In 1999, the retirement age of men had fallen to 61.7 years and to 60.1 years for women. So, on average, women are currently retiring about one and a half years earlier than men.

The chart below shows that there is quite a difference between the age at which public sector employees retire compared to their private sector counterparts. Public sector employees now leave at age 58.5 on average, down a full five years since

The age at which public sector employees retire continues to be substantially below that of the private sector and the self-employed.



The retirement age of private sector employees has dropped as well (down 3.7 years over a generation), but they still tend to work into their 60s (61.3 years), almost 3 years longer than the public sector. This large divergence between the two sectors is most likely attributable to the large gap in the coverage of employer sponsored pension plans between the private and public sectors. In 1995, 86 per cent of BC public employees had employer sponsored pension plans compared to 39 per cent in the private sector. This would mean that public sector employees are better able to afford retirement prior to age 60 than private sector employees.

The fact that all self-employed have to rely on their own savings rather than employer sponsored pension plans means it is less likely they will be able to afford to move out of the workforce before the age of 65 (when the OAP and CPP come into effect). It is also reasonable to assume that self-employment gives them the freedom and enjoy-

ment that makes it possible to choose to keep working. For whatever reason, the average self-employed worked until they were 65 years in 1999. As well, the decline over the years has been far less dramatic for this group. In fact, self employed women currently stay in the workforce longer than they did in the mid-1970s.

It will be interesting to monitor the average age of retirement over the next 10 to 20 years. Given the looming labour shortages, it could be that the age of retirement will turn around from its long-term downward trend. At the very least, the early retirement incentive packages that have become so common in recent years will not be as prevalent. And it may go further than that -- employers may feel it necessary to entice their older employees to stay after normal retirement age.

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BC at a glance . . .		
POPULATION (thousands)		% change on one year ago
	Jan 1/01	
BC	4,077.4	0.7
Canada	30,714.7	0.9
GDP and INCOME		% change on one year ago
<i>(BC - at market prices)</i>	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)	n/a	n/a
Retail Sales (seasonally adjusted) Feb	3,113	6.7
CONSUMER PRICE INDEX		% change on one year ago
<i>(all items - 1992=100)</i>	Mar '01	
BC	113.3	0.9
Canada	115.6	2.5
LABOUR FORCE (thousands)		% change on one year ago
<i>(seasonally adjusted)</i>	Mar '01	
Labour Force - BC	2,111	0.9
Employed - BC	1,972	1.4
Unemployed - BC	139	-5.6
		Mar '00
Unemployment Rate - BC (percent)	6.6	7.0
Unemployment Rate - Canada (percent)	7.0	6.8
INTEREST RATES (percent)	May 2/01	May 3/00
Prime Business Rate	6.50	7.00
Conventional Mortgages - 1 year	6.80	7.90
- 5 year	7.50	8.55
US/CANADA EXCHANGE RATE	May 2/01	May 3/00
<i>(avg. noon spot rate)</i> Cdn \$	1.5309	1.4920
US \$ <i>(reciprocal of the closing rate)</i>	0.6526	0.6697
AVERAGE WEEKLY WAGE RATE		% change on one year ago
<i>(industrial aggregate - dollars)</i>	Mar '01	
BC	650.17	3.1
Canada	630.47	3.9
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		

BC Manufacturers' Directory – *On Line*

www.made-in-bc.ca

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- Tourism Sector Monitor, April 2001

Next week

- No subscription releases