

- **BC's unemployment rate stays low in June**
- **The value of BC building permits continues to fall in May**
- **British Columbians spent less time listening to the radio in 2004**

Labour Force

- **British Columbia's unemployment rate in June edged up 0.1 percentage points to 5.8% (*seasonally adjusted*), after three consecutive declines since February.** It is, however, still the second lowest rate since 1981. A drop in the number of jobs (-0.3%, or a net loss of 5,800 jobs), for the first time in seven months was the reason for the upturn in the jobless rate. The labour force shrank (-0.2%) between May and June.

Jobless rates in the rest of the country ranged from 3.8% in Alberta to 13.9% in Newfoundland. The Canadian unemployment rate edged down (-0.1 percentage point) to 6.7%. Job growth (+0.1%) was the main reason for the improvement, while the size of the labour force was unchanged.

Data Source: Statistics Canada

- **The province's goods (-0.5%, *seasonally adjusted*) and service (-0.2%) sectors both took on less workers in June.** Construction (-1.2%) and manufacturing (-1.7%) industries, combined accounting for more than 80% of total jobs in the goods sector, employed fewer people, but this was offset by increases in agriculture (+4.9%), forestry, fishing & mining (+1.0%), and utilities (+3.9%).

Employment losses in the service industries were largely in public administration (-7.0%), management, administration & support services (-3.1%), and accommodation & food services (-3.0%). Wholesale & retail trade (-2.0%) and transportation & warehousing (-1.4%) also employed fewer workers. On the other hand, there were more jobs in information, culture & recreational services (+11.2%), finance, insurance & real estate (+2.6%), and professional, scientific & technology services (+2.5%).

Data Source: Statistics Canada

- **There were fewer jobs for both men (-0.3%, *seasonally adjusted*) and women (-0.3%) in June.** The private (-1.0%) and, to a lesser extent, public (-0.1%) sectors took on fewer workers, while more people were self-employed (+2.0%). Full-time employment (-1.9%) decreased for the first time in three months, but there were substantially more part-time jobs (+6.1%). The youth (15-24) unemployment rate slipped to 10.8%. However it was still nearly double the average for all age groups. *Data Source: Statistics Canada*

- **Relative to June 2004, there were more jobs across all regions in BC except Cariboo (-1.8%, *3-month-moving average*).** Northern BC (North Coast/Nechako (+16.1%) and Northeast (+11.5%)) led the job creation in the province. Other regions of the province also saw significant job growth during the 12-month period ending in June.

Unemployment rates were down in every region, ranging from 9.5% in Cariboo to 5.0% in Kootenay. In North Coast/Nechako, the jobless rate slumped 6.6 percentage points from June 2004. BC's biggest urban centres also reported lower jobless rates, 5.9% (*seasonally adjusted*) in Vancouver and 2.4% in Victoria.

Data Source: Statistics Canada

The Economy

- **The value of building permits issued by BC municipalities continued to fall (-6.7%, *seasonally adjusted*) in May.** Permits for residential projects (-10.5%) were down while permits for non-residential projects rose modestly (+1.6%). The increase was supported by an upturn in planned spending on institutional & government projects (+171.3%). Building intentions for both industrial (-25.7%) and commercial (-28.3%) projects declined for the second

Did you know...

Teenagers spend three hours listening to US stations for every hour they're tuned in to the CBC

consecutive month. Permits in Vancouver (-14.7%) and Abbotsford (-7.7%) plunged in May. However, permits were sharply higher in Victoria (+35.2). Canadian permits were weak (-2.1%) in May, largely due to a downturn in the non-residential sector (-5.0%).

Data Source: Statistics Canada

Organic Life Style

- **With no access to TV, computers, and video games, Old Order Mennonite children living a similar lifestyle to that of previous generations tend to be fitter, stronger and leaner than children living a contemporary Canadian life style.** Those children do up to 18 minutes more moderate or vigorous physical activity a day than contemporary children. This translates into a difference of 15,000 kcal per year, or over 40 pounds of fat per person, per decade.

