



Labour Market Bulletin

British Columbia

October 2015



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of British Columbia (BC), including the regions of Northern BC, Vancouver Island and Coast, Lower Mainland, Thompson–Okanagan and the Kootenays.

OVERVIEW

In October, the number of workers employed in British Columbia increased by 23,300, almost four times the 6,100 averaged through the first 10 months of the year. Full-time employment increased by 11,300 from September, and by 64,400 since October 2014. The number of part-time workers also increased on the month, up 12,000 or 2.5%. The unemployment rate, which started off the year at 5.6%, has drifted up since, now standing at 6.3% for the second month in a row. Nationally, the unemployment rate inched down 0.1 percentage points to 7.0%.

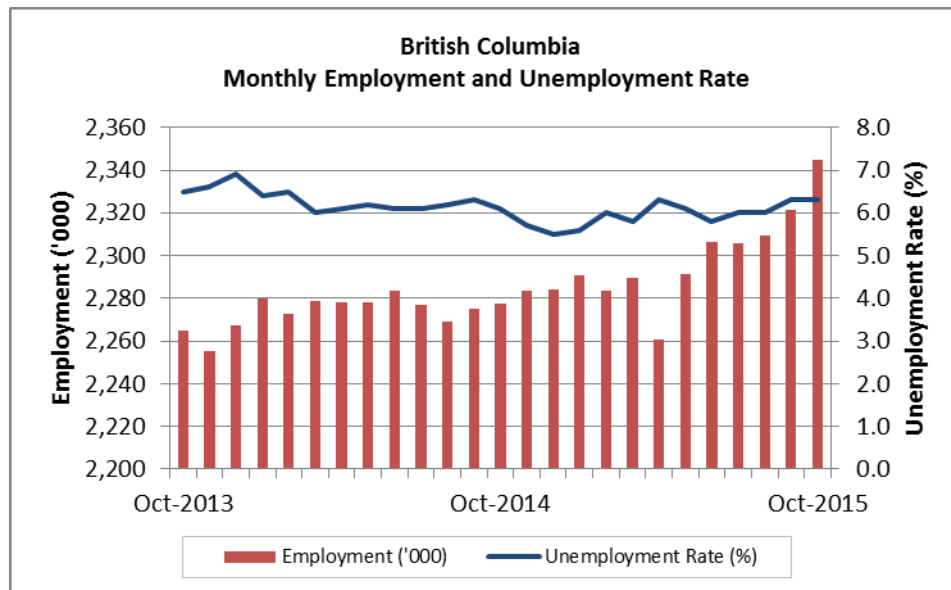
On a year-over-year basis, the BC labour force expanded by 3.2%, outstripping population growth by a considerable margin. The increase comes as both the number of employed and the number of unemployed increased, pushing the participation rate up by 1.1 percentage points. The housing market remains the most dynamic part of BC's economy with Metro Vancouver posting a 19.3% increase in sales year-over year.¹ All told, employment increased by approximately 67,300 (+3.0%) over the year, with full-time positions up 3.6%, and part-time employment up 0.6%.

British Columbia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	October 2015	September 2015	October 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,895.1	3,889.9	3,841.6	5.2	0.1	53.5	1.4
Labour Force ('000)	2,503.0	2,477.7	2,426.3	25.3	1.0	76.7	3.2
Employment ('000)	2,344.8	2,321.5	2,277.5	23.3	1.0	67.3	3.0
Full-Time ('000)	1,857.2	1,845.9	1,792.8	11.3	0.6	64.4	3.6
Part-Time ('000)	487.6	475.6	484.7	12.0	2.5	2.9	0.6
Unemployment ('000)	158.2	156.3	148.7	1.9	1.2	9.5	6.4
Unemployment Rate (%)	6.3	6.3	6.1	0.0	-	0.2	-
Participation Rate (%)	64.3	63.7	63.2	0.6	-	1.1	-
Employment Rate (%)	60.2	59.7	59.3	0.5	-	0.9	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087



British Columbia Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	October 2015 %	September 2015 %	October 2014 %	Monthly Variation (% points)	Yearly Variation (% points)
Total	6.3	6.3	6.1	0.0	0.2
25 years and over	5.5	5.1	5.1	0.4	0.4
Men - 25 years and over	5.9	5.1	5.3	0.8	0.6
Women - 25 years and over	5.1	5.1	4.9	0.0	0.2
15 to 24 years	10.9	13.5	12.0	-2.6	-1.1
Men - 15 to 24 years	11.7	15.2	13.3	-3.5	-1.6
Women - 15 to 24 years	9.9	11.7	10.7	-1.8	-0.8

