



# Labour Market Bulletin

## British Columbia

August 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 August, the number employed in British Columbia remained consistent, as it has over the past 3 months, at around 2.3 million people. Full-time employment increased slightly from July, returning to June levels. Part-time work remained steady, accounting for about 20% of total employment. The unemployment rate remained steady at 6%, one percent below the national rate of 7%.

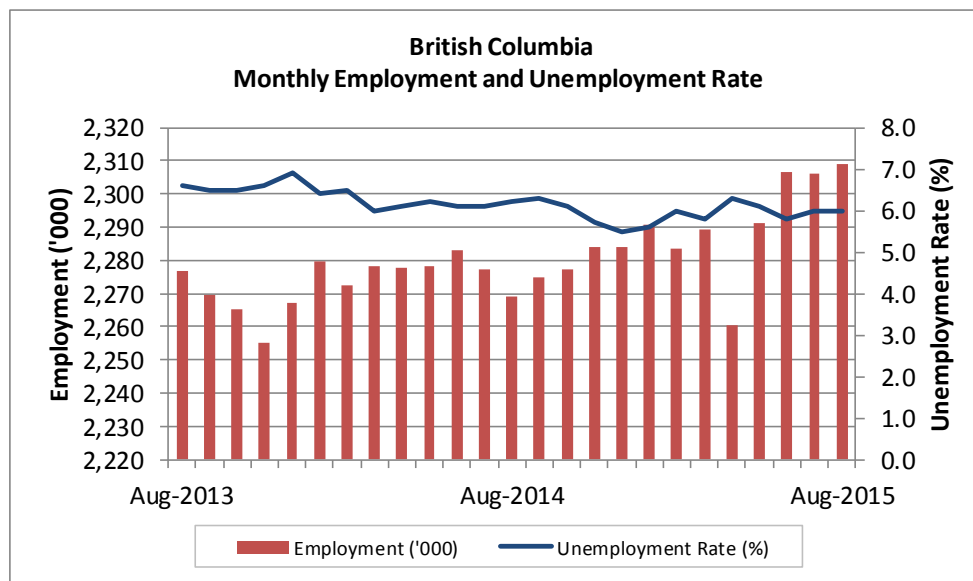
On a year-over-year basis, the BC labour force has expanded thanks to net international and inter-provincial migration growth. Metro Vancouver attracted most newcomers. Housing demand remains strong in Metro Vancouver, with a 30% increase of sales year-over year.<sup>1</sup> All told, employment over the year increased by approximately 40,000 (+1.8%), with full-time positions up 3.2%, and part-time employment down 3.5%.

British Columbia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	August 2015	July 2015	August 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15+ ('000)</b>	3,884.1	3,879.5	3,835.5	4.6	0.1	48.6	1.3
<b>Labour Force ('000)</b>	2,457.6	2,452.3	2,419.0	5.3	0.2	38.6	1.6
<b>Employment ('000)</b>	2,309.1	2,306.0	2,269.2	3.1	0.1	39.9	1.8
Full-Time ('000)	1,835.3	1,818.4	1,778.4	16.9	0.9	56.9	3.2
Part-Time ('000)	473.8	487.7	490.8	-13.9	-2.9	-17.0	-3.5
<b>Unemployment ('000)</b>	148.5	146.2	149.8	2.3	1.6	-1.3	-0.9
<b>Unemployment Rate (%)</b>	6.0	6.0	6.2	0.0	-	-0.2	-
<b>Participation Rate (%)</b>	63.3	63.2	63.1	0.1	-	0.2	-
<b>Employment Rate (%)</b>	59.5	59.4	59.2	0.1	-	0.3	-

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	August 2015	July 2015	August 2014	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
<b>Total</b>	6.0	6.0	6.2	0.0	-0.2
<b>25 years and over</b>	4.9	5.1	5.2	-0.2	-0.3
Men - 25 years and over	5.1	5.3	5.6	-0.2	-0.5
Women - 25 years and over	4.7	4.8	4.8	-0.1	-0.1
<b>15 to 24 years</b>	12.5	11.1	11.9	1.4	0.6
Men - 15 to 24 years	14.6	12.7	13.6	1.9	1.0
Women - 15 to 24 years	10.4	9.4	10.2	1.0	0.2

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

The labour market participation rate for youth (15-25 years of age) is trending around 61%. The youth employment rate for August is up marginally from July and up one percent over last year at 53.6%. Youth unemployment rates were higher in August (12.5%) for both men (14.6%) and women (10.4%) and were also 0.6% higher year-over-year. For adults aged 25 and older, the unemployment rate fell to 4.9% in August, down 0.3 percent from one year ago.

