



# Labour Market Bulletin

## British Columbia



September 2015 (*Quarterly Edition*)

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 1.1% (+26,100) from the last quarter in June and by 1.7% (+38,500) year-over-year. In total, a little over 2.3 million people were employed in BC over the third quarter of 2015.

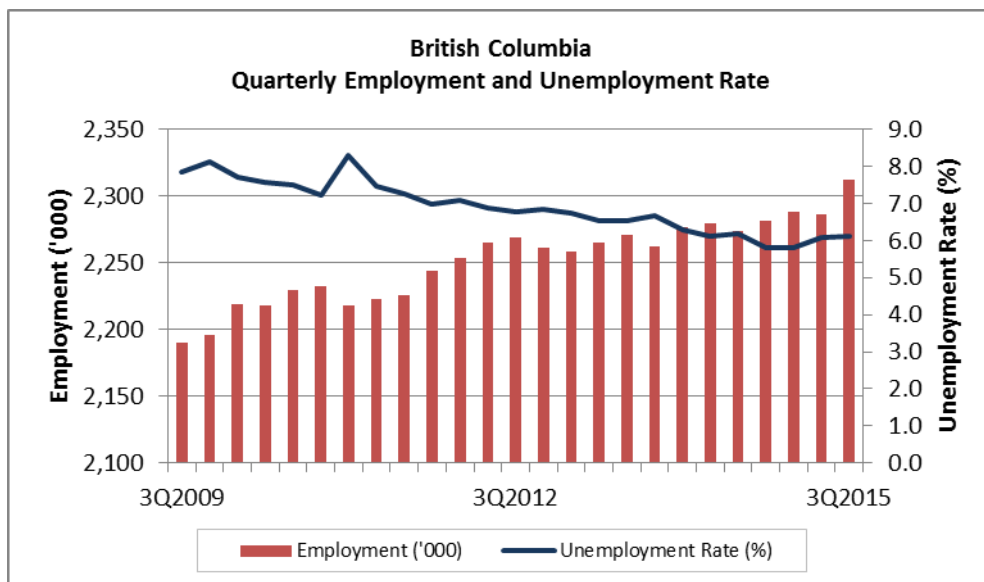
#### British Columbia Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly Variation		Yearly Variation	
	2015	2015	2014	Number	%	Number	%
<b>Population 15 + ('000)</b>	3,884.5	3,868.9	3,835.6	15.6	0.4	48.9	1.3
<b>Labour Force ('000)</b>	2,462.5	2,433.8	2,423.6	28.7	1.2	38.9	1.6
<b>Employment ('000)</b>	2,312.2	2,286.1	2,273.7	26.1	1.1	38.5	1.7
Full-Time ('000)	1,833.2	1,806.7	1,785.2	26.5	1.5	48.0	2.7
Part-Time ('000)	479.0	479.4	488.5	-0.4	-0.1	-9.5	-1.9
<b>Unemployment ('000)</b>	150.3	147.7	149.9	2.6	1.8	0.4	0.3
<b>Unemployment Rate (%)</b>	6.1	6.1	6.2	0.0	-	-0.1	-
<b>Participation Rate (%)</b>	63.4	62.9	63.2	0.5	-	0.2	-
<b>Employment Rate (%)</b>	59.5	59.1	59.3	0.4	-	0.2	-

Note: Totals may not add due to rounding

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

Most economists expect that BC will maintain its top position among other provinces for economic growth in 2015 as a result of rising housing valuations in the Lower Mainland (particularly in Metro Vancouver), strong US demand, and a low Canadian dollar.<sup>1</sup> According to the Conference Board of Canada, BC's GDP growth is expected to be 2.8% in 2015.<sup>2</sup>



In some export-oriented industries such as mining and forestry, employment has declined in recent months as the result of softening demand from Asian markets. However, in other areas, BC’s diverse economy has helped boost employment. For instance, health care and social assistance, educational services and business building and support services have been three of the strongest performers this quarter. Consequently, despite the recent downturn in the resource extraction industries, the unemployment rate in the province has remained at 6.1% between quarters, down only 0.1 percentage point from a year ago.

