



## BRITISH COLUMBIA'S ECONOMY SET TO ACCELERATE IN 2014: RBC ECONOMICS

**TORONTO, June 11, 2014** — Following turbulence in the early months of 2014, British Columbia is now on track to surpass its 2013 economic growth rate, according to the latest [RBC Economics Provincial Outlook](#) released today. RBC forecasts provincial real GDP growth of 2.1 per cent in 2014 and a solid 2.8 per cent in 2015.

“British Columbia’s economy will benefit from increased demand from abroad as export markets pick-up, particularly as the U.S. economy gathers steam,” said Craig Wright, senior vice-president and chief economist, RBC. “Gains in exports will be augmented in 2015 by the preliminary ramp up work on multi-billion dollar LNG projects in the province.”

One or more front-runner LNG projects may announce final investment decisions later this year, says RBC. Should these be approved, RBC expects noteworthy LNG-related spending to begin in 2015, though large-scale investment would still likely be years away.

The Provincial Outlook notes that the 28-day strike at Port Metro Vancouver in March of this year caused significant disruptions to the flow of goods in and out of B.C. – outbound container traffic fell more than 50 per cent compared to the same month in 2013. Overall, exports of merchandise in the province dropped by nearly 10 per cent in March; however, RBC notes that a 13 per cent gain in the U.S. market grew the province’s merchandise exports by 3.6 per cent overall in the first quarter.

“The colder weather in the U.S. this past winter appears to have strengthened demand for B.C.’s energy products,” said Wright. “Exports of natural gas and electricity surged by 71 per cent and 31 per cent, respectively, in Q1 2014 over the same period last year.”

RBC expects external trade to the U.S. and China – B.C.’s largest export markets – will continue to boost real GDP growth this year.

RBC says the province's job market continues to improve at a modest pace; in the first five months of 2014, employment was up 0.5 per cent compared to the same period in 2013. RBC expects firms to become less shy about hiring going forward and that employment will increase by 0.7 per cent overall in 2014.

The RBC Economics Provincial Outlook assesses the provinces according to economic growth, employment growth, unemployment rates, retail sales, housing starts and consumer price indices. The full report and provincial details are available online as of 8 a.m. ET today at [rbc.com/economics/economic-reports/provincial-economic-forecasts.html](http://rbc.com/economics/economic-reports/provincial-economic-forecasts.html).

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