



Labour Market Bulletin

British Columbia

June 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 1.0% (+23,400) between the first quarter of 2016 (January through March) and the second quarter of 2016 (April through June). Compared to the first quarter of 2015, employment was up by 3.6% (+83,300). In total, 2.37 million people were employed in BC during the second quarter of 2016.

British Columbia Quarterly Labour Force Statistics

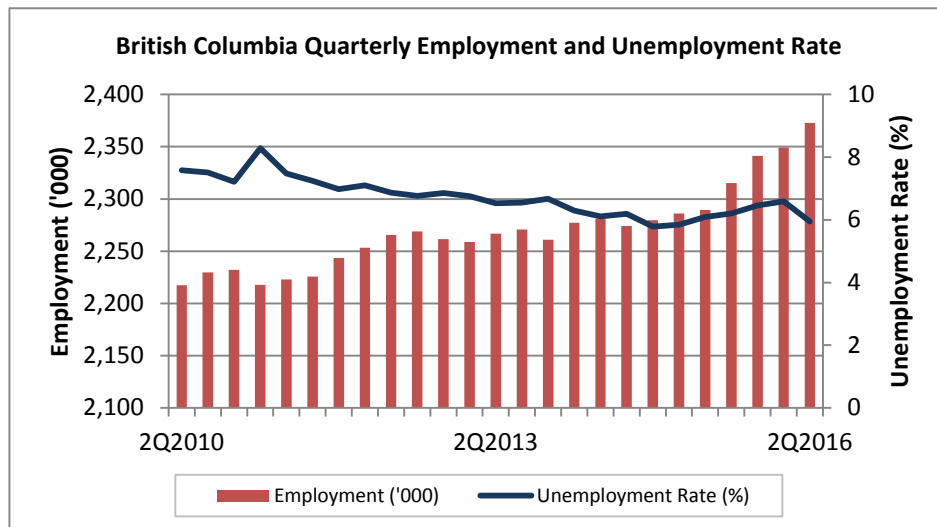
Seasonally Adjusted Data	2nd Quarter 2016	1st Quarter 2016	2nd Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,923.5	3,909.9	3,868.9	13.6	0.3	54.6	1.4
Labour Force ('000)	2,522.8	2,515.0	2,437.9	7.8	0.3	84.9	3.5
Employment ('000)	2,372.7	2,349.3	2,289.4	23.4	1.0	83.3	3.6
Full-Time ('000)	1,869.6	1,840.4	1,808.1	29.2	1.6	61.5	3.4
Part-Time ('000)	503.1	508.9	481.3	-5.8	-1.1	21.8	4.5
Unemployment ('000)	150.1	165.7	148.4	-15.6	-9.4	1.7	1.1
Unemployment Rate (%)	5.9	6.6	6.1	-0.6	-	-0.1	-
Participation Rate (%)	64.3	64.3	63.0	0.0	-	1.3	-
Employment Rate (%)	60.5	60.1	59.2	0.4	-	1.3	-

Note: Totals may not add due to rounding

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

British Columbia was the only province with employment growth over the last year. The other provinces showed little change or decreases. Nationally employment is also stable from the previous year (+0.6%).

Moreover, all signs point to British Columbia holding on to the top spot in 2016 provincial growth rankings.¹ According to the Royal Bank of Canada's latest forecast, GDP growth in the province will be 3.0% in 2016, before easing to 2.3% in 2017.²



Contrary to past quarters, gains in full-time employment outpaced part-time job growth. In fact, part-time employment was lower on a quarterly basis (-11,400), with gains in full-time employment responsible for all growth on the period. Unemployment decreased on the year, down by 16.3% compared to the second quarter of 2015. BC’s unemployment rate stands at 5.7% compared to 6.1% 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	2nd Quarter 2016 (%)	1st Quarter 2016 (%)	2nd Quarter 2015 (%)	Quarterly Variation (% points)	Yearly Variation (% points)
Total	5.9	6.6	6.1	-0.6	-0.1
25 years and over	5.1	5.5	5.1	-0.4	0.0
Men - 25 years and over	5.5	6.2	5.6	-0.6	0.0
Women - 25 years and over	4.7	4.9	4.6	-0.2	0.1
15 to 24 years	10.8	12.5	11.7	-1.7	-0.9
Men - 15 to 24 years	11.9	14.8	13.9	-2.9	-1.9
Women - 15 to 24 years	9.5	10.1	9.2	-0.6	0.3

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

At 10.8%, the unemployment rate for BC youth aged 15 to 24 continues to hover around two times the overall unemployment rate, but is moderately lower than last year (-0.9 percentage points). The change is largely due to a decrease in the unemployment rate for young men—from 13.9% to 11.9% on the year.

