

highlights

a weekly digest of recently released British Columbia statistics

The Economy

- **For the third consecutive month, manufacturing shipments rose (+2.1%) in March.** Shipments of non-durables (+6.3%) were the driving force behind this increase. Beverage and tobacco manufacturing climbed 8.1% and shipments of petroleum and coal jumped 18.2%. Manufacturing of leather and allied products dropped 14.2% and food shipments fell 1.6%. Paper manufacturing gained 13.3%. Shipments of durable products slipped 0.6%. Manufacturing shipments of transportation equipment slumped (-11.3%) and wood shipments dropped 1.4%.

Across the country, manufacturing shipments fell 0.7%. Only New Brunswick (+12.0%) and BC (+2.1%) made gains. The largest provincial decline was seen in Nova Scotia (-5.5%). Shipments in Ontario (-1.1%) and Quebec (-1.2%) were also down. *Source: Statistics Canada*

- **BC international exports dropped 17.8% (not seasonally adjusted) in March, compared to March 2001.** Energy exports slumped, falling 59.7% from the same month of last year. Forestry product exports remained fairly flat (-0.2%). Machinery and equipment exports were down 12.9%. Automotive product exports posted the only increase (+16.8%).

Canada's international merchandise trade balance fell 7.9% (seasonally adjusted) in March to \$4.4 billion. The decline was due to falling exports (-2.0%) which outweighed the decline in imports (-1.0%). Exports to the United States fell 0.6% and exports to the European Union dropped 24.3%. Imports from the United States (+0.2%) and Japan (+2.7%) were up.

Source: Statistics Canada

- **New motor vehicle sales in BC and the Territories were down 10.5% in March.** Across the country, motor vehicle sales dropped 3.8%. Sales of North American passenger cars fell 0.1% and sales of foreign cars slipped 3.1%. Truck, van and bus sales decreased 6.9%. Sales of new motor vehicles were down in every province except Prince Edward Island (+2.1%), Nova Scotia (+0.6%) and New Brunswick (+1.1%). BC saw the largest decline (-10.5%) followed by Manitoba (-9.5%).

Source: Statistics Canada

- **BC restaurant, caterer and tavern receipts fell 2.4% in March.** This was a result of declines in both drinking (-3.0%) and food (-2.3%) receipts. Canada-wide, receipts slipped 0.5%. Drinking places saw a 0.4% decline and food services had a 0.5% fall in receipts.

Source: Statistics Canada

Tourism

- **Visitor entries into BC dropped 3.5% in March compared to the previous month.** Entries from the US were down 3.8%, as both same-day (-4.1%) and overnight (-3.0%) entries fell. The number of people visiting from overseas was down 2.1%. Asian entries slipped 2.8% and European entries declined 1.4%. The number of Canadians returning to Canada via BC dropped 1.2%.

In the first quarter of 2001, visitor entries into BC rose 3.2%. Both entries from the United States (+2.9%) and from overseas (+4.5%) grew. The number of Canadians re-entering Canada via BC was up 3.5%.

Source: BC Stats and Statistics Canada

Agriculture

- **There were 20,290 farms in BC on May 15, 2001, down from 21,835 in 1996.** The biggest decline in the number of farms was in Main-

Did you know...

Of the 42,240 births in BC during 1999, only 491 or 1.2% did not take place in a hospital. In Nunavut, 6.8% of all births were non-hospital births.

land/Southwest where the number fell 14% to 5,733. In Thompson/Okanagan there were 5,679 farms, compared to 5,933 five years earlier. The average farm in BC occupied 315 acres, up from 286 in 1996.

For every dollar farmers in BC received in gross farm receipts, they spent 91 cents on operating expenses. This was up slightly (+1.1%) from 1996.

Canada-wide there were 246,923 farms on May 15, 2001, down 11% from 1996 levels. The average farm size was 676 acres up from 608 acres in 1996. Wheat is still the most common crop grown on Canadian farms, but the crop area used to produce wheat fell 12.6% from 1996.

