

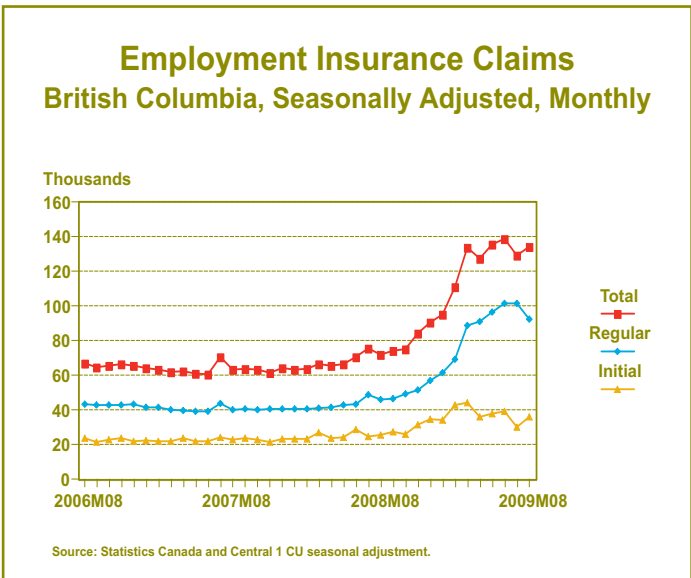
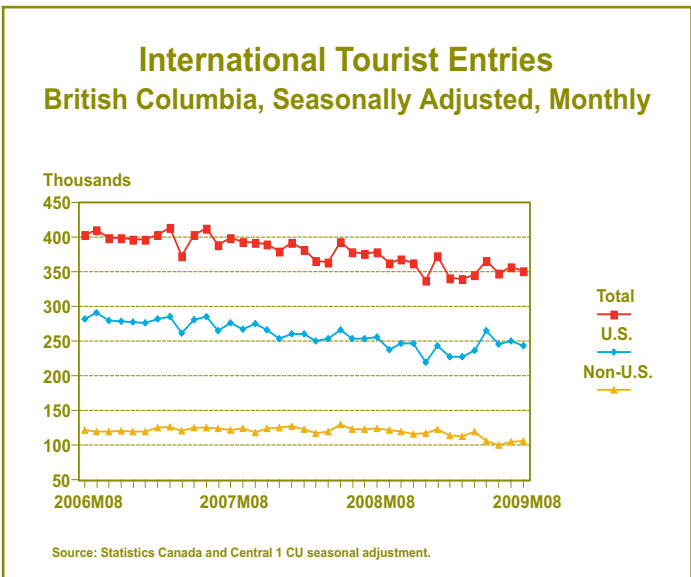
This week's indicators of B.C.'s economy reveal that international tourist visits and the rate of employment continued to weaken in August and probably in September as well.

International tourist entries to B.C. inched down in August, although the level remains above the 12-year low set in December 2008. The decline was entirely due to fewer U.S. visitors, which was partly offset by somewhat more visitors from other countries.

Total entries in August declined 1.4% month-over-month, seasonally adjusted, according to the latest estimates from Statistics Canada. U.S. visitors fell 2.7%, while visitors from other countries edged up 0.6%. In the eight months through August, total entries declined by 250,000 people (7.4%) compared to the same period a year ago. Year-to-August visitors from the U.S. were down 114,000 (5%) year-over-year, while visitors from other countries have dropped 136,000 (12.6%).

Tourism will likely struggle for some time yet, although the 2010 Winter Olympics will provide a significant temporary boost in the first half of next year. The global economic recovery will lift business travel in the coming months and years, but discretionary travel spending is likely to remain weak for some time.

Employment Insurance (EI) statistics for B.C. reveal recipients of regular benefits in August declined from the all-time record high set in June for a second straight month. Meanwhile, initial and renewal claims (that is, the inflow to EI) jumped in August, but remained below the all-time record high set in March this year. Since recipients whose benefits expire are not reported, the implication is that the decline in regular beneficiaries reflects expiring benefits. Moreover, initial claims received usually lead movements in the unemployment count measured by Statistics Canada's Labour Force Survey, due out next on Friday, November 6.



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