British Columbia - Labour market indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q2 2016	Q2 2015	Number	%	Q2 2016	Q2 2015	Number	%
Population 15+ ('000)	158.4	154.0	4.4	2.9	3,765.0	3,715.0	50.0	1.3
Labour Force ('000)	110.1	94.7	15.4	16.3	2,420.4	2,346.9	73.5	3.1
Employment ('000)	98.8	81.4	17.4	21.4	2,286.8	2,212.0	74.8	3.4
Full-Time ('000)	70.8	60.2	10.6	17.6	1,804.6	1,745.4	59.2	3.4
Part-Time ('000)	28.0	21.2	6.8	32.1	482.2	466.7	15.5	3.3
Unemployment ('000)	11.3	13.3	-2.0	-15.0	133.6	134.8	-1.2	-0.9
Unemployment Rate (%)	10.3	14.0	-3.7	-	5.5	5.7	-0.2	-
Participation Rate (%)	69.5	61.5	8.0	-	64.3	63.2	1.1	-
Employment Rate (%)	62.4	52.9	9.5	-	60.7	59.5	1.2	-

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 second quarter (Q2) 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 158,400 people. Employment among the Indigenous population stood at 98,800 representing an increase of +17,400 (+21.4%) from a year earlier. The majority of the gains were in full-time positions (+10,600 or +17.6%), and a smaller, but not insignificant portion of the gains were in part-time positions (+6,800 or +32.1%).

The unemployment rate among the Indigenous population was 10.3% in Q2 2016, having declined by -3.7 percentage points (pp) from the previous year. The unemployment rate among the non-Indigenous population

also declined, but by a smaller margin year-over-year to 5.5% (-0.2 pp). Between Q2 2015 and Q2 2016, the participation and employment rates among the Indigenous population increased considerably to 69.5% (+8.0 pp) and 62.4% (+9.5pp), respectively. The non-Indigenous population saw comparatively smaller increases in the participation and employment rates over this time period which stood at 64.3% (+1.1pp) and 60.7% (+1.2pp), respectively.

EMPLOYMENT BY INDUSTRY

British Columbia Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	2nd Quarter 2016	1st Quarter 2016	2nd Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,372.7	2,349.3	2,289.4	23.4	1.0	83.3	3.6
Goods-producing sector	472.2	470.1	454.4	2.1	0.4	17.8	3.9
Agriculture	23.4	21.2	23.2	2.2	10.4	0.2	0.9
Forestry, fishing, mining, quarrying, oil and gas	51.6	53.0	46.3	-1.4	-2.6	5.3	11.4
Utilities	13.7	14.0	13.6	-0.3	-2.1	0.1	0.7
Construction	214.7	204.3	200.1	10.4	5.1	14.6	7.3
Manufacturing	168.8	177.6	171.3	-8.8	-5.0	-2.5	-1.5
Services-producing sector	1,900.6	1,879.2	1,835.0	21.4	1.1	65.6	3.6
Trade	370.4	376.5	349.3	-6.1	-1.6	21.1	6.0
Transportation and warehousing	137.7	133.7	144.4	4.0	3.0	-6.7	-4.6
Finance, insurance, real estate and leasing	131.2	129.3	131.4	1.9	1.5	-0.2	-0.2
Professional, scientific and technical services	197.3	190.3	186.3	7.0	3.7	11.0	5.9
Business, building and other support services	102.6	97.3	91.1	5.3	5.4	11.5	12.6
Educational services	169.3	166.4	159.6	2.9	1.7	9.7	6.1
Health care and social assistance	290.6	295.7	281.5	-5.1	-1.7	9.1	3.2
Information, culture and recreation	122.4	122.7	112.8	-0.3	-0.2	9.6	8.5
Accommodation and food services	172.8	164.8	180.9	8.0	4.9	-8.1	-4.5
Other services	102.4	104.0	103.3	-1.6	-1.5	-0.9	-0.9
Public administration	103.9	98.5	94.6	5.4	5.5	9.3	9.8

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 17,800 (3.9%) in quarterly year-over-year comparison. Growth occurred primarily in construction (+14,600) and in resource extraction (+5,300).

Year-to-date (January to May), BC has seen strong growth in its wood product exports and associated exports (e.g., Veneer, Plywood and Engineered Wood Product Manufacturing), +14.9% and +25.4% respectively. However, the value of exports in Pulp and Paper Mills have decreased (-4.9% and -24.6%), as has the value of exports in Mining (-1.8% for metals and -22.4% for coal). So far this year, exports to BC's number one market (the US) are up 8.0%. Meanwhile, exports to China, Japan and South Korea retreated by 2.0%, 9.2% and 14.0% respectively. This could change as Export Development Canada forecasts that agriculture exports to China and other Asian markets will grow in 2016.⁴ Overall, the value of exports are stable from year-to-date.⁵

Employment in BC's services-producing sector was up 65,600 (+3.6%) from the same quarter one year earlier. The largest employment gains occurred in trade (+21,100). Business services showed relatively strong employment gains on the year (+11,500).