## British Columbia Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly Variation	Yearly Variation
	2015	2015	2014	(% points)	(% points)
<b>Total</b>	6.0	6.1	6.2	-0.1	-0.2
<b>25 years and over</b>	5.0	5.1	5.2	-0.1	-0.1
Men - 25 years and over	5.2	5.6	5.4	-0.4	-0.2
Women - 25 years and over	4.8	4.6	4.9	0.2	-0.1
<b>15 to 24 years</b>	11.8	11.6	12.2	0.2	-0.3
Men - 15 to 24 years	13.6	13.7	14.7	-0.1	-1.0
Women - 15 to 24 years	9.9	9.2	9.6	0.7	0.3

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

At 11.8%, the unemployment rate for BC youth aged 15 to 24 is almost two times the overall unemployment rate, and up slightly from the second quarter. The change largely stems from an increase in the unemployment rate for young women—from 9.2% to 9.9% between quarters.

## EMPLOYMENT BY INDUSTRY

## British Columbia Quarterly Labour Force Statistics

Seasonally Adjusted Data ('000)	3rd Quarter	2nd Quarter	3rd Quarter	Quarterly Variation		Yearly Variation	
	2015	2015	2014	Number	%	Number	%
<b>Total employed, all industries</b>	2,312.2	2,286.1	2,273.7	26.1	1.1	38.5	1.7
<b>Goods-producing sector</b>	455.5	454.9	446.9	0.6	0.1	8.6	1.9
Agriculture	21.8	23.4	25.6	-1.6	-6.8	-3.8	-14.8
Forestry, fishing, mining, quarrying, oil and gas	48.4	46.2	48.3	2.2	4.8	0.1	0.2
Utilities	13.9	13.8	13.2	0.1	0.7	0.7	5.3
Construction	201.7	200.3	197.2	1.4	0.7	4.5	2.3
Manufacturing	169.8	171.2	162.6	-1.4	-0.8	7.2	4.4
<b>Services-producing sector</b>	1,856.7	1,831.2	1,826.8	25.5	1.4	29.9	1.6
Trade	353.9	348.4	359.1	5.5	1.6	-5.2	-1.4
Transportation and warehousing	140.4	144.5	134.7	-4.1	-2.8	5.7	4.2
Finance, insurance, real estate and leasing	126.7	131.8	136.2	-5.1	-3.9	-9.5	-7.0
Professional, scientific and technical services	187.2	186.3	181.1	0.9	0.5	6.1	3.4
Business, building and other support services	95.9	89.7	87.3	6.2	6.9	8.6	9.9
Educational services	166.4	159.4	165.7	7.0	4.4	0.7	0.4
Health care and social assistance	295.6	280.7	266.0	14.9	5.3	29.6	11.1
Information, culture and recreation	114.5	111.6	105.3	2.9	2.6	9.2	8.7
Accommodation and food services	177.9	181.2	186.2	-3.3	-1.8	-8.3	-4.5
Other services	101.6	103.5	104.3	-1.9	-1.8	-2.7	-2.6
Public administration	96.6	94.3	101.0	2.3	2.4	-4.4	-4.4

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 8,600 (1.9%) in quarterly year-over-year comparisons. Employment growth occurred primarily in manufacturing (+7,200) and construction (+4,200), while the other goods-producing industries, such as utilities and resources sectors, contributed to a lesser extent. Overall, the trend for exports of BC food, forestry and other manufacturing products is fairly positive moving forward, while the export outlook for energy, raw metals and minerals remains weaker due to declining demand in Asian markets and lower prices for commodities such as copper and metallurgical coal. In fact, year-to-date, exports to Asia are down by 3.8% (but up 5% to the US).<sup>3</sup>

Continued strength in BC's housing market, particularly in areas such as Metro Vancouver bodes well for the construction industry, with employment increasing by 4,500 or 2.3% year-over-year. Housing starts are also up significantly in Victoria, Nanaimo, Kamloops and Prince George, driven jointly by a high demand for housing and low mortgage rates.<sup>4</sup>

Employment in the services-producing sector was up 25,500 (+1.4%) from the last quarter. The largest employment growth occurred in business services (6.9% or +6,200), health care and social assistance (5.3% or +14,900), educational services (4.4% or +7,000), and trade (1.6% or +5,500). Of note, trade (retail and wholesale) continues to be BC's largest industry by workforce size with 353,900 workers.

