



Highlights

- CPI moved up again in B.C.
- Retail spending in B.C. rose further in October, boosted by higher sales at motor vehicle and parts vendors
- Non-farm payroll sizes decline in October
- Overnight stays led the increase in number of travelers in B.C.

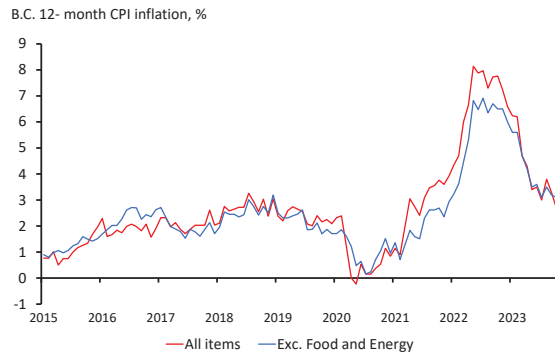
Inflation in B.C. higher for the November

Alan Chow, Business Economist

November's Consumer Price Index (CPI) for B.C. moved up. The CPI rose to 3.2 per cent compared to last month's 2.7 per cent on a year-over-year basis. This marks the end of two consecutive months during which the province experienced a decline in CPI. On a monthly basis, the provincial CPI increased 0.1 per cent. The change in the yearly CPI on a national level, however, was unchanged for November, holding steady at 3.1 per cent. Year-over-year core CPI was up from 3.1 per cent in October to 3.2 per cent in November. The price of goods increased 0.1 per cent this month and 1.0 per cent over the year. Meanwhile, services also grew 0.1 per cent from last month, with a 4.8 per cent increase over the year.

Semi-durable goods prices saw a monthly increase of 0.7 per cent but only a 0.5 per cent increase annually. Durable goods prices were unchanged on a monthly basis but down 1.0 per cent on an annual basis. Non-durable goods prices also saw a decline of 0.1 per cent for the month but a 2.1 per cent increase for the year. Energy prices also experienced a 2.8 per cent decrease for the month, in addition to a 5.0 per cent decline over the past 12 months. Shelter costs continue to rise, up 1.0 per cent for the month and up 6.9 per cent for the year. Rented accommodation also experienced growth, with a 2.6 per cent increase for the month and 10.1 per cent for the year. Food prices were up 0.7 for the month and up 5.2 per cent for the year.

B.C. Inflation swings up to 3.2 per cent in November



Source: Statistics Canada, Central 1 Latest: Nov - 23

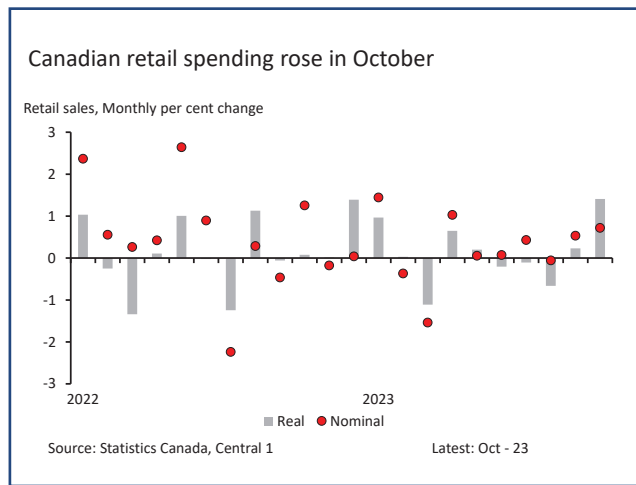
B.C. retail sales continued to increase in October

Eloho Ennah, Economic Analyst

In October, retail spending in Canada continued to climb, following the rebound in the prior month. Seasonally adjusted retail sales edged up 0.7 per cent to \$66.9 billion, showing an acceleration from the 0.5 per cent increase in September. This was only faintly lower than consensus forecast of 0.8 per cent. Retail sales had maintained range-bound figures mid-year and October's rise marked the highest monthly change since April 2023. Higher receipts at motor vehicle and parts dealers drove the increase, offsetting a significant dip in sales at gasoline stations and fuel vendors.