Source: Census of Agriculture, Statistics Canada

Cancer

- **It is estimated that there will be 17,700 new cases of cancer in BC in 2002.** Female patients will account for 8,500 of the new cases while males will make up the other 9,200. Breast cancer will be most prevalent type of cancer amongst females as 2,700 new cases are expected this year. Prostate cancer will have the highest occurrence of all cancers in men with 2,700 new cases. An estimated 8,300 people—4,400 men and 3,900 women—will die this year from cancer. Lung cancer is expected to be responsible for 2,300 of these deaths.

Across Canada, 136,900 people are expected to develop cancer this year. Lung cancer is forecast to be the major cancer site in 20,800 of the new cases. An estimated 69,800 men are expected to develop cancer, 18,200 of whom will have prostate cancer. Women are forecast to make up 67,200 of the new cancer cases, with 20,500 developing breast cancer. Cancer is expected to claim the lives of 66,200 Canadians this year. Lung cancer is expected to be the most deadly (18,400 deaths).

Source: Canadian Cancer Society

Auto Crime

- **Auto theft in the province was up 17% in 2001.** A total of 22,100 claims were made to ICBC last year, up from 18,930 in 2000. The cost of these claims rose 15% to \$98 million. The biggest surge in auto theft claims was in Hope (+225%)

and in Saanich (+224%). Vancouver posted the largest number of vehicle thefts (5,279). Vehicle break-ins were also on the rise. Claims were up 9% to 56,022 with a total cost of \$39.1 million. Abbotsford saw the largest increase in break-in claims (+50%). Vandalism on vehicles in the province fell 1% last year. Both Greater Vancouver (-2%) and Vancouver Island (-4%) saw declines. Vandalism claims were up 5% in the Fraser Valley.

Source: Insurance Corporation of British Columbia

Courts

- **In 2000/2001, a total of \$148 million was spent on the operation of courts in BC.** Eighty-six percent of this was used for employee salaries and benefits. There were 1,861 employees (full-time equivalents) of the BC court system, including 266 judges.

Nationally, \$1.04 billion was spent on the operation of courts in the country. Salaries and benefits made up 80% of the total. There were 2,011 judges working in Canada's court system and over half (51%) of them were appointed by the federal government.

Source: Statistics Canada

Personal Victimization

- **According to a Statistics Canada study, the rate of immigrant victimization is substantially lower than the overall Canadian rate.** The rate of personal victimization for immigrants was 110 per 1,000 population aged 15 and older. The overall Canadian rate was 157 per 1,000 people. Visible minority groups had a slightly higher rate (175) but the Aboriginal population posted the highest rate, at 288 personal victimizations per 1,000 people.

Source: SC 85F0036XIE

The Nation

- **Large retailers across the country saw a 4.5% increase in sales in March, compared to the same month of last year.** Sales of sporting and leisure goods saw a 15.0% increase and food and beverage sales rose 3.4%. Consumers purchased 8.8% more home furnishings and electronic goods from large retailers compared to March 2001.

Source: Statistics Canada

highlights, Issue 02-20
May 17, 2002

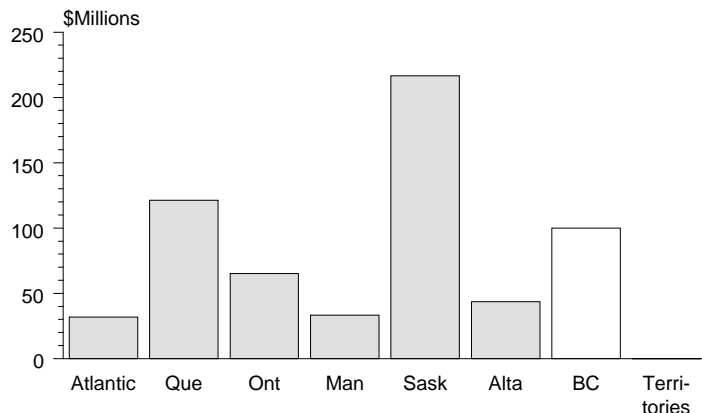
Canada Seeks to Increase Trade with India

India's economy ranks as the fourth largest in the world,¹ making it an attractive trade partner. This is why the Canadian government has set a goal of doubling the bilateral trade between Canada and India by 2003. In April, International Trade Minister Pierre Pettigrew will lead a trade mission to India to make progress toward this goal.