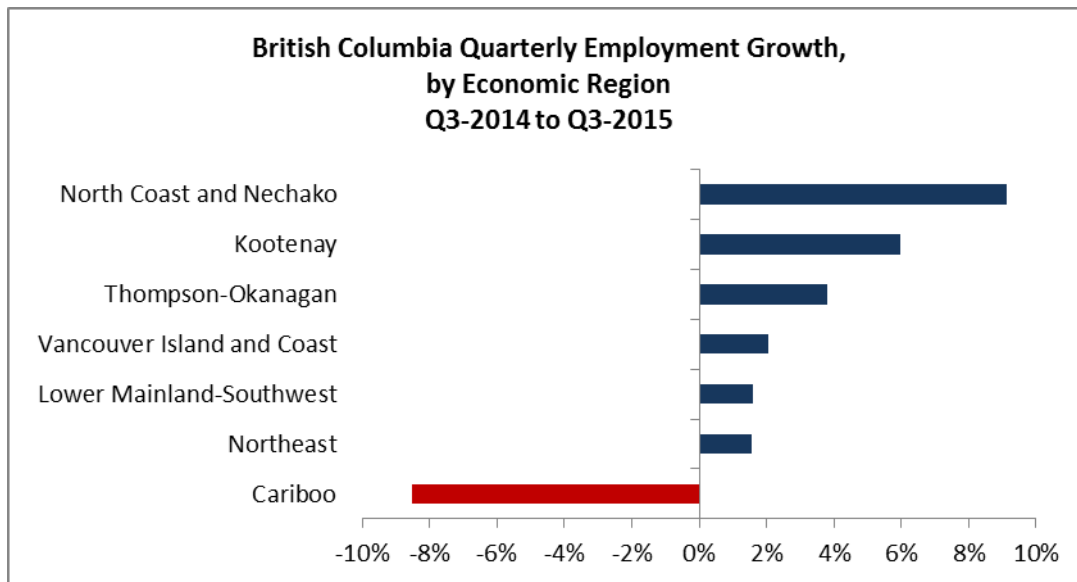
## REGIONAL ANALYSIS

### British Columbia Quarterly Labour Force Statistics

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	3rd Quarter 2015 ('000)	3rd Quarter 2014 ('000)	Yearly Variation (%)	3rd Quarter 2015 (%)	3rd Quarter 2014 (%)	Yearly Variation (% points)
<b>British Columbia</b>	2,335.3	2,294.7	1.8	6.3	6.3	0.0
<b>Economic Regions</b>						0.0
Vancouver Island and Coast	358.0	350.8	2.1	6.6	6.3	0.3
Lower Mainland-Southwest	1,481.4	1,458.3	1.6	6.1	6.3	-0.2
Thompson-Okanagan	260.1	250.6	3.8	5.7	6.3	-0.6
Kootenay	72.9	68.8	6.0	8.0	6.3	1.7
Cariboo	80.6	88.1	-8.5	7.7	5.4	2.3
North Coast and Nechako	43.0	39.4	9.1	7.7	9.4	-1.7
Northeast	39.2	38.6	1.6	5.5	4.0	1.5

