



Labour Market Bulletin

British Columbia



December 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

Employment in British Columbia increased by 1.3% (+29,000) from the third quarter (July through September) and by 2.6% (+59,500) year-over-year. In total, 2.34 million people were employed in BC during the fourth quarter of 2015.

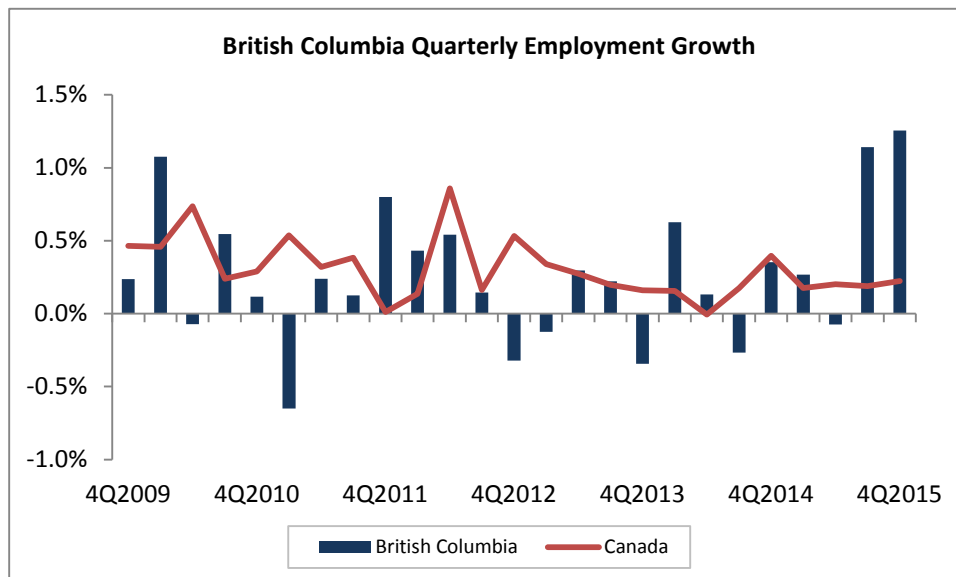
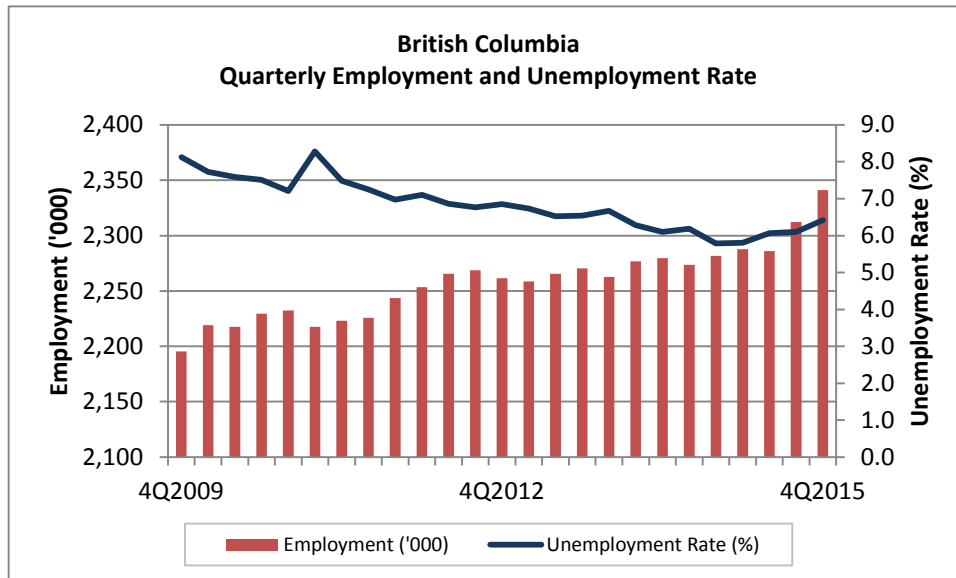
British Columbia Quarterly Labour Force Statistics