Canada wants to double its bilateral trade with India by 2003

In 2001, Canada imported \$1,153.8 million worth of goods from India and exported \$611.5 million, for a total of almost \$1.8 billion in trade. British Columbia exported almost \$100 million worth of merchandise to India in 2001, accounting for 16% of all Canadian exports to that country. British Columbia ranked third amongst the provinces in terms of the value of exports to India in 2001, but with the exception of Saskatchewan (1.8%), exports to India accounted for less than half a percent of total provincial exports. For Canada as a whole, exports to India represent only 0.2% of total exports.

Among the provinces, BC ranks third in terms of value of exports to India



BC ranked third in terms of exports to India, but those exports accounted for only 0.3% of all BC origin exports in 2001

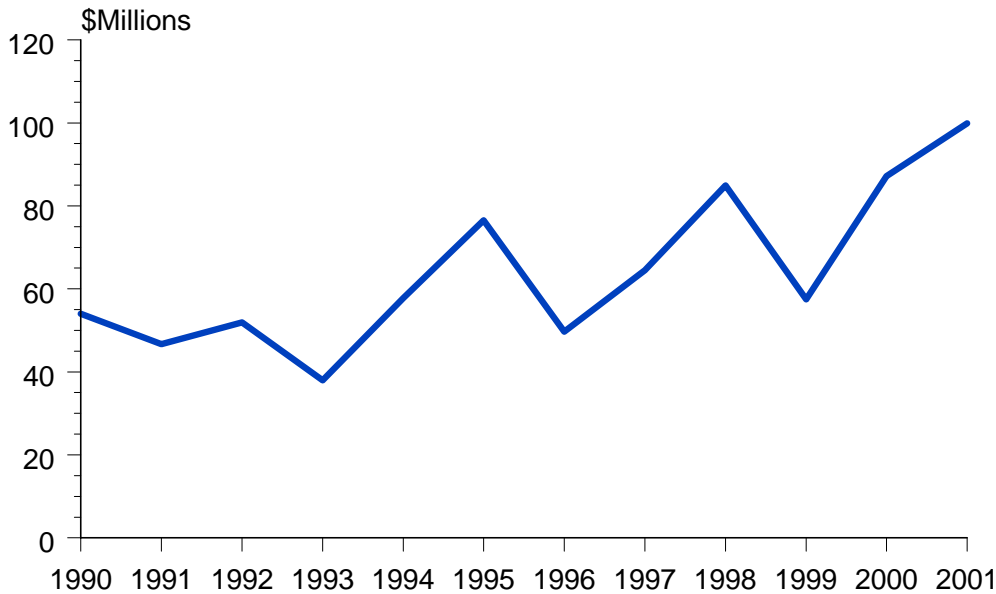
There are several reasons for the relatively low level of trade with India, including economic and political issues. Since 1991 India has been undergoing economic reform, which has made it a more desirable trading partner. These reforms include reductions and simplification of tariff and tax rates, as well as elimination or changes to regulations that have made foreign direct investment easier. As India continues its economic reforms, it is likely that trade with Canada will increase. This is assuming that there are no further political barriers to trade such as that which existed after India performed nuclear tests at Pokhran in May 1998. Canada, along with other Western nations, imposed trade sanctions against India in protest over the nuclear testing. These sanctions were lifted in March 2001.