Note: Totals may not add due to rounding

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



Despite recent declines in forestry and mining, the North Coast and Nechako economic region continued to lead BC in year-over-year employment growth (+3,600 or 9.1%) in the third quarter. In September, construction began on a 330-person camp for the Pretium (PRETIVM) Resources' Brucejack gold mine near Stewart.<sup>5</sup> The construction phase is expected to employ 900 workers over two years.<sup>6</sup> In addition, Skeena Sawmills reopened its Terrace mill in September after a two month hiatus in response to reduced Asian demand. At full capacity, the mill generates approximately 150 jobs in the region.<sup>7</sup> Projects such as the Stewart World Port, also suggest optimism for the region. The Stewart World Port expects to be competitive with southern port facilities and will be used to ship metals, oil and gas, pipes, logs, grain and other goods to Asian markets.<sup>8</sup> Even so, the region's unemployment rate of 7.7% remains higher than the provincial average, largely as a result of poorer labour market outcomes for its significant Aboriginal population.<sup>9</sup>

Meanwhile, employment in the Cariboo region continued to decline over the last quarter. Thompson Creek Metals Endako mine (Fish Lake) and Tl'oh Forest Products (Fort St. James) are two key employers in the region who shuttered operations in June, impacting about 320 positions in the region.<sup>10</sup> Correspondingly, year-over-year unemployment for Cariboo is up by 2.3 percentage points.

Kootenay's year-over-year employment growth is up 6.0%, but it's unemployment rate is also up by 1.7 percentage points. As of this quarter, the Kootenay region held the highest unemployment of any region in BC at 8.0%. Recently, Canfor Corp announced that it will be shuttering its Canal Flats sawmill by November 2015.<sup>11</sup>

In the Lower Mainland, BC's employment increased by 1.6% (+23,100) With close to 63% of BC's workers located in the Lower Mainland, the region continues to attract businesses looking for skilled workers and retailers looking for high demand consumers. Retailers recently investing in the Lower Mainland include Meinhardt Fine Foods, SuperCare Pharmacy, Walmart, The Closet YVR, Christian Dior, Microsoft, and many others.<sup>12</sup> Not surprisingly, the Lower Mainland's unemployment rate closely reflects BC's overall rate.

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

<sup>2</sup> Conference Board of Canada. (August 27, 2015). Provincial Outlook Summer 2015: Economic Forecast

<sup>3</sup> Yu, Bryan. ( 2015). B.C. Economic Briefing 21:40. Central1 Credit Union. [Year to date is January 2015 – September 2015] Retrieved from:

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<sup>4</sup> Yu, Bryan. ( 2015). B.C. Economic Briefing 21:40. Central1 Credit Union. [Year to date: January 2015 – September 2015] Retrieved from:

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<sup>5</sup> (September 16, 2015). Gold mine announced for northwestern B.C. *Terrace Standard*. Retrieved from: <http://www.terracestandard.com/news/327860991.html>

<sup>6</sup> (August 3, 2015). Pretium secures approval to advance \$750m Brucejack project in Canada. *mining-technology.com*. Retrieved from: <http://www.mining-technology.com/news/newspretium-secures-approval-to-advance-750m-brucejack-project-in-canada-4637120>

<sup>7</sup> Massey, Josh. (September 16, 2015). Terrace sawmill re-opens. *Terrace Standard*. Retrieved from: <http://www.terracestandard.com/news/327893191.html>

<sup>8</sup> (September 17, 2015). Commercial wharf opens in Stewart. B.C. *Terrace Standard*. Retrieved from: <http://www.terracestandard.com/news/328027201.html>

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<sup>10</sup> Keevil, Matthew. (June 3, 2015). Thompson Creek mastering Milligan's mill, but shuts Endako mine. *The Northern Miner*. Retrieved from: <http://www.northernminer.com/news/thompson-creek-mastering-milligans-mill-shutters-endako/1003655751/?er=NA>

<sup>11</sup> Hamilton, Gordon. (September 9, 2015). Canfor announces permanent closure of Canal Flats sawmill. *Business Vancouver*. Retrieved from: <https://www.biv.com/article/2015/9/canfor-announces-permanent-closure-canal-flats-saw/>

<sup>12</sup> Stainsby, Mia. (September 18, 2015). Meinhardt Fine Foods opens a downtown store today. *The Vancouver Sun*. Retrieved from: <http://blogs.vancouversun.com/2015/09/18/meinhardt-fine-foods-opens-a-downtown-store-today/>

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