



Labour Market Bulletin

British Columbia

February 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

February was a slow month for the Canadian labour market as total employment was unchanged from January 2016. BC was the standout performer among provinces, with employment up 14,100 from January (+0.6%). On a monthly basis, part-time employment gains (+20,100) out-weighed full-time losses (-6,000) in the province. Year-over-year, employment in BC is up 3.0% (+68,800), the largest percentage gain nationwide.

In BC, the number of people looking for work also increased in February. Unemployment increased by 1,000 compared to the previous month, leaving the unemployment rate unchanged at 6.6%. BC's unemployment rate is now one-half percentage point higher than in February last year. At 167,000, the number of unemployed in British Columbia is up by 13.4% compared to February 2015.

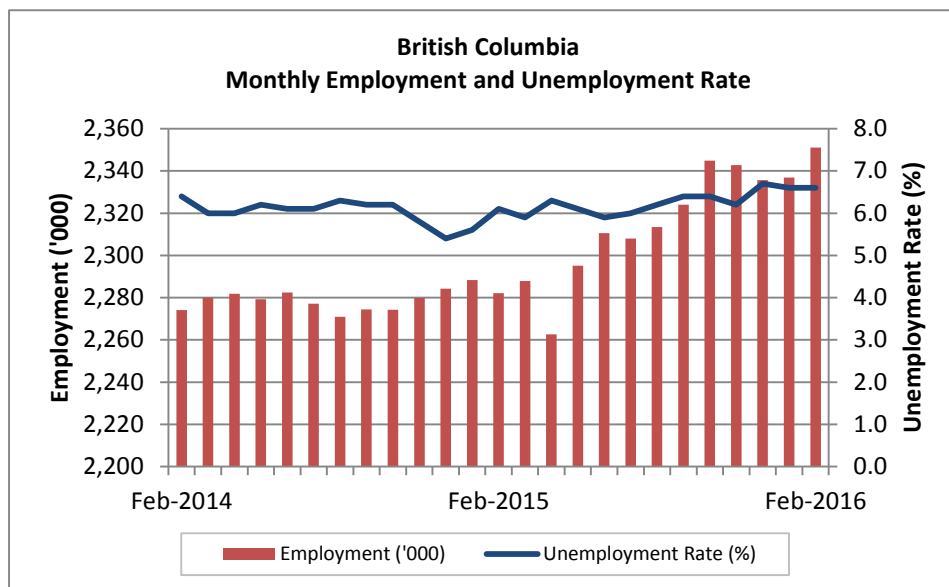
British Columbia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	February 2016	January 2016	February 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,910.0	3,905.9	3,855.5	4.1	0.1	54.5	1.4
Labour Force ('000)	2,518.0	2,503.0	2,429.5	15.0	0.6	88.5	3.6
Employment ('000)	2,351.0	2,336.9	2,282.2	14.1	0.6	68.8	3.0
Full-Time ('000)	1,836.6	1,842.6	1,808.4	-6.0	-0.3	28.2	1.6
Part-Time ('000)	514.4	494.3	473.8	20.1	4.1	40.6	8.6
Unemployment ('000)	167.0	166.0	147.3	1.0	0.6	19.7	13.4
Unemployment Rate (%)	6.6	6.6	6.1	0.0	-	0.5	-
Participation Rate (%)	64.4	64.1	63.0	0.3	-	1.4	-
Employment Rate (%)	60.1	59.8	59.2	0.3	-	0.9	-

Note: Totals may not add due to rounding

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

Employment is trending upwards in BC. The province has exceeded Canada's employment growth rate (year-over-year) in every month since June 2015. At the same time, unemployment has also increased, with the unemployment rate running between 6% and 7% for most of the past two years.



For the population 25 years and older, the unemployment rate increased by 0.5 percentage points among men and by 0.7 percentage points among women when compared to February of last year. However, the unemployment rate for men is still over a percentage point higher than it is for women in this age group.

Unemployment rates for youth (aged 15 to 24) also rose on the year – by 1.2 percentage points for young men and by 0.7 percentage points for young women. The unemployment rate for young men is now significantly higher than it is for young women.