Source: Canadian Institute for Health Information

Education

- **Between July 1, 2003 and June 30, 2004, 3,600 students graduated from Canadian universities with doctoral degrees.** On average, Ph.D. graduates completed their degrees in about six years. Most students (80%) were planning on staying in Canada after graduation, but 13% wanted to move to the US. Among Ph.D. graduates planned to work in the year following graduation, almost 60% reported they expected to be earning \$55,000 or more.

Data Source: SC, Catalogue no. 81-595-MIE(No. 032)

Radio Listening

- **British Columbians spend less time tuned in to the radio than other Canadians do.** Last fall, an average of 17.8 hours were spent listening to radio programs, half an hour less than in 2003, when the average was 18.3 hours per week.

Radio listening time has declined substantially since 1991, when British Columbians spent more than 20 hours a week tuned in to radio programs. Radio listening time has declined everywhere in Canada, but nowhere has the change been as great as in BC (-3.1 hours since 1991). Listening to the radio was never as popular here as it was in some provinces. For the last eight years, BC residents have been less likely than other Canadians to have their radios turned on.

Country is king in the prairies and on the east coast but in BC, radio listeners are more likely to be tuned in to adult contemporary stations (20.8% of total listening time), the CBC (17.1%), or gold/oldies/rock stations (16.5%). US stations have a strong foothold in BC (4.8%). Ontario (4.9%) is the only province where residents are more likely to tune in to stations from south of the border.

Talk radio (13.4%) is more popular here than in any other province except Newfoundland (where it is the most popular format, with 25.4% of the market) and Manitoba (14.8%). Nationally, talk stations have 10.6% of the market. They're a clear favourite of seniors, who spend about a quarter of the time that they're tuned in listening to talk shows. The CBC is also a big hit with older listeners. *Data Source: SC, Catalogue 87F0007XIE*

Personal Safety & the Justice System

- **According to a recent survey, more than half (55%) of Victoria residents aged 15 and over were "very satisfied" with their personal safety in 2004, giving the city the sixth highest ranking among 25 Census Metropolitan Areas (CMAs).** The national average was 44%. In Vancouver, only 38% of those surveyed were "very satisfied", less than in most other CMAs. Thirty-eight percent of Vancouver residents thought the level of crime in their neighbourhood had increased in the past five years. In Victoria, the figure was 25%, and the national average was 30%.

Fifty-one percent of Vancouver residents, and 68% of those living in Victoria, thought the police were doing a good job of enforcing laws, and most thought the police were approachable and treated people fairly. They were less positive about the courts: 16% of Vancouver and Victoria residents said that the courts were doing a "good job" of helping victims, and even fewer (12%) felt that the courts did a good job of providing justice quickly, echoing sentiments expressed by Canadians in most parts of the country.

Data Source: SC, Catalogue 85-566

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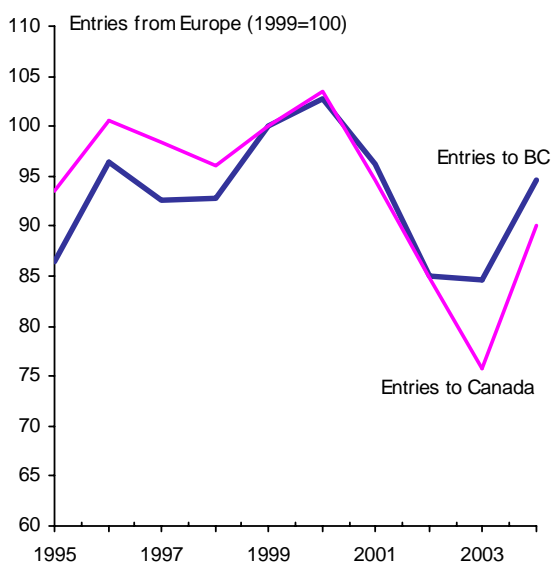
European Travellers to Canada

Over the years, Canada has been successful in attracting a fairly stable segment of European long-haul travellers. Canada's varied natural environment, multicultural heritage, and the local character of its cities provide diverse experiences for visitors to the country.

Travel from Europe to Canada is increasing

The latest research conducted by the Canadian Tourism Commission (CTC) indicates that Canada is perceived as a favoured destination by important European long-haul markets such as the UK, France and Germany. Europeans are just as aware of Canada as they are of Spain, which is currently a very popular tourism destination. The research also indicated that Canada compares favourably with the US, which is one of Canada's competitors in the long-haul market.