Seasonally Adjusted Data	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,899.4	3,884.5	3,844.8	14.9	0.4	54.6	1.4
Labour Force ('000)	2,501.8	2,462.5	2,422.0	39.3	1.6	79.8	3.3
Employment ('000)	2,341.2	2,312.2	2,281.7	29.0	1.3	59.5	2.6
Full-Time ('000)	1,842.8	1,833.2	1,801.1	9.6	0.5	41.7	2.3
Part-Time ('000)	498.5	479.0	480.6	19.5	4.1	17.9	3.7
Unemployment ('000)	160.6	150.3	140.2	10.3	6.9	20.4	14.6
Unemployment Rate (%)	6.4	6.1	5.8	0.3	-	0.6	-
Participation Rate (%)	64.2	63.4	63.0	0.8	-	1.2	-
Employment Rate (%)	60.0	59.5	59.3	0.5	-	0.7	-

Note: Totals may not add due to rounding

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

While Alberta and Saskatchewan continue to struggle due to low oil prices, BC closed out 2015 leading all provinces in both quarterly and year-over-year employment growth. Moreover, BC is on pace to lead all provinces for economic growth in 2015 as a result of rising housing valuations in the Lower Mainland (particularly in Metro Vancouver) and strong consumer spending.¹ According to the Royal Bank of Canada, GDP growth in the province will be 2.9% in 2015, rising to 3.1% in 2016.²



While BC’s labour market was the strongest in the country, there were some signs of weakness. For instance, gains in part-time employment (+3.7%) outpaced full-time growth (+2.3%). In addition, private sector workers in an employer-employee relationship increased by just 1.2% on the year, compared to 5.3% for public sector employees and 5.0% for the self-employed. Finally, unemployment also increased on the year, up by 14.6% compared to the 4th quarter of 2014. At the end of 2015, BC’s unemployment rate stood at 6.4%, compared to 5.8% one year earlier.

British Columbia Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation		Yearly Variation	
				(% points)		(% points)	
Total	6.4	6.1	5.8	0.3		0.6	
25 years and over	5.5	5.0	4.9	0.5		0.7	
Men - 25 years and over	5.9	5.2	4.9	0.7		1.0	
Women - 25 years and over	5.1	4.9	4.8	0.2		0.4	
15 to 24 years	11.5	12.4	11.2	-0.9		0.3	
Men - 15 to 24 years	13.4	14.1	12.8	-0.7		0.6	
Women - 15 to 24 years	9.4	10.5	9.5	-1.1		-0.1	

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

At 11.5%, the unemployment rate for BC youth aged 15 to 24 is nearly two times the overall unemployment rate, and up slightly from last year (+0.3 percentage points). The change stems from an increase in the unemployment rate for young men—from 12.8% to 13.4% on the year.

EMPLOYMENT BY INDUSTRY

British Columbia Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,341.2	2,312.2	2,281.7	29.0	1.3	59.5	2.6
Goods-producing sector	468.0	455.5	443.7	12.5	2.7	24.3	5.5
Agriculture	22.7	21.8	21.9	0.9	4.1	0.8	3.7
Forestry, fishing, mining, quarrying, oil and gas	49.4	48.4	50.6	1.0	2.1	-1.2	-2.4
Utilities	15.0	13.9	14.0	1.1	7.9	1.0	7.1
Construction	202.3	201.7	193.4	0.6	0.3	8.9	4.6
Manufacturing	178.7	169.8	163.9	8.9	5.2	14.8	9.0
Services-producing sector	1,873.2	1,856.7	1,838.0	16.5	0.9	35.2	1.9
Trade	358.5	353.9	357.1	4.6	1.3	1.4	0.4
Transportation and warehousing	140.1	140.4	141.2	-0.3	-0.2	-1.1	-0.8
Finance, insurance, real estate and leasing	124.1	126.7	136.2	-2.6	-2.1	-12.1	-8.9
Professional, scientific and technical services	189.0	187.2	185.7	1.8	1.0	3.3	1.8
Business, building and other support services	96.2	95.9	85.2	0.3	0.3	11.0	12.9
Educational services	165.0	166.4	164.3	-1.4	-0.8	0.7	0.4
Health care and social assistance	297.7	295.6	267.8	2.1	0.7	29.9	11.2
Information, culture and recreation	120.2	114.5	113.2	5.7	5.0	7.0	6.2
Accommodation and food services	175.2	177.9	183.1	-2.7	-1.5	-7.9	-4.3
Other services	107.9	101.6	107.4	6.3	6.2	0.5	0.5
Public administration	99.3	96.6	96.9	2.7	2.8	2.4	2.5

