



# Labour Market Bulletin

## British Columbia

January 2016



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

January 2016 was a lacklustre month for the Canadian labour market as employment declined in eight of ten provinces.

BC was one of just two provinces that posted job growth in January, with employment up a modest 1,200 (+0.1%). On a month-over-month basis, full-time employment gains (+10,700) out-weighed part-time losses (-9,500) in the province. While year-over-year, employment in BC is up 2.1% (+48,600) from January 2015, the largest percentage gain nationwide over the period.

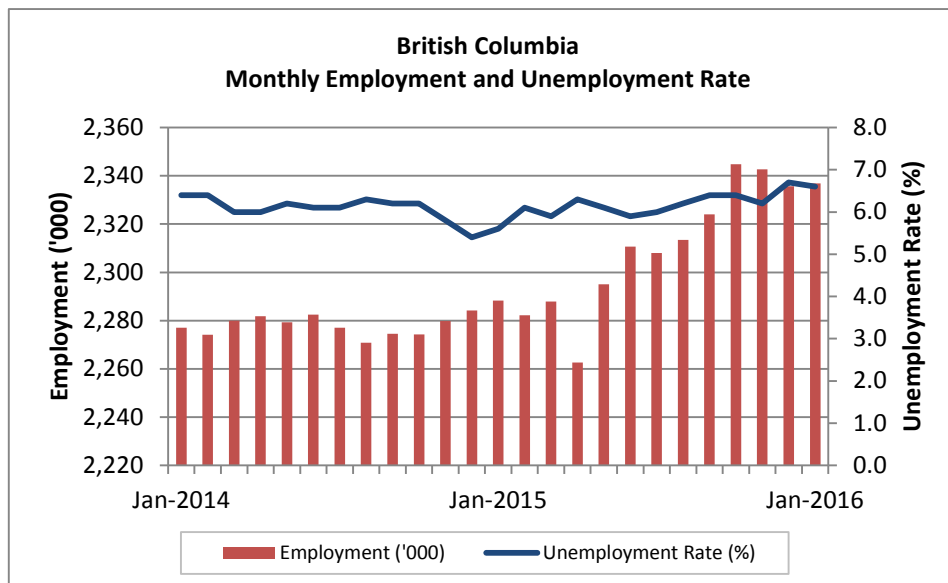
There were fewer people in BC looking for work in January than during the previous month (-1,500), which pushed the provincial unemployment rate down by the slimmest of margins (-0.1 percentage points). However, at 6.6%, BC's unemployment rate is a full percentage point higher than it was in January 2015. At 166,000, the number of unemployed in British Columbia is up by more than 20% compared to the same time last year.

**British Columbia Monthly Labour Force Statistics**

Seasonally Adjusted Monthly Data	January 2016	December 2015	January 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	3,905.9	3,903.2	3,851.6	2.7	0.1	54.3	1.4
<b>Labour Force ('000)</b>	2,503.0	2,503.2	2,424.1	-0.2	0.0	78.9	3.3
<b>Employment ('000)</b>	2,336.9	2,335.7	2,288.3	1.2	0.1	48.6	2.1
Full-Time ('000)	1,842.6	1,831.9	1,825.8	10.7	0.6	16.8	0.9
Part-Time ('000)	494.3	503.8	462.5	-9.5	-1.9	31.8	6.9
<b>Unemployment ('000)</b>	166.0	167.5	135.8	-1.5	-0.9	30.2	22.2
<b>Unemployment Rate (%)</b>	6.6	6.7	5.6	-0.1	-	1.0	-
<b>Participation Rate (%)</b>	64.1	64.1	62.9	0.0	-	1.2	-
<b>Employment Rate (%)</b>	59.8	59.8	59.4	0.0	-	0.4	-

Note: Totals may not add due to rounding

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



Unemployment increased disproportionately along both gender and age lines during the past year. For the population 25 years and older, the unemployment rate increased by 1.4 percentage points among men and by 0.3 percentage points among women. This pattern was even more pronounced among youth aged 15 to 24, with the unemployment rate for young men up 3.1 percentage points and for young women up just 0.5 percentage points. While higher unemployment rates for men are not unusual in BC, the difference between the rates for men and women aged 15 to 24 years as of January 2016 is significant; 10.0% for women and 15.0% for men.