## EMPLOYMENT BY INDUSTRY

In August, employment in BC's **goods-producing sector** picked up 1.5% from July and 1.3% year-over-year, with surprising gains in the **resource sector**. Rising U.S. housing starts and a low Canadian dollar are lifting BC softwood lumber exports slightly in spite of weakening demand from China. Looking forward, the loosening of restrictive housing policies in China and China's recent cut to the benchmark interest rate should help BC lumber exports.<sup>2</sup>

**Agriculture** continued to show losses with BC farmers suffering an extensive drought over the summer. Central Saanich farmers reported a reduction in crop output and increased costs related to water-use in August. Saanich Peninsula's normal precipitation was down 40% between April and July.<sup>3</sup>

**Construction sector** employment was up 1.4% as infrastructure projects continue around the province. Construction on sections of highway 97 began in August. This 3-year, \$17M project is part of \$1B that the BC government will be spending throughout the province as part of the *BC on the Move* 10-year transportation plan.<sup>4</sup>

Employment in **manufacturing**, benefiting from a low loonie, posted a year-over year gain of 7,000 (4.3%). Wood manufacturing, BC's largest manufacturing industry has also benefited from the uptick in U.S. housing starts.

Employment in BC's **services-producing sector** is up over 34,000 from a year ago. Employment gains are concentrated in **health care and social assistance** (31,600), **business services** (8,500), and **professional services** (8,400).

### British Columbia Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	August 2015	July 2015	August 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	2,309.1	2,306.0	2,269.2	3.1	0.1	39.9	1.8
<b>Goods-producing sector</b>	452.8	446.0	447.2	6.8	1.5	5.6	1.3
Agriculture	19.9	23.3	25.4	-3.4	-14.6	-5.5	-21.7
Forestry, fishing, mining, quarrying, oil and gas	49.8	46.9	48.4	2.9	6.2	1.4	2.9
Utilities	13.4	14.6	13.4	-1.2	-8.2	0.0	0.0
Construction	200.2	196.4	197.4	3.8	1.9	2.8	1.4
Manufacturing	169.5	165.0	162.5	4.5	2.7	7.0	4.3
<b>Services-producing sector</b>	1,856.3	1,860.0	1,822.1	-3.7	-0.2	34.2	1.9
Trade	351.4	353.2	357.9	-1.8	-0.5	-6.5	-1.8
Transportation and warehousing	140.2	142.7	134.2	-2.5	-1.8	6.0	4.5
Finance, insurance, real estate and leasing	130.0	124.0	135.4	6.0	4.8	-5.4	-4.0
Professional, scientific and technical services	191.7	185.6	183.3	6.1	3.3	8.4	4.6
Business, building and other support services	97.7	95.6	89.2	2.1	2.2	8.5	9.5
Educational services	168.7	167.9	166.4	0.8	0.5	2.3	1.4
Health care and social assistance	295.0	298.0	263.4	-3.0	-1.0	31.6	12.0
Information, culture and recreation	109.1	116.2	104.3	-7.1	-6.1	4.8	4.6
Accommodation and food services	175.8	180.9	183.8	-5.1	-2.8	-8.0	-4.4
Other services	101.0	99.8	103.7	1.2	1.2	-2.7	-2.6
Public administration	95.6	96.3	100.5	-0.7	-0.7	-4.9	-4.9

Note: Totals may not add due to rounding

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

## REGIONAL ANALYSIS

Year-over-year employment remains up in all BC economic regions with the exception of **Cariboo** (-10.2%). However, **Cariboo's** August unemployment rate of 7.8% was lower than **North Coast and Nechako** (8.0%) and **Kootenay** (9.4%). These economic regions rely on the forestry, mining and construction industries where declines have hampered the regional economies. Mining continues to be impacted by lower commodity prices and weakened demand, while the Mountain Pine Beetle infestation, drought and forest fires continue to erode wood fiber supply in the forestry sector.<sup>5</sup> Mining related construction has also been affected.