Note: Totals may not add due to rounding

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

Employment in BC's goods-producing sector increased by 24,300 (5.5%) in quarterly year-over-year comparison. Growth occurred primarily in manufacturing (+14,800) and construction (+8,900), while employment in resource extraction (forestry, fishing, mining, quarrying, oil and gas) fell by 1,200 (-2.4%).

Overall, the trend for exports of BC food, forestry and other manufacturing products is mildly positive moving forward. On the other hand, the immediate future of exports of energy, raw metals and minerals remains weak, due to declining demand and lower prices in Asian markets. Year-to-date, exports by value to BC's number one export market, the US, are up 4.5%. Meanwhile, exports to destinations two (China), three (Japan), and four (South Korea) are down -6.6%, -2.8%, and -14.4% respectively. Overall this pattern has resulted in an increase of just 0.2% in the value of exports year-to-date.³

Continued strength in BC's housing market, particularly in Metro Vancouver bodes well for the construction industry, with employment increasing by 8,900 or 4.6% year-over-year. Amongst the largest centres, housing starts are up sharply in Abbotsford-Mission (+64%) and Victoria (+46%) year-to-date.⁴ Housing starts in the Vancouver CMA, which has been on a multi-year tear, increased by 7.0%. In the interior, housing starts in Kelowna increased a modest 3.0%, as out-of-province buyers from Alberta are now few and far between.⁵

Employment in the services-producing sector was up 35,200 (+1.9%) from the same quarter one year earlier. In absolute terms, by far the largest employment gains occurred in health care and social assistance (+29,900 or 11.2%), with the other public sector industries (education and public administration) also showing job growth on the period. All told, the three public sector industries accounted for 33,000 job gains between them.

Within the private sector, business services showed strong employment gains on the year (+11,000 or 12.9%), while employment in information, culture and recreation (+7,000 or 6.2%) was buoyed by an excellent year for BC's film industry. Of note, while trade (retail and wholesale) continues to be BC's largest industry by workforce size (358,500 workers) sales growth and employment growth were disconnected on the year. Retail sales rose 7.0% in 2015, while employment remained relatively flat (+0.4%).⁶