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

Seasonally Adjusted Data	January 2016 %	December 2015 %	January 2015 %	Monthly Variation	Yearly Variation
				(% points)	(% points)
<b>Total</b>	6.6	6.7	5.6	-0.1	1.0
<b>25 years and over</b>	5.6	5.7	4.7	-0.1	0.9
Men - 25 years and over	6.3	6.1	4.9	0.2	1.4
Women - 25 years and over	4.8	5.3	4.5	-0.5	0.3
<b>15 to 24 years</b>	12.6	12.4	10.7	0.2	1.9
Men - 15 to 24 years	15.0	14.4	11.9	0.6	3.1
Women - 15 to 24 years	10.0	10.1	9.5	-0.1	0.5

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

## EMPLOYMENT BY INDUSTRY

## British Columbia Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	January 2016	December 2015	January 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	2,336.9	2,335.7	2,288.3	1.2	0.1	48.6	2.1
<b>Goods-producing sector</b>	466.5	470.1	464.4	-3.6	-0.8	2.1	0.5
Agriculture	18.7	20.3	21.8	-1.6	-7.9	-3.1	-14.2
Forestry, fishing, mining, quarrying, oil and gas	52.0	51.3	54.5	0.7	1.4	-2.5	-4.6
Utilities	14.4	15.5	16.3	-1.1	-7.1	-1.9	-11.7
Construction	202.1	202.0	201.5	0.1	0.0	0.6	0.3
Manufacturing	179.4	181.0	170.3	-1.6	-0.9	9.1	5.3
<b>Services-producing sector</b>	1,870.4	1,865.6	1,823.9	4.8	0.3	46.5	2.5
Trade	365.1	360.4	348.7	4.7	1.3	16.4	4.7
Transportation and warehousing	128.4	140.0	136.4	-11.6	-8.3	-8.0	-5.9
Finance, insurance, real estate and leasing	127.5	123.5	133.4	4.0	3.2	-5.9	-4.4
Professional, scientific and technical services	187.0	189.2	188.9	-2.2	-1.2	-1.9	-1.0
Business, building and other support services	98.7	95.2	85.6	3.5	3.7	13.1	15.3
Educational services	169.1	167.1	161.7	2.0	1.2	7.4	4.6
Health care and social assistance	299.8	295.4	275.7	4.4	1.5	24.1	8.7
Information, culture and recreation	124.8	119.6	110.3	5.2	4.3	14.5	13.1
Accommodation and food services	163.7	169.0	182.1	-5.3	-3.1	-18.4	-10.1
Other services	108.6	108.2	109.3	0.4	0.4	-0.7	-0.6
Public administration	97.7	98.2	92.0	-0.5	-0.5	5.7	6.2

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 is up 2,100 (+0.5%) compared to January 2015, led by gains in the manufacturing industry. Employment in manufacturing is up 9,100 (+5.3%), reflecting increases in chemical manufacturing, computer systems and electronics, and food and beverage products.

Meanwhile, job losses in resource extraction were concentrated in the oil and gas industry and were offset by gains in logging and mining. Utilities employment declined by 1,900, likely reflecting a decline in pipeline activity in the northeast.

In the forest sector, the low Canadian dollar is lifting softwood lumber exports from BC to the US. These boom times are unlikely to be long lasting, however. The Canada – US Softwood Lumber Agreement that has kept relative trade peace with the US over the last decade has now expired and American producers have announced their intention to see duties increased on Canadian lumber at the first opportunity.<sup>1</sup>

Construction employment is relatively flat year-over-year, as employment gains (+0.3%) in the Lower Mainland housing sector outpaced slowing employment in heavy and civil engineering construction in the north.