European travel to BC bounced back in 2004

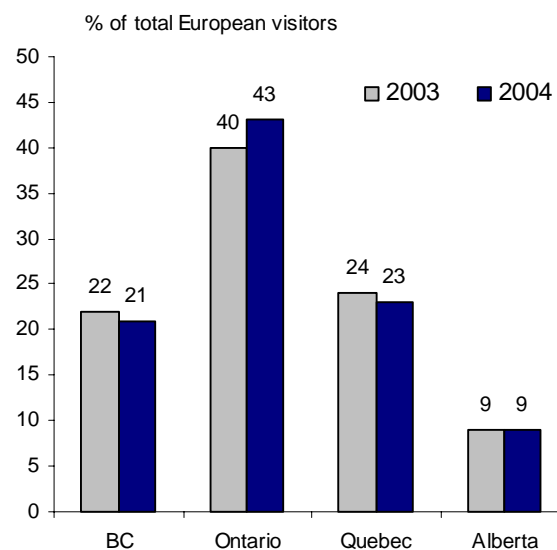


Data Source: Statistics Canada

In 2004, Canada welcomed over 2.2 million Europeans, up 19% from the previous year. This points to a strong recovery from a downward trend experienced since 2000.

European visitors travelled to Canada in record numbers in 2000 (up 4.9% from 1999) reaching close to 2.5 million visitors, but experienced significant declines thereafter, until last year. The downturn was exacerbated by the events of 9/11 and the following safety, security, and health concerns resulted in a setback in overnight trips from Europe. The recent economic recovery has boosted consumer confidence in European markets, resulting in increased demand for travel and tourism to Canada.

More European travellers enter Canada via Ontario



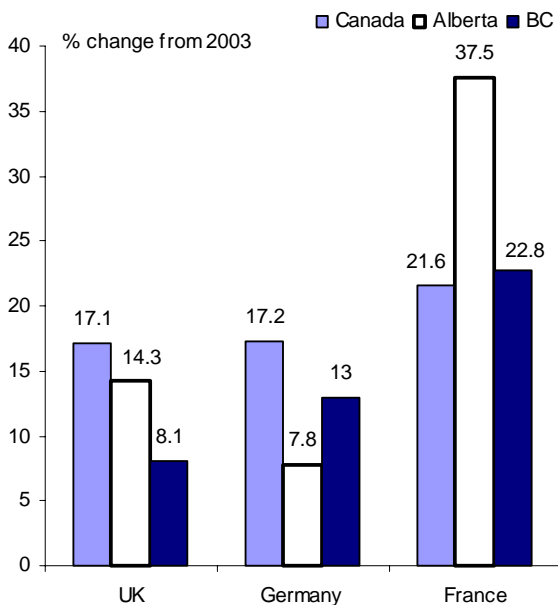
Data Source: Statistics Canada

Close to half of the visitors from the UK chose Ontario as their point of entry to Canada in 2004, while BC received 26% and Alberta 13%. Quebec (9%) was the least likely entry point for UK residents out of the four provinces, which together receive 96% of all European travellers. However, Quebec is the most popular destination among French visitors, capturing close to 70% of the travellers from that country.

Significant growth in the number of Europeans travelling to Canada and BC in 2004

The three most important European markets in Canada—the UK, Germany and France—experienced double-digit growth in 2004. These markets represent 68% of the total number of European visitors to Canada. In 2004, more than 846,000 UK travellers visited Canada, out of which more than 222,000, or 26% entered directly via BC.

Double digit-growth in the three most important European markets



Data Source: Statistics Canada

The number of UK visitors to BC grew at a slower pace (+8.1%) in 2004 compared to Alberta (+14.3%) and Canada (+17.1%). However the increase was welcomed by BC's tourist operators, since this was the first large gain since 2000, when entries rose 11.6%. While in BC, tourists from the UK like to spend their time visiting friends and relatives and participating in outdoor activities and sightseeing.