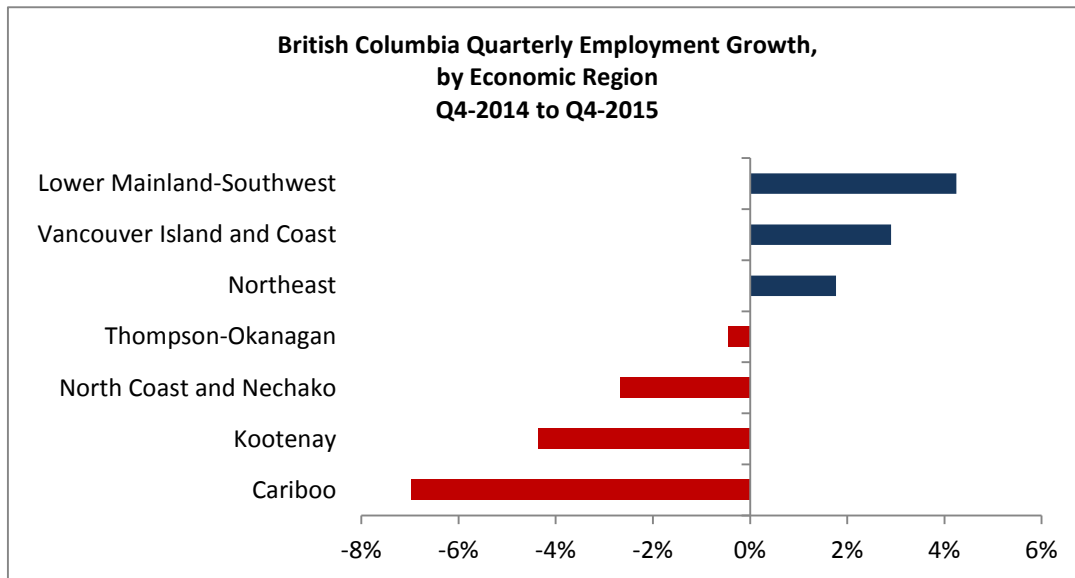
REGIONAL ANALYSIS

British Columbia Quarterly Labour Force Statistics

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	4th Quarter 2015 ('000)	4th Quarter 2014 ('000)	Yearly Variation (%)	4th Quarter 2015 (%)	4th Quarter 2014 (%)	Yearly Variation (% points)
British Columbia	2,343.3	2,281.9	2.7	6.0	5.4	0.6
Economic Regions						0.0
Vancouver Island and Coast	365.0	354.7	2.9	6.4	5.2	1.2
Lower Mainland-Southwest	1,509.0	1,447.5	4.2	5.6	5.5	0.1
Thompson-Okanagan	244.3	245.4	-0.4	7.3	5.4	1.9
Kootenay	65.7	68.7	-4.4	7.2	6.3	0.9
Cariboo	78.8	84.7	-7.0	7.2	4.9	2.3
North Coast and Nechako	40.1	41.2	-2.7	7.0	4.6	2.4
Northeast	40.3	39.6	1.8	7.6	-	-

Note: Totals may not add due to rounding

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



Employment growth was uneven across the province for the period Q4 2014 to Q4 2015, led by strong expansion in the urban centres of Lower Mainland-Southwest and Vancouver Island and Coast. By contrast prospects dimmed across most rural/remote parts of the province, as employment fell in four of seven economic regions on the year. Among the rural/remote regions, only the Northeast at the heart of BC's oil and gas industry, showed positive employment growth.

At 4.2%, the Lower Mainland's year-over-year employment growth rate was by far BC's highest. The Region includes both the Vancouver and Abbotsford-Mission CMAs, in which housing activity is unusually strong, and is where 63% of BC's workers reside.

Vancouver Island and Coast also showed positive year-over-year employment growth (+2.9%) entirely due to strong hiring across Victoria CMA (+6.4%). Excluding Victoria's gains, employment across Vancouver Island Coast contracted on the year.

Many BC resource industries are facing dim economic prospects for 2016 as global growth slows and competition among commodity producers intensifies worldwide.⁷ This in turn has a dampening effect on the economies across the more remote parts of the province.

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@hrsdc-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, 2016, all rights reserved

¹ Cooper, Laura. (December 2015). Provincial Outlook: December 2015: British Columbia. RBC Economics Research. Retrieved from: <http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/bc.pdf>

² Ibid

³ Industry Canada, Trade Data Online [Year to date is January 2015 – November 2015]. Retrieved from: <https://www.ic.gc.ca/app/scr/tdst/tdo/crtr.html?naArea=P59&searchType=All&productType=NAICS&reportType=TE&timePeriod=2%7CYear+To+Date¤cy=CDN&toFromCountry=CDN&countryList=TOP&grouped=GROUPED&runReport=true>

For GDP purposes, exports are measured in terms of volumes shipped versus a fixed previous year, currently set as 2007. So for example, if coal shipments increase 10% even as prices drop 20%, this could represent positive GDP growth even as coal miners suffer and the value of exports decline.

⁴ CMHC, Preliminary Housing Start Data, December 2015. [Year-to-date comparison: January to November 2015 versus January to November 2014]. Retrieved January 8, 2016 from: http://www.cmhc-schl.gc.ca/odpub/esub/64695/64695_2015_M12.pdf?fr=1452509849454

⁵ Ibid

⁶ Statistics Canada, CANSIM Table 080-0020 employment

⁷ Marlow, Ian, The Globe and Mail, January 11, 2016. World Bank cuts global growth forecast as emerging markets struggle <http://www.theglobeandmail.com/report-on-business/international-business/world-bank-downgrades-growth-forecast-as-emerging-markets-struggle/article28100772/>