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

Compared to October 2014, the labour market participation rate for BC's youth (15-24 years) bumped up 2.0 percentage points to 63.6%, meaning that a greater share of young people were working or looking for work than one year ago. While usually the weakest age cohort in terms of labour market performance, BC's youth seem to have outperformed the core-aged workers (25 to 54 years) in October. On the year, employment among youth increased by 17,300 (+5.5%) compared to just 5,900 (0.4%) for those aged 25 to 54 years. At the same time, the unemployment rate fell 1.1 percentage points for young people while rising 0.3% for their older colleagues. Finally, the employment rate increased 2.5 percentage points for those aged 15 to 24 compared to just 0.2 percentage points for those of prime working age.

Notwithstanding the strong performance by youth, the bulk of employment gains since October 2014 have been among those 55 years and older. Employment for this age group is up 44,100, due in no small part to the aging of BC's population.

EMPLOYMENT BY INDUSTRY

In October, employment in BC's goods-producing sector dropped 1.3% from September but gained 4.4% year-over-year due to the strong advances in construction and manufacturing that occurred last winter. Rising U.S. housing starts and a low Canadian dollar are lifting BC soft-wood lumber exports and offsetting weakening demand from China.

Employment in the resource extraction industries retreated on the year (-2.0%), as the province's coal producers struggle to cope with low prices and global over-capacity.² While employment impacts in the liquefied natural gas (LNG) industry have been minimal of late, the government and private sector recently announced several initiatives to enhance LNG workforce training.³

Construction industry employment was up 5.3% on the year, as September building permits for all housing types rose 9.0% compared to September of last year. Nationally, housing intentions fell 6.9%.⁴ Similarly, Canada Mortgage and Housing Corporation (CMHC) reports that BC housing starts were up 20% on the month in October compared to a drop of 14% nationwide.⁵

Employment in manufacturing, benefiting from a weaker Canadian dollar, posted a year-over year gain of 9,500 (+5.8%). Lumber manufacturing in particular has benefited from a slowly strengthening U.S. economy.

Employment in BC's services-producing sector increased by 47,800 from a year ago. Two industries in the public sector, health care and social assistance (+37,000) and public administration (+6,800) accounted for most gains. Conversely, employment in accommodation and food services declined by 7,100 over the same period.

British Columbia Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	October 2015	September 2015	October 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,344.8	2,321.5	2,277.5	23.3	1.0	67.3	3.0
Goods-producing sector	461.5	467.6	442.0	-6.1	-1.3	19.5	4.4
Agriculture	20.7	22.3	21.1	-1.6	-7.2	-0.4	-1.9
Forestry, fishing, mining, quarrying, oil and gas	49.5	48.4	50.5	1.1	2.3	-1.0	-2.0
Utilities	14.6	13.6	13.5	1.0	7.4	1.1	8.1
Construction	202.4	208.4	192.2	-6.0	-2.9	10.2	5.3
Manufacturing	174.3	175.0	164.8	-0.7	-0.4	9.5	5.8
Services-producing sector	1,883.3	1,853.8	1,835.5	29.5	1.6	47.8	2.6
Trade	360.9	357.0	354.1	3.9	1.1	6.8	1.9
Transportation and warehousing	138.5	138.2	142.4	0.3	0.2	-3.9	-2.7
Finance, insurance, real estate and leasing	128.8	126.1	133.6	2.7	2.1	-4.8	-3.6
Professional, scientific and technical services	189.6	184.4	188.3	5.2	2.8	1.3	0.7
Business, building and other support services	94.3	94.4	86.3	-0.1	-0.1	8.0	9.3
Educational services	162.6	162.6	163.9	0.0	0.0	-1.3	-0.8
Health care and social assistance	300.8	293.9	263.8	6.9	2.3	37.0	14.0
Information, culture and recreation	119.3	118.2	115.3	1.1	0.9	4.0	3.5
Accommodation and food services	179.7	177.0	186.8	2.7	1.5	-7.1	-3.8
Other services	107.6	104.1	106.7	3.5	3.4	0.9	0.8
Public administration	101.2	97.8	94.4	3.4	3.5	6.8	7.2