For BC, the second most important European market after the UK is Germany. In 2004, over 318,000 trips were made from Germany to Canada, of which 27% were via BC. Overall, this market has traditionally provided a high

number of outbound travellers. Statistics from the World Tourism Organization show Germany consistently tops the charts for outbound travel as well as tourism spending, second only to the US.

Travellers from Germany visit BC to experience nature and an unspoiled environment, and to have new social and educational experiences. According to the German Federal Bank, Germans spend close to 4% of their disposable income on travel abroad and place a higher priority on holiday travel than on most consumer durables. They also enjoy about six weeks of annual holidays.

BC's third most important European market is France. For Canadian tourism, the German market is usually about the same size as the one from France. Last year was an exception, with the French market outperforming Germany's. In 2004, there were over 341,000 person-trips taken by French travellers to Canada, a 21.6% increase from the previous year. BC also experienced a significant increase (+22.8%) in the number of person-trips from France in 2004. However, Alberta out-performed BC (37.5%) in the number of person-trips from France.

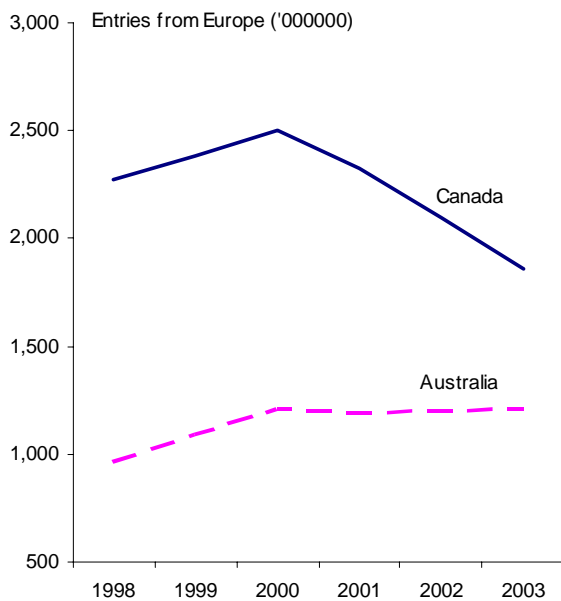
Canada's competitors in the European long-haul market

The US receives approximately four times more European visitors than Canada. Canada places second ahead of Mexico in North America as a destination visited by tourists from European countries. In 2002, the World Tourism Organization reported that close to 480,000 tourists from Europe spent their holidays in Mexico. Although the US is Canada's competition, the close proximity of the two countries helps Canada attract tourists from Europe who are interested in combining trips to both places. Over half of the travellers visiting the US from Europe are from the UK and Germany.

Canada's next direct competitor, Australia, has been experiencing steady growth in the number of travellers from Europe. In 2003, Australia

received 1.2 million visitors, mostly from the UK, Germany and Scandinavia. Although Australia's national parks and abundant wildlife are a big drawing card for European travellers, Canada still attracts a higher number of visitors from Europe. This could partly be attributed to lower transportation costs and travel times from Europe to Canada versus Australia. Canada welcomed over 280,000 tourists from France, while Australia recorded only close to 50,000 in 2003.

Europeans choose Canada over Australia as a tourist destination

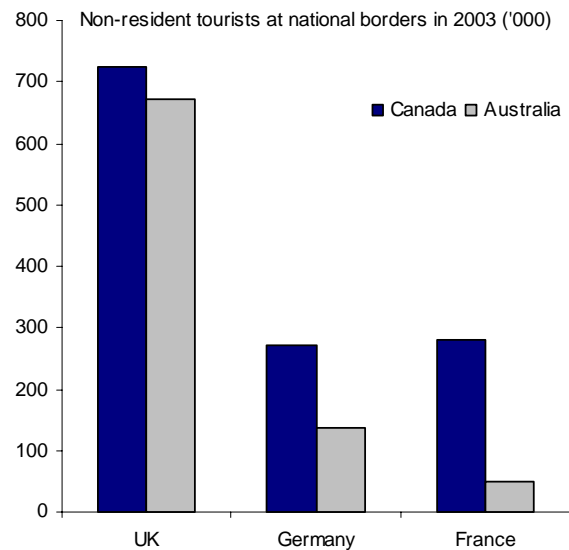


Data Source: World Tourism Organization

The number of travellers from France sharply increased (+21.6%) to over 341,000 visitors in 2004. Not surprisingly, the French prefer Canada as a tourist destination over Australia due to cultural similarities as well as a common language in Quebec. Canada also attracts more German tourists than Australia. Germans place Canada third on their wish list amongst long-haul destinations.

