



Labour Market Bulletin

British Columbia



March 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

Employment in British Columbia increased by 0.4% (+8,200) between the fourth quarter of 2015 (October through December) and the first quarter of 2016 (January through March). Compared to the first quarter of 2015, employment was up by 2.8% (+63,200) year-over-year. In total, 2.35 million people were employed in BC during the first quarter of 2016.

British Columbia Quarterly Labour Force Statistics

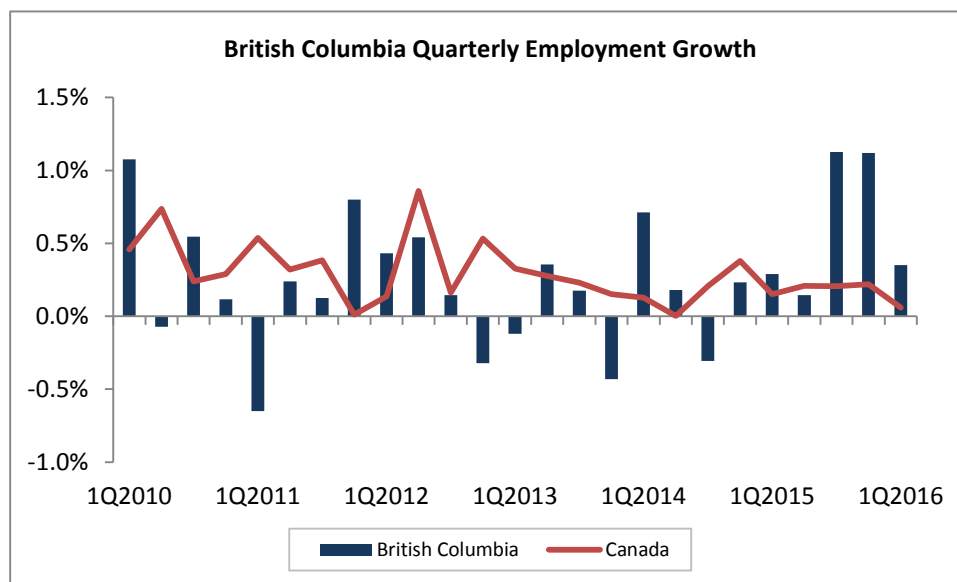
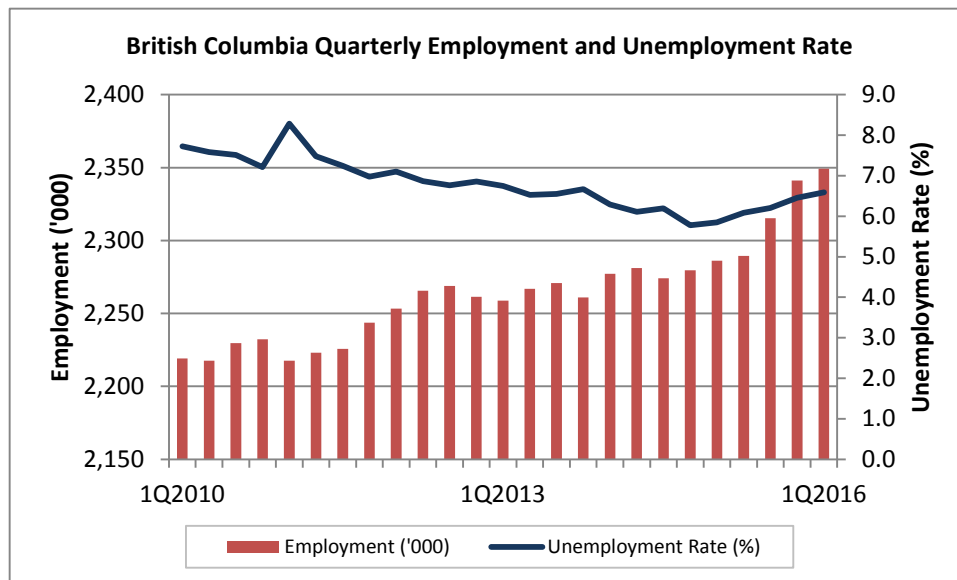
Seasonally Adjusted Data	1st Quarter 2016	4th Quarter 2015	1st Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,909.9	3,899.4	3,855.5	10.5	0.3	54.4	1.4
Labour Force ('000)	2,515.0	2,502.5	2,428.0	12.5	0.5	87.0	3.6
Employment ('000)	2,349.3	2,341.1	2,286.1	8.2	0.4	63.2	2.8
Full-Time ('000)	1,840.4	1,842.2	1,812.3	-1.8	-0.1	28.1	1.6
Part-Time ('000)	508.9	498.9	473.8	10.0	2.0	35.1	7.4
Unemployment ('000)	165.7	161.5	141.9	4.2	2.6	23.8	16.8
Unemployment Rate (%)	6.6	6.5	5.8	0.1	-	0.7	-
Participation Rate (%)	64.3	64.2	63.0	0.1	-	1.3	-
Employment Rate (%)	60.1	60.0	59.3	0.0	-	0.8	-