¹ Government of Canada, Department of Foreign Affairs and International Trade, *South Asia Trade Action Plan*, November 2001, p. 5.

**2001 Exports to India
- Selected Commodities -**

	BC		Canada		BC Percent of
	(\$,000)		(\$,000)		Canadian Exports
SOLID WOOD PRODUCTS	742	1%	1,850	0%	40%
Lumber (softwood)	620	1%	620	0%	100%
Selected Value Added Wood Products	43	0%	177	0%	24%
other	79	0%	1,054	0%	8%
PULP AND PAPER PRODUCTS	45,312	45%	145,354	24%	31%
Pulp	43,444	44%	62,348	10%	70%
Newsprint	774	1%	79,447	13%	1%
Paper, Paperboard - exc. Newsprint	1,081	1%	1,393	0%	78%
other	13	0%	2,166	0%	1%
AGRICULTURE AND FOOD OTHER THAN FISH	10,985	11%	169,062	28%	6%
Fruit and Nuts	88	0%	88	0%	100%
Vegetables	10,678	11%	167,010	27%	6%
other	218	0%	1,964	0%	11%
FISH PRODUCTS	0	0%	109	0%	0%
METALLIC MINERAL PRODUCTS	18,241	18%	21,237	3%	86%
Copper Ores and Concentrates	16,754	17%	16,754	3%	100%
Molybdenum Ores and Concentrates	1,148	1%	1,148	0%	100%
other	339	0%	3,335	1%	10%
ENERGY PRODUCTS	0	0%	38	0%	0%
MACHINERY AND EQUIPMENT	22,155	22%	148,294	24%	15%
Motor Vehicles and Parts	0	0%	164	0%	0%
Electrical/Electronic/Communications	5,800	6%	58,364	10%	10%
other	16,355	16%	89,766	15%	18%
PLASTICS AND ARTICLES OF PLASTIC	46	0%	3,761	1%	1%
APPAREL AND ACCESSORIES	0	0%	141	0%	0%
ALL OTHER COMMODITIES	2,388	2%	121,636	20%	2%
GRAND TOTAL	99,868	100%	611,482	100%	16%

BC origin exports to India have doubled since 1990



BC commodity exports to India have been trending upward over the last decade.

Since 1990, BC origin exports to India have almost doubled and as Canada explores further trade ties, these numbers should increase further. These figures exclude trade in services and therefore understate the real value of trade with India. Canada has significant exports of financial, engineering and computer software services to India and it is likely that these areas will experience strong growth as well.

BC origin exports to India vary from resource materials to machinery to high tech optical equipment. In 2001, the top export was pulp, comprising over 43% (\$43.5 million) of total BC exports to India. Copper and molybdenum ores and concentrates (\$17.9 million) were the next biggest export, making up just under 18% of the total. Rounding out the top five were optical and photographic instruments (\$13.8 million), vegetables (\$10.7 million) and electrical machinery and parts (\$5.8 million). These five commodity categories represent over 90% of all exports to India from BC.

The mission to India will attempt to promote trade in areas where Canada has proven ability, particularly information, telecommunication, energy and environmental technologies. However, high tech products and services are not the only sectors that hold promise with regard to increased trade with India. Agricultural and food products are in demand as well, particularly processed food and machinery for grain handling, storage and transportation. The latter will help India make the most out of their own domestic food resources. Of particular interest to British Columbia is the need for housing technologies and products. In the wake of the massive January 2001 earthquake in Gujarat, there is a tremendous need to rebuild the million homes that were destroyed or damaged. New government policies have set a

The disastrous earthquake in Gujarat has created demand for building products and construction technology

target of two million new housing units per year,² which will create a substantial demand for building materials, of which a great deal will have to be imported.

Another area in which BC could offer both expertise and products is the mining sector. There is significant demand for mining technologies in India, as well as minerals such as coal, of which BC has plenty.