Canada enjoys a well-developed position in the European long-haul market, but there are certain challenges that need to be addressed in order to capture a bigger slice of the market.

More visitors from France choose Canada over Australia



Data Source: Statistics Canada and the Australian Bureau of Statistics

Although Europeans consider Canada a favourite destination, and a high number would like to visit, substantially fewer end up turning their travel intention into actual visits. Many Europeans do not see their dream of visiting Canada materialize mostly due to the high costs of transportation, but also because of fierce competition from other long-haul destinations that spend more marketing dollars. Australia is expecting to spend close to \$200 million dollars next year in an effort to attract a higher number of foreign tourists, while Canada has only \$79 million at its disposal. Canada is also viewed by some European tourists as a once-in-a-lifetime experience, so repeat travellers are not as common to Canada as to other tourist destinations.

However, there is good potential to attract more tourists from European countries. CTC's efforts in introducing the new "Canada. Keep Exploring" brand is expected to generate about \$63.5 billion from the current \$56 billion revenue, over the next five years. It is hoped that the new branding will encourage and inspire travellers to explore more and create their own adventures in Canada.

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BC at a glance . . .

POPULATION (thousands)	Apr 1/05	% change on one year ago
BC	4,232.5	1.2
Canada	32,146.5	0.9
GDP and INCOME		% change on one year ago
<i>(BC - at market prices)</i>	2004	
Gross Domestic Product (GDP) (\$ millions)	156,481	7.5
GDP (\$ 1997 millions)	138,783	3.9
GDP (\$ 1997 per Capita)	33,072	2.8
Personal Disposable Income (\$ 1997 per Capita)	20,002	1.2
TRADE (\$ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Apr	3,523	-1.4
Merchandise Exports - Apr	2,652	2.2
Retail Sales - Apr	4,134	0.1
CONSUMER PRICE INDEX		12-month avg % change
<i>(all items - 1992=100)</i>	May '05	
BC	125.2	2.2
Canada	127.0	2.1
LABOUR FORCE (thousands)		% change on prev. month
<i>(seasonally adjusted)</i>	Jun '05	
Labour Force - BC	2,257	-0.2
Employed - BC	2,126	-0.3
Unemployed - BC	131	0.8
	May '05	
Unemployment Rate - BC (percent)	5.8	5.7
Unemployment Rate - Canada (percent)	6.7	6.8
INTEREST RATES (percent)	Jul 06/05	Jul 07/04
Prime Business Rate	4.25	3.75
Conventional Mortgages - 1 year	4.75	4.70
- 5 year	5.70	6.70
US/CANADA EXCHANGE RATE	Jul 06/05	Jul 07/04
<i>(avg. noon spot rate)</i> Cdn \$	1.2362	1.3196
US \$ <i>(reciprocal of the closing rate)</i>	0.8089	0.7564
AVERAGE WEEKLY WAGE RATE		% change on one year ago
<i>(industrial aggregate - dollars)</i>	Jun '05	
BC	700.73	3.3
Canada	701.45	3.5
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.bankofcanada.ca		

Labour market characteristics of off-reserve Aboriginal population



It is now possible to examine the labour market characteristics of off-reserve Aboriginals. The data, from an expanded sample of Aboriginal peoples in the labour force survey, highlight some defining characteristics that contribute to their experience. In the past, this type of data has been available from the census but was limited to a snapshot taken in mid-May at five year intervals. A full year of sampled monthly data, fully integrated to the labour force survey, will be of great interest to researchers, policy makers and other users.

On-line at

www.bcstats.gov.bc.ca/data/lfs/abor/ap_index.htm

Released this week by BC STATS

- Labour Force Survey, June 2005
- Earnings and Employment Trends, June 2005

Next week

- Exports, May 2005
- Tourism Sector Monitor, June 2005