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

REGIONAL ANALYSIS

Employment increased in all BC economic regions on the year with the exception of Cariboo (-6.5%), which also posted BC's highest unemployment rate as of October (7.1%). This central region, along with North Coast and Nechako traditionally rely on the forestry, mining and construction industries; however activity in resource extraction has been generally low in recent months. Mining continues to be impacted by lower commodity prices and global overcapacity, while the Mountain Pine Beetle infestation, drought and forest fires constrain wood fiber supply in the forestry sector.⁶

The unemployment rate in Thompson-Okanagan rose to 6.3%, after the region experienced a period of lower rates earlier in the year. Of note, a proposed copper mine near Vavenby north of Kamloops was put on hold pending stronger prices.⁷ In the Northeast, unemployment stood at 6.2%, as construction of BC Hydro's Site C dam gets underway.

The Lower Mainland, which accounts for about 65% of provincial employment, saw job growth of 2.6% over the past year. As widely reported, economic activity has been fueled by the region's booming housing market and growing international reputation.⁸

Vancouver Island and Coast unemployment rates edged up 0.7 percentage points from last October. While the region's mining industry struggled as elsewhere in the province, numerous building opportunities helped support the Island's construction industry.⁹

British Columbia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	October 2015 ('000)	October 2014 ('000)	Yearly Variation (%)	October 2015 (%)	October 2014 (%)	Yearly Variation (% points)
British Columbia	2,343.8	2,290.2	2.3	6.2	6.1	0.1
Economic Regions						
Vancouver Island and Coast	359.6	352.9	1.9	6.4	5.7	0.7
Lower Mainland-Southwest	1,496.4	1,457.9	2.6	6.1	6.2	-0.1
Thompson-Okanagan	252.8	245.8	2.8	6.3	6.4	-0.1
Kootenay	71.9	68.2	5.4	6.1	6.8	-0.7
Cariboo	81.4	87.1	-6.5	7.1	5.0	2.1
North Coast and Nechako	42.1	39.7	6.0	6.4	7.9	-1.5
Northeast	39.4	38.6	2.1	6.2	N/A	N/A

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

Prepared by: Labour Market Information, Service Canada, British Columbia

For further information, please contact Labour Market Information at:

NC-LMI-IMT-GD@hrscd-rhdcc.gc.ca

For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2015, all rights reserved

¹ Vancity Buzz. November 3, 2015. <http://www.vancitybuzz.com/2015/11/real-estate-vancouver-october/> (accessed November 8, 2015)

² Eric Reguly, Report on Business, Globe & Mail. October 31, 2015.

³ FortisBC and Aboriginal Skills 3G launched a new eight-week pre-apprenticeship training program for First Nations individuals. The program will prepare Aboriginal students to complete further training or move directly into entry level jobs.

<http://www.fortisbc.com/MediaCentre/NewsReleases/2015/Pages/New-training-program-prepares-First-Nations-workers-for-LNG-jobs.aspx>

LNG Canada and the provincial government announced a new \$1M Trades Training Fund. The funding will assist BC employers in training a workforce that meets the needs of the Liquefied Natural Gas industry. <http://lngcanada.ca/media-items/b-c-and-lng-canada-announce-funding-to-advance-skills-training>

⁴ Statistics Canada, CANSIM Table 026-0002. <http://www5.statcan.gc.ca/cansim/a26?lang=eng&id=0260002&p2=17> (accessed November 8, 2015)

⁵ CMHC and Statistics Canada, CANSIM Table 027-0054. <http://www5.statcan.gc.ca/cansim/a26?lang=eng&id=0270054&p2=17> (accessed November 9, 2015)

⁶ Central 1. August 19, 2015. <https://www.central1.com/news/southern-bc-regions-lead-bc-economic-growth-2016-says-central-1-credit-union-forecast>

⁷ Yellowhead Mining announced that in light of current conditions in the commodity markets, it is deferring work on its proposed Harper Creek mine. The mine was expected to create up to 600 jobs during construction and 450 once operational. http://www.clearwatertimes.com/breaking_news/330326661.html

⁸ *New Wealth Seeks a “Home”*: *The Rise of the Hedge City* Harvard International Review, April 15, 2015. <http://hir.harvard.edu/new-wealth-seeks-a-home-the-rise-of-the-hedge-city/>

⁹ Nyrstar laid off 88 workers at its Myra Falls mine near Campbell River, as it postponed planned upgrades due to low commodity prices. At full operation, the mine employs 356 staff, but after these latest cuts there will be only 56 staff on site. <http://www.campbellrivermirror.com/news/336015911.html>