Note: Totals may not add due to rounding

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

Employment growth was generally weak across the country during the first months of 2016. In this context, BC was a bright spot, with job growth second among all provinces on the quarter, and first overall on a yearly basis. Moreover, BC is on pace to lead all provinces for economic growth in 2016. This is for several reasons, including rising housing valuations in the Lower Mainland (particularly in Metro Vancouver) and strong consumer

spending.¹ According to the Royal Bank of Canada’s latest forecast, GDP growth in the province will be 2.9% in 2016, before easing to 2.7% in 2017.²



While BC’s labour market was the strongest in the country, there were some signs of weakness. For instance, gains in part-time employment outpaced full-time job growth, both on the quarter and on the year. In fact, full-time employment was marginally lower on a quarterly basis (-1,800), with gains in part-time employment responsible for all growth on the period. Unemployment also increased on the year, up by 16.8% compared to the first quarter of 2015. BC’s unemployment rate stands at 6.6% compared to 5.9% one year earlier.

Wages declined in BC according to the most recent data available. Average weekly earnings were \$907.00 in January, down four dollars from January 2015.³

British Columbia Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter 2016 (%)	4th Quarter 2015 (%)	1st Quarter 2015 (%)	Quarterly Variation (% points)	Yearly Variation (% points)
	Total	6.6	6.5	5.8	0.1
25 years and over	5.5	5.6	5.0	0.0	0.6
Men - 25 years and over	6.2	6.0	5.3	0.2	0.9
Women - 25 years and over	4.9	5.1	4.6	-0.3	0.3
15 to 24 years	12.5	11.6	10.9	1.0	1.6
Men - 15 to 24 years	14.8	13.6	12.7	1.2	2.2
Women - 15 to 24 years	10.1	9.3	9.1	0.8	1.0

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

At 12.5%, the unemployment rate for BC youth aged 15 to 24 is more than two times the overall unemployment rate, and moderately higher than last year (+1.6 percentage points). The change is largely due to an increase in the unemployment rate for young men—from 12.7% to 14.8% on the year.

British Columbia - Labour market indicators for Indigenous People living off-reserve

Not Seasonally Adjusted Data	1st Quarter 2016		1st Quarter 2015	Yearly Variation	
	Indigenous	Non-Indigenous	Indigenous	Number	%
Population 15 + ('000)	157.4	3752.6	153.0	4.4	2.9
Labour Force ('000)	107.3	2384.6	89.4	17.9	20.0
Employment ('000)	96.5	2222.3	76.3	20.2	26.5
Full-Time ('000)	70.9	1726.0	59.0	11.9	20.2
Part-Time ('000)	25.6	496.3	17.4	8.2	47.1
Unemployment ('000)	10.8	162.3	13.1	-2.3	-17.6
Unemployment Rate (%)	10.1	6.8	14.7	-4.6	-
Participation Rate (%)	68.2	63.5	58.5	9.7	-
Employment Rate (%)	61.3	59.2	49.9	11.4	-

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey – ESDC custom table

In the first quarter (Q1) of 2016, the total population aged 15+ in British Columbia was 3.9 million. The Indigenous population living off-reserve accounted for 4.0% of that, or 157,400 people. Employment among the Indigenous population stood at 96,500 representing an increase of +20,200 (+26.5%) from a year earlier. While most of the employment gains were in part-time positions (+8,200 or +47.1%), full-time employment increased considerably (+11,900 or +20.2%).

The unemployment rate among the Indigenous population was 10.1% in Q1 2016, having declined by -4.6 percentage points (pp) from the previous year. The unemployment rate among the non-Indigenous population increased slightly year-over-year (+0.8 pp), and stood at 6.8% in March 2016. Between Q1 2015 and Q1 2016,

the participation and employment rates among the Indigenous population increased considerably to 68.2% (+9.7 pp) and 61.3% (+11.4pp), respectively. The non-Indigenous population saw comparatively smaller increases in the participation and employment rates over this time period which stood at 63.5% (+1.0pp) and 59.2% (+0.5pp), respectively.