Core retail sales, which exclude gasoline stations and fuel vendors, and motor vehicle and parts dealers, were up 1.2 per cent in October following two consecutive monthly declines. Price-adjusted retail sales were up 1.4 per cent during the month. Early estimates provided by Statistics Canada for November suggests retail sales were unchanged, standing at 0.7 per cent. Signifying that consumers are tightening the purse strings as their finances are weighed down by high costs of living and elevated interest rates.

B.C. experienced a 0.5 per cent gain in retail spending in October as sales hit \$9.1 billion during the month. Year-to-date sales were also up 0.7 per cent. The data is unadjusted for seasonality at the store level, but year-over-year figures indicate a boost, primarily from a 7.6 per cent rise in sales at motor vehicle and



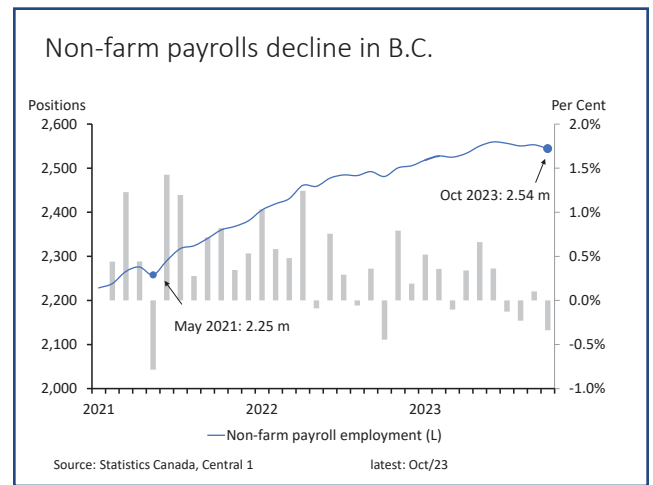
parts dealers, although not as much as the 11.4 per cent gain in September. Food and beverage retailers' sales also pulled back during the month, down by 4.9 per cent. Clothing and related items sales rose 6.9 per cent during the month, while general merchandise retailers' sales posted a 6.3 per cent increase. On the other hand, sales of building material, garden equipment, and supplies dealers declined by 5.4 per cent, likely in response to the weakening housing market in the province. Additionally, sales at gasoline stations and fuel vendors declined 6.2 per cent. Sporting goods, hobby, musical instrument, book, and miscellaneous retailers' sales followed suit with a 14.5 per cent decline as consumers restrict unnecessary spending.

Adjusted for seasonal factors, Vancouver metro area retail sales increased 0.7 per cent on a monthly basis. Year-to-date sales also show an increase of 0.5 per cent in the area.

Vacancy rates and wages move up in October

Alan Chow, Business Economist

B.C. employers reported a decline in their non-farm payrolls in October. From the latest Survey of Employers, Payroll and Hours (SEPH), October's survey reported a seasonally-adjusted decrease of 0.3 per cent or 8,600 positions, bringing down the total job count in B.C. to 2.54 million positions. Goods producing industries reported 1.0 per cent or 3,900 fewer positions while service producing industries reported 0.1 per cent or 2,700 fewer positions. The seasonally-adjusted job vacancy rate increased in October by 4.3 per cent, up 4.0 per cent from the previous months. The vacancy rate represents approximately 108,620 vacant positions.



The largest decline in positions reported in good producing industries was in construction, which reported 1.8 per cent or 3,500 fewer positions at 187,000. This is the lowest number since the start of the year. Also reporting fewer positions was manufacturing with 0.5 per cent or 8,000 less positions. Offsetting these declines, there was a 2.1 per cent increase, equivalent to 500 more positions, reported in mining, quarry, and oil and gas extraction. Within service producing industries, 1,900 or 1.0 per cent fewer positions were reported in educational services, 0.8 per cent or 1,500 fewer positions were reported in professional, scientific, and technical services, and 0.4 per cent or 1,500 fewer positions were reported in the trade industry. On the other hand, 0.6 per cent or 1,900 more positions were reported in health care and social assistance.