No LNG projects have been given the final go ahead, although one of the leading proposals, Canada LNG, officially deferred its final investment decision until the end of 2016. The deferral represents a setback for BC's LNG hopes, as the Kitimat-sited proposal has received provincial and federal environmental certificates as well as a 40-year export licence from the National Energy Board.<sup>2</sup>

Employment in BC's services-producing sector increased by 46,500 from a year ago, with the public sector (health care and social assistance, education, and public administration) accounting for the majority of gains. On the private sector side, a strong showing by wholesale and retail trade (+16,400) was entirely offset by employment losses in accommodation and food services (-18,400). Employment in information, culture and recreation increased by 14,500 (+13.1%) as BC's film and television industry enjoyed a very strong year thanks in no small part to the lower Canadian dollar.

## REGIONAL ANALYSIS

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

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	January 2016 ('000)	January 2015 ('000)	Yearly Variation (%)	January 2016 (%)	January 2015 (%)	Yearly Variation (% points)
<b>British Columbia</b>	2,325.7	2,271.6	2.4	6.4	5.5	0.9
<b>Economic Regions</b>						
Vancouver Island and Coast	360.3	352.6	2.2	7.1	5.2	1.9
Lower Mainland-Southwest	1,502.2	1,437.3	4.5	5.6	5.6	0.0
Thompson-Okanagan	241.6	245.5	-1.6	8.3	5.7	2.6
Kootenay	65.4	69.6	-6.0	7.9	5.2	2.7
Cariboo	76.3	83.9	-9.1	7.9	5.0	2.9
North Coast and Nechako	40.0	42.3	-5.4	7.0	4.7	2.3
Northeast	40.0	40.5	-1.2	8.5	-	-

Note: Totals may not add due to rounding

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

Employment increased in urban BC on the year, while pulling back across the rural and remote parts of the province. Compared to January 2015, employment declined in five of seven economic regions.

On the plus side, Lower Mainland-Southwest saw employment gains of 4.5% (+64,900) with the Vancouver Census Metropolitan Area (CMA) accounting for most of this growth. Job growth was strong both in goods and services across Lower Mainland-Southwest, with the region posting employment increases of 11,800 (+21.7%) in business, building and other support services and 13,300 (+18.1%) in information, culture and recreation.

Vancouver Island and Coast also saw year-over-year job growth thanks to employment gains in the Victoria CMA and the City of Nanaimo. Outside of these heavily urban centres, employment declined across the Island region. In Nanaimo, the only print daily newspaper shut down, with Black Press, the owner of the now defunct paper, continuing to publish the twice-weekly Nanaimo News Bulletin. Meanwhile, Vancouver Island's last working coal mine, the Quinsam mine located near Campbell River, closed indefinitely in January.<sup>3</sup>

Year-over-year employment declined in all other BC economic regions, ranging in severity between -1.2% in the Northeast and -9.1% in the Cariboo. Preliminary work continued on BC Hydro's Site C project, mitigating what otherwise would have been steeper employment losses in the Northeast. Assuming Site C survives various court challenges, project employment will ramp up sharply this year.

LNG development across the north essentially remains on hold as none of the 20 proposals to date have been given a final investment decision by their proponents.

**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> 71-cent dollar puts softwood back in U.S. crosshairs | Barrie McKenna, The Globe and Mail | January 30, 2016 | <http://nelson.theglobeandmail.com/servlet/ArticleNews/story/gam/20160130/RBRIMCKENNACOLUMN>

<sup>2</sup> Shell puts off decision on LNG megaproject in B.C. for another year as it grapples with plummeting oil prices and earnings | Yadullah Hussain, The Financial Post | February 4, 2016 | <http://business.financialpost.com/news/energy/shell-puts-off-decision-on-lng-megaproject-in-b-c-for-another-year-as-it-grapples-with-plummeting-oil-prices-and-earnings?lisa=ad80-9bb7>

<sup>3</sup> All Points West, CBC News, January 17, 2016 | <http://www.cbc.ca/news/canada/british-columbia/last-working-coal-mine-on-vancouver-island-shuts-down-marking-end-of-era-1.3407339>