**Thompson-Okanagan** and **Northeast** regions posted the lowest unemployment rates in BC at 5.1% and 5.5%, respectively. In the **Northeast**, a 1% dip in unemployment from July's rate reverses a 5 month rising trend. **Thompson-Okanagan** benefits from its location as a popular tourist destination.

The **Kootenay** region (9.4% unemployment) remains at risk as a result of the number of local residents who worked in the Alberta oil sands and have been impacted by the drop in oil prices over the past several months.<sup>6</sup> However, the region is also building its tourism industry.

Population, demographics and a diversified economy continue to help the **Lower Mainland's** employment growth increase of 1.1% over the past year. Economic activity is fueled by the region's housing market buoyed by high demand and low interest rates. The region also benefits as a destination for tourism and film production.<sup>7</sup> **Coquitlam** recently hosted the Canadian Pacific Women's Open. This golf tournament attracted more than 77,000 visitors to the city, with an estimated \$7M to \$8M economic impact.<sup>8</sup>

**Vancouver Island and Coast** unemployment rates edged down 0.5% from last August. The Vancouver Island Construction Association indicated recently that the Island's construction industry is having a strong year. The industry is being driven by a resurgence of homebuilding that is expected to continue.<sup>9</sup>

### British Columbia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2015 ('000)	August 2014 ('000)	Yearly Variation (%)	August 2015 (%)	August 2014 (%)	Yearly Variation (% points)
<b>British Columbia</b>	2,334.8	2,300.1	1.5	6.1	6.2	-0.1
<b>Economic Regions</b>						
Vancouver Island and Coast	358.4	351.0	2.1	6.3	6.8	-0.5
Lower Mainland-Southwest	1,478.0	1,461.6	1.1	5.8	6.1	-0.3
Thompson-Okanagan	262.6	253.6	3.5	5.1	5.5	-0.4
Kootenay	72.7	69.0	5.4	9.4	6.4	3.0
Cariboo	80.0	89.1	-10.2	7.8	5.7	2.1
North Coast and Nechako	43.7	38.2	14.4	8.0	10.7	-2.7
Northeast	39.3	37.6	4.5	5.5	4.1	1.4

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.

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**For information on the Labour Force Survey,** please visit the Statistics Canada Web site at: [www.statcan.gc.ca](http://www.statcan.gc.ca)

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<sup>1</sup> Vancity Buzz. August 6, 2015. <http://www.vancitybuzz.com/2015/08/metro-vancouver-housing-supplies-depleted-as-sales-soar-by-30/> (accessed September 4, 2015)

<sup>2</sup> Business Vancouver. July 14, 2015. <https://www.biv.com/article/2015/7/lumber-recovery-slow-take-root-bc/> (accessed September 6, 2015)

<sup>3</sup> Peninsula News Review. August 20, 2015. <http://www.peninsulanewsreview.com/news/322431151.html>

<sup>4</sup> Alaska Highway News. July 31, 2015. <http://www.alaskahighwaynews.ca/regional-news/highway-97-upgrades-near-taylor-to-start-next-month-1.2018396>

<sup>5</sup> Central 1. August 19, 2015. <https://www.central1.com/news/southern-bc-regions-lead-bc-economic-growth-2016-says-central-1-credit-union-forecast>

<sup>6</sup> News 1130. August 19, 2015. <http://www.news1130.com/2015/08/19/bcs-economic-growth-to-be-modest-but-still-stronger-than-rest-of-canada-credit-unions/>

<sup>7</sup> Business Vancouver. August 25, 2015. <https://www.biv.com/article/2015/8/low-interest-rates-keep-bc-housing-market-buoyant/>

<sup>8</sup> The Now News. August 20, 2015. <http://www.thenownews.com/news/women-s-open-a-boon-for-city-1.2036525>

<sup>9</sup> Times Columnist. August 29, 2015. <http://www.timescolonist.com/business/vancouver-island-s-construction-industry-shows-strength-1.2044540>