British Columbia Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	February 2016	January 2016	February 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	6.6	6.6	6.1	0.0	0.5
25 years and over	5.6	5.6	5.1	0.0	0.5
Men - 25 years and over	6.2	6.3	5.5	-0.1	0.7
Women - 25 years and over	5.0	4.8	4.7	0.2	0.3
15 to 24 years	12.3	12.6	11.4	-0.3	0.9
Men - 15 to 24 years	14.4	15.0	13.2	-0.6	1.2
Women - 15 to 24 years	10.1	10.0	9.4	0.1	0.7

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)	February 2016	January 2016	February 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,351.0	2,336.9	2,282.2	14.1	0.6	68.8	3.0
Goods-producing sector	471.7	466.5	457.0	5.2	1.1	14.7	3.2
Agriculture	19.6	18.7	21.8	0.9	4.8	-2.2	-10.1
Forestry, fishing, mining, quarrying, oil and gas	54.1	52.0	47.0	2.1	4.0	7.1	15.1
Utilities	13.4	14.4	15.6	-1.0	-6.9	-2.2	-14.1
Construction	205.8	202.1	202.8	3.7	1.8	3.0	1.5
Manufacturing	178.8	179.4	169.7	-0.6	-0.3	9.1	5.4
Services-producing sector	1,879.3	1,870.4	1,825.2	8.9	0.5	54.1	3.0
Trade	387.1	365.1	347.8	22.0	6.0	39.3	11.3
Transportation and warehousing	132.4	128.4	132.8	4.0	3.1	-0.4	-0.3
Finance, insurance, real estate and leasing	129.2	127.5	131.8	1.7	1.3	-2.6	-2.0
Professional, scientific and technical services	189.9	187.0	190.5	2.9	1.6	-0.6	-0.3
Business, building and other support services	96.7	98.7	87.9	-2.0	-2.0	8.8	10.0
Educational services	164.0	169.1	166.3	-5.1	-3.0	-2.3	-1.4
Health care and social assistance	291.8	299.8	275.7	-8.0	-2.7	16.1	5.8
Information, culture and recreation	122.5	124.8	109.8	-2.3	-1.8	12.7	11.6
Accommodation and food services	164.1	163.7	178.1	0.4	0.2	-14.0	-7.9
Other services	103.0	108.6	108.9	-5.6	-5.2	-5.9	-5.4
Public administration	98.5	97.7	95.6	0.8	0.8	2.9	3.0

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 14,700 (+3.2%) compared to February 2015, led by gains in manufacturing, resource extraction, and construction. Employment in manufacturing rose 9,100 (+5.4%), as both machinery manufacturing and transportation equipment manufacturing saw strong hiring on the year.

Resource extraction job gains were strongest in mining, which comes as a surprise given the ongoing downturn in the mining sector both in Canada and worldwide.¹ Utilities employment declined by 2,200, likely reflecting the slowdown in pipeline activity in the northeast. Overall, BC's LNG hopes remain on hold, as Calgary-based AltaGas formally cancelled its small Douglas Channel LNG project.² Earlier in the month, Royal Dutch Shell postponed its final investment decision on the LNG Canada joint venture until the fourth quarter of 2016.³

For now at least, the forest sector is being buoyed by the low Canadian dollar and by exports to the US. More generally, the United States market has been key to BC's overall merchandise export performance as of late. In 2013, the US was the destination of 46% of BC exports by value, with that share rising to 51% in 2015. Exports to

China, Japan, and South Korea (BC's next largest export markets) all declined in value from 2014 to 2015. Overall, the value of BC's exports were essentially unchanged between 2014 and 2015 (+0.3%).

Construction employment increased by 1.5% on the year, largely due to hiring by building equipment contractors.⁴ Heavy and civil engineering construction employment was down sharply compared to February 2015 as various mine and infrastructure projects wrapped up over the course of the year.