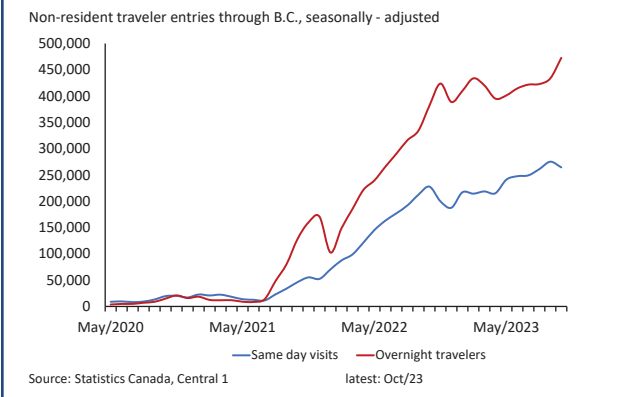
On the wage front, seasonally-adjusted average weekly earnings jumped 4.8 per cent to \$1,230.54 on a year-over-year basis, which is lower than last month's revised 5.7 per cent increase. Month-over-month, the average weekly earnings were down 0.6 per cent with goods producing industries reporting a 2.4 per cent increase and service producing industries reporting a 1.3 per cent decrease.

Number of travelers entering B.C. continued the growing momentum in October

Ivy Ruan, Economic Analyst

Tourism inflows continued to rise through the fall months with the number of non-resident visitors entering Canada through B.C. up again in October. On a seasonally-adjusted basis, there were 3.6 per cent more non-resident visitors in October than in September at 736,984 people. Recent gains lifted non-resident visitors to another new high in 2023. The

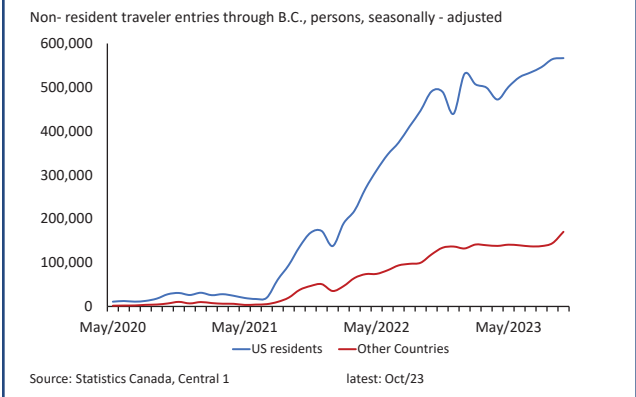
Increase in travelers were reported in overnight stays



increase was driven entirely by overnight stays, which were up 8.7 per cent, and was offset by the decline seen in same-day excursions, which were down 4.5 per cent. The count of non-resident visitors to Canada constituted 88.3 per cent of the figure recorded in October 2019, marking a recovery from the impact of the COVID-19 pandemic.

The number of U.S residents visiting Canada through B.C. edged up 0.43 per cent from September to October while over the same period, the number of residents from other countries surged by 15.5 per cent. Amongst the U.S. residents, the increase in travel was concentrated via travel modes other than air or automobiles. Arrivals via automobiles from U.S. residents was down 7.1 per cent while those that arrived by airplanes also dropped 2.3 per cent. Other modes of transportation jumped 23.1 per cent

Non-U.S. travelers to B.C. led the overall growth



following the decline last month. Residents from other countries saw a 13.8 per cent increase when coming by air and saw a 21.5 per cent increase when coming by land or water. The results in B.C. were aligned with the national trend as the popularity of cruise vacations reached another monthly peak in October even though the cruise ship season in Canada has come to an end this year.

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