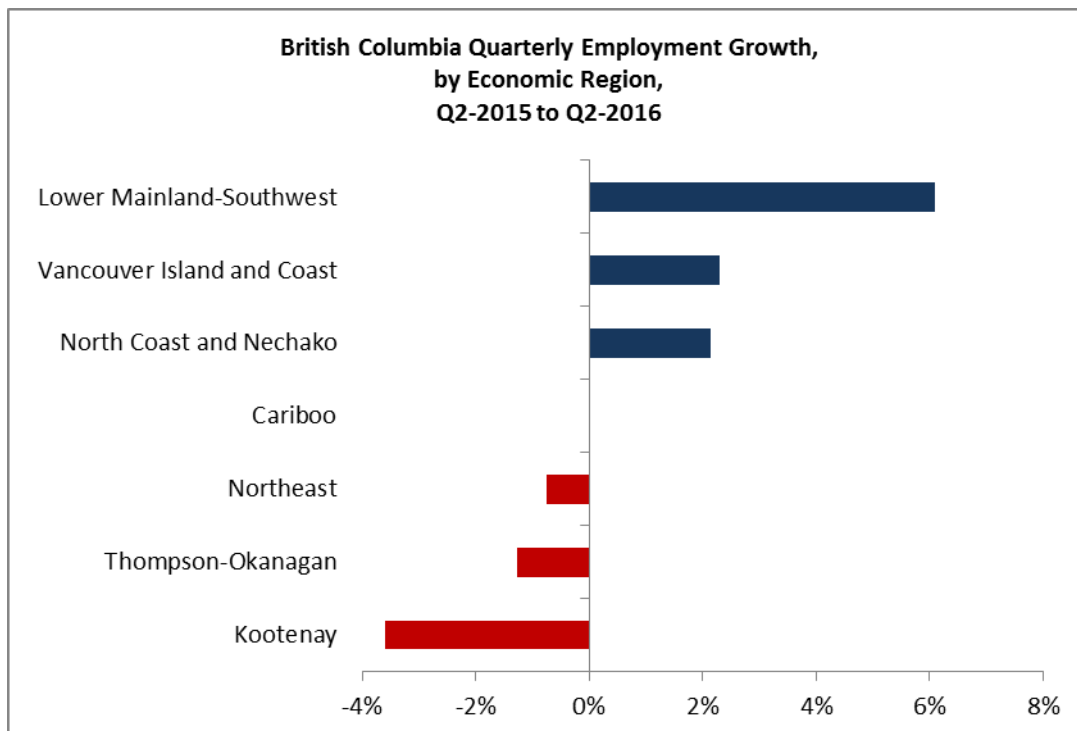
REGIONAL ANALYSIS

British Columbia Quarterly Labour Force Statistics, by Economic Region

Not Seasonally Adjusted Data	Employment			Unemployment Rate		
	2nd Quarter 2016 ('000)	2nd Quarter 2015 ('000)	Yearly Variation (%)	2nd Quarter 2016 (%)	2nd Quarter 2015 (%)	Yearly Variation (% points)
British Columbia	2,386.4	2,294.5	4.0	5.7	6.1	-0.4
Economic Regions						
Vancouver Island and Coast	361.8	353.7	2.3	5.1	6.0	-0.9
Lower Mainland-Southwest	1,545.8	1,457.0	6.1	5.3	6.0	-0.7
Thompson-Okanagan	251.3	254.5	-1.3	7.0	4.9	2.1
Kootenay	67.0	69.5	-3.6	7.5	7.3	0.2
Cariboo	77.9	77.9	0.0	7.8	7.9	-0.1
North Coast and Nechako	43.1	42.2	2.1	8.1	7.5	0.6
Northeast	39.4	39.7	-0.8	9.2	6.1	3.1

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 Q2 2015 to Q2 2016, led by relatively 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 6.1%, the Lower Mainland's year-over-year employment growth rate was by far BC's highest. The Lower Mainland is also benefiting from the low Canadian dollar. This includes strong growth in tourism, with Vancouver expecting about 830,000 cruise ship passenger to visit in 2016, up 3.0% from 2015.⁶

Many BC resource industries are facing dim economic prospects for 2016 as global growth slows and competition among commodity producers intensifies worldwide.⁷ This in turn is expected to have a dampening economic effect in 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.

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

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¹ Hogue, Robert, RBC Economics Research; Provincial Outlook: June 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 Penner, Derrick, The Vancouver Sun, May 6, 2016. Agriculture, forestry brighten B.C. exports
<http://www.pressreader.com/canada/the-vancouver-sun/20160506/282226599931192>

⁵ Industry Canada, Trade Data Online [Year to date is January 2016 – May 2016]. Retrieved from:
<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.

⁶ Port of Vancouver, April 4, 2016 | A strong 2016 cruise season marks Canada Places's 30th anniversary

⁷ 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/>