EMPLOYMENT BY INDUSTRY

British Columbia Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	1st Quarter 2016	4th Quarter 2015	1st Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,349.3	2,341.1	2,286.1	8.2	0.4	63.2	2.8
Goods-producing sector	470.1	467.6	460.5	2.5	0.5	9.6	2.1
Agriculture	21.2	22.3	22.2	-1.1	-4.9	-1.0	-4.5
Forestry, fishing, mining, quarrying, oil and gas	53.0	49.4	49.5	3.6	7.3	3.5	7.1
Utilities	14.0	15.2	15.5	-1.2	-7.9	-1.5	-9.7
Construction	204.3	202.1	202.7	2.2	1.1	1.6	0.8
Manufacturing	177.6	178.6	170.6	-1.0	-0.6	7.0	4.1
Services-producing sector	1,879.2	1,873.4	1,825.6	5.8	0.3	53.6	2.9
Trade	376.5	358.9	348.0	17.6	4.9	28.5	8.2
Transportation and warehousing	133.7	140.1	135.7	-6.4	-4.6	-2.0	-1.5
Finance, insurance, real estate and leasing	129.3	123.6	133.1	5.7	4.6	-3.8	-2.9
Professional, scientific and technical services	190.3	189.0	190.0	1.3	0.7	0.3	0.2
Business, building and other support services	97.3	96.6	87.4	0.7	0.7	9.9	11.3
Educational services	166.4	165.1	164.9	1.3	0.8	1.5	0.9
Health care and social assistance	295.7	297.6	273.8	-1.9	-0.6	21.9	8.0
Information, culture and recreation	122.7	120.3	110.9	2.4	2.0	11.8	10.6
Accommodation and food services	164.8	174.6	179.8	-9.8	-5.6	-15.0	-8.3
Other services	104.0	107.9	108.1	-3.9	-3.6	-4.1	-3.8
Public administration	98.5	99.7	93.9	-1.2	-1.2	4.6	4.9

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 9,600 (2.1%) in quarterly year-over-year comparison. Growth occurred primarily in manufacturing (+7,000) and in resource extraction, i.e. forestry, fishing, mining, quarrying, oil and gas (+3,500).

Overall, exports of BC food, forestry and other manufactured products are trending positive looking forward. On the downside, exports of energy, raw metals and minerals are down and unlikely to strengthen much this year, due to subdued demand and soft prices in world markets. Year-to-date, shipments to BC's number one and number two markets (the US and China) are up 8.7% and 14.3% respectively. Meanwhile, exports to Japan and South Korea retreated by 6.0% and 22.8%. Overall, the value of exports is up 5.1% year-to-date.⁴

Continued strength in BC's housing market, particularly in Metro Vancouver, should allow construction employment to remain at elevated levels in 2016. Construction employment increased by 1,600 or 0.8% year-over-year in the first quarter, and while this is not strong employment growth, any growth at all has to be considered a positive, given the general slowdown across the rural and remote parts of the province. By contrast, housing starts in BC's largest centres have been very strong indeed. Starts more than doubled in Abbotsford-Mission and Kelowna compared to the first three months of 2015. Housing starts in the Vancouver CMA – which has been on a multi-year tear – continued to mount, up by 65%.⁵

Employment in BC's services-producing sector was up 53,600 (+2.9%) from the same quarter one year earlier. The largest employment gains occurred in wholesale and retail trade (+28,500), led by a spike in the staffing of health and personal care stores (+17,400). Employment in information, culture and recreation (+12,400) was buoyed by an excellent year for BC's film industry, in large part by the on-going production of television series.⁶ Business services showed relatively strong employment gains on the year (+9,100) with many new hires coming in security services.

Within the public sector, employment in health care and social assistance was up on the year (+21,700), with most job gains coming in the hospital sector. The other public sector industries (education and public administration) also showing job growth on the year. All told, the three public sector industries accounted for 33,000 job gains between them.