One of the focuses of the Canadian trade mission will be on transportation. India's transportation infrastructure is in serious need of upgrading and its current state is hindering economic expansion. The Indian government is currently engaged in building a national highway system, which should offer significant opportunities for foreign investment.

There are some challenges that Canadian companies will face when investing in India. Despite economic reforms, bureaucratic delays and private and public sector corruption still exist. An international group called Transparency International suggests that despite having the strongest democratic institutions in South Asia, India still has as much corruption as its neighbours.³ However, there are signs that this is changing. There is increased vigilance in the media, particularly after the deadly earthquake in Gujarat when evidence of corruption regarding lax building codes was exposed. With increased media exposure, there appears to be less appetite to accept corrupt business practices as a fact of life.

Corruption in both the private and public sectors is still a concern in India

As India carries through with its reforms, its economy will likely continue to grow, making it a market that Canada cannot afford to ignore. The products and services that Canada has to offer are a good fit for India's needs, and that should bode well for stronger trade ties between the two countries.

² Ibid, p. 31.

³ Transparency International, *Global Corruption Report 2001*.

 **fax** transmission information service from **BC STATS**

 **Email** transmission information service from **BC STATS**

 also on the **Internet** at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Jan 1/01	% change on one year ago
BC	4,108.0	0.9
Canada	31,185.8	0.9
GDP and INCOME		% change on one year ago
<i>(BC - at market prices)</i>	2001	
Gross Domestic Product (GDP) (\$ millions)	130,396	2.2
GDP (\$ 1997 millions)	125,534	0.9
GDP (\$ 1997 per Capita)	30,648	-0.1
Personal Disposable Income (\$ 1997 per Capita)	19,177	0.8
TRADE (\$ millions)		
Manufacturing Shipments (seas. adj.) Mar	2,854	-3.5
Merchandise Exports (raw) Mar	2,400	-17.8
Retail Sales (seasonally adjusted) Feb	3,320	6.4
CONSUMER PRICE INDEX		% change on one year ago
<i>(all items - 1992=100)</i>	Mar '02	
BC	116.6	2.9
Canada	117.7	1.8
LABOUR FORCE (thousands)		% change on one year ago
<i>(seasonally adjusted)</i>	Apr '02	
Labour Force - BC	2,139	1.7
Employed - BC	1,953	-0.2
Unemployed - BC	187	26.7
		Apr '01
Unemployment Rate - BC (percent)	8.7	7.0
Unemployment Rate - Canada (percent)	7.6	7.0
INTEREST RATES (percent)	May 15/02	May 16/01
Prime Business Rate	4.00	6.50
Conventional Mortgages - 1 year	5.40	6.70
- 5 year	7.30	7.50
US/CANADA EXCHANGE RATE	May 15/02	May 16/01
<i>(avg. noon spot rate)</i> Cdn \$	1.5559	1.5399
US \$ <i>(reciprocal of the closing rate)</i>	0.6417	0.6504
AVERAGE WEEKLY WAGE RATE		% change on one year ago
<i>(industrial aggregate - dollars)</i>	Apr '02	
BC	668.06	2.7
Canada	650.90	2.5

SOURCES:

Population, Gross Domestic Product, Trade, } Statistics
 Prices, Labour Force, Wage Rate } Canada
 Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics
 For latest Weekly Financial Statistics see www.bankofcanada.ca

Major Projects Inventory

New Internet Site

Major capital projects in British Columbia will provide jobs around the planning and construction phase and then continuing employment for the normal operation of the project. There are opportunities for job seekers, construction workers, suppliers, caterers, accommodation providers, contractors, and many other specialties. Local economies experience many direct and indirect benefits and as a result may attract additional investment.

BC STATS has developed an Internet site based on the MPI database. Tap in today and find the opportunity for you.

www.made-in-bc.ca/mpihome.html

Released this week by BC STATS

- Labour Force Statistics, April 2002
- Earnings & Employment Trends, April 2002

Next week

- Exports, March 2002
- Consumer Price Index, April 2002