Employment in BC's services-producing sector increased by 54,100 (+3.0%) from a year ago, with wholesale and retail trade accounting for a gain of 39,300. Most of this increase in trade occurred in retail, an industry in which about one-third of all positions are part-time in nature. This surge in trade employment, then, can be linked to the large increases in part-time employment (+8.6%) noted earlier. By subsector, gains in retail employment were strongest in food and beverage stores and in health and personal care outlets.

Overall, job growth in the services-producing sector was largely due to private sector employers. In the public sector, employment in health care and social assistance increased by 16,100 on the year, while employment in educational services declined slightly (-2,300).

REGIONAL ANALYSIS

British Columbia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	February 2016 ('000)	February 2015 ('000)	Yearly Variation (%)	February 2016 (%)	February 2015 (%)	Yearly Variation (% points)
British Columbia	2,316.7	2,260.2	2.5	6.8	5.8	1.0
Economic Regions						
Vancouver Island and Coast	357.2	351.9	1.5	7.5	5.6	1.9
Lower Mainland-Southwest	1,499.2	1,429.9	4.8	6.1	5.8	0.3
Thompson-Okanagan	237.7	242.9	-2.1	9.3	7.1	2.2
Kootenay	66.1	69.0	-4.2	7.6	6.0	1.6
Cariboo	76.7	81.9	-6.3	7.4	5.0	2.4
North Coast and Nechako	40.3	43.3	-6.9	6.7	5.5	1.2
Northeast	39.6	41.4	-4.3	9.2	-	-

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 February 2015, employment declined in five of seven economic regions, while unemployment rates increased in all subprovincial areas.

On the plus side, Lower Mainland-Southwest saw employment gains of 4.8% (+69,300), with the Vancouver Census Metropolitan Area (CMA) accounting for most of this growth (+61,500). Job growth was strong both in goods and services across Lower Mainland-Southwest, with notable employment increases in wholesale and retail trade (+10.9%) and manufacturing (+18.2%). Employment in information, culture and recreation increased

by 18.6% as BC's Vancouver-based film and television industry enjoyed a very strong year, thanks in no small part to the lower Canadian dollar.⁵

Vancouver Island and Coast also saw job growth on the year, as employment gains in the Victoria CMA (+5.6%) offset employment declines elsewhere across the Island region.⁶

Year-over-year, employment declined in all other BC economic regions, ranging from -2.1% in the Thompson-Okanagan to -6.9% in the North Coast and Nechako.

In the Northeast, home to BC's natural gas industry, the once booming economy has slowed considerably, very much like in neighbouring Alberta. The Northeast unemployment rate has more than doubled since March 2015, now standing at 9.2%, second only to Thompson-Okanagan (9.3%) among all BC regions.⁷

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@hrsdcc.gc.ca

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

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¹ B.C. government announces relief plan for struggling mining companies, CBC News, January 25, 2016

<http://www.cbc.ca/news/canada/british-columbia/b-c-government-announces-relief-plan-for-struggling-mining-companies-1.3419034>

² AltaGas shelves Douglas Channel LNG project, Business in Vancouver, February 25, 2016

<https://www.biv.com/article/2016/2/altagas-shelves-douglas-channel-lng-project/>

³ Shell delaying LNG Canada joint venture in northern B.C., The Globe & Mail, February 4, 2016

<http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/shell-delaying-lng-canada-joint-venture-in-northern-bc/article28551269/>

⁴ Building equipment refers to the mechanical systems found in buildings (e.g. electricity, water, heating, and cooling)

<http://www23.statcan.gc.ca/imdb/p3VD.pl?Function=getVD&TVD=161819&CVD=161823&CPV=2382&CST=01012012&CLV=4&MLV=6>

⁵ 2015 a record year for television and film in Vancouver, City of Vancouver, February 19, 2016, <http://vancouver.ca/news-calendar/2015-a-record-year-for-television-and-film-in-vancouver.aspx>

⁶ Forest Layoffs, The Alberni Valley News, February 24, 2016 <http://www.alberniavalleynews.com/news/369303191.html>

⁷ Less resource revenue for B.C. as commodities downturn continues, Jonny Wakefield, Alaska Highway News, February 18, 2016 <https://www.biv.com/article/2016/2/less-resource-revenue-bc-commodities-downturn-cont/>