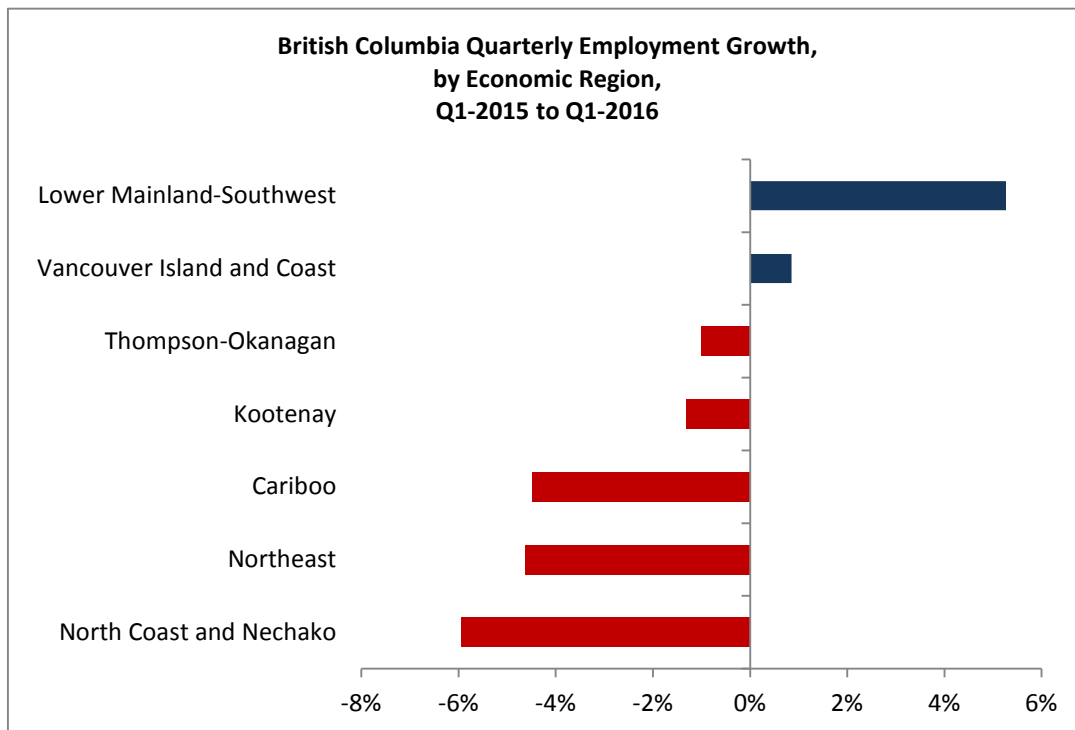
REGIONAL ANALYSIS

British Columbia Quarterly Labour Force Statistics, by Economic Region

Not Seasonally Adjusted Data	Employment			Unemployment Rate		
	1st Quarter 2016 ('000)	1st Quarter 2015 ('000)	Yearly Variation (%)	1st Quarter 2016 (%)	1st Quarter 2015 (%)	Yearly Variation (% points)
British Columbia	2,318.4	2,251.9	3.0	7.0	6.3	0.7
Economic Regions						
Vancouver Island and Coast	355.3	352.3	0.9	7.3	6.1	1.2
Lower Mainland-Southwest	1,500.4	1,425.3	5.3	6.4	6.2	0.2
Thompson-Okanagan	238.6	241.0	-1.0	9.4	7.7	1.7
Kootenay	67.2	68.1	-1.3	7.3	7.2	0.1
Cariboo	76.7	80.3	-4.5	6.7	5.5	1.2
North Coast and Nechako	41.1	43.7	-5.9	6.8	5.8	1.0
Northeast	39.2	41.1	-4.6	9.7	4.2	5.5

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 Q1 2015 to Q1 2016, 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 five of seven economic regions on the year.

At 5.3%, 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. The Lower Mainland is also enjoying much of the benefit of the low Canadian dollar that has accrued province-wide to date. This includes strong growth in tourism, with Vancouver expecting about 830,000 cruise ship passengers to visit in 2016, up 3.0% from 2015.⁷

Vancouver Island and Coast also showed positive year-over-year employment growth (+0.9%) entirely due to strong hiring across Victoria CMA (+5.2%). 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.⁸ 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, RBC Economics Research; Provincial Outlook: March 2016: British Columbia
<http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/bc.pdf>

² Ibid

³ Statistics Canada, March 31, 2016; Average weekly earnings (including overtime) for all employee – seasonally adjusted
<http://www.statcan.gc.ca/daily-quotidien/160331/t001b-eng.htm>

⁴ Industry Canada, Trade Data Online [Year to date is January 2016 – February 2016]
<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.

⁵ CMHC, Preliminary Housing Start Data, April 2015. [Year-to-date comparison: January to March 2016 versus January to March 2015]. http://www.cmhc-schl.gc.ca/odpub/esub/64695/64695_2016_M04.pdf?fr=1460363235738

⁶ Deadline, February 19, 2016; ‘Deadpool’ & WBTV Make 2015 Best Year Ever For Vancouver Production
<http://deadline.com/2016/02/deadpool-ryan-reynolds-vancouver-production-film-tv-xfiles-arrow-tax-credits-1201706217/>

⁷ Port of Vancouver, April 4, 2016; A strong 2016 cruise season marks Canada Place’s 30th anniversary

⁸ 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/>