



# Labour Market Bulletin

## British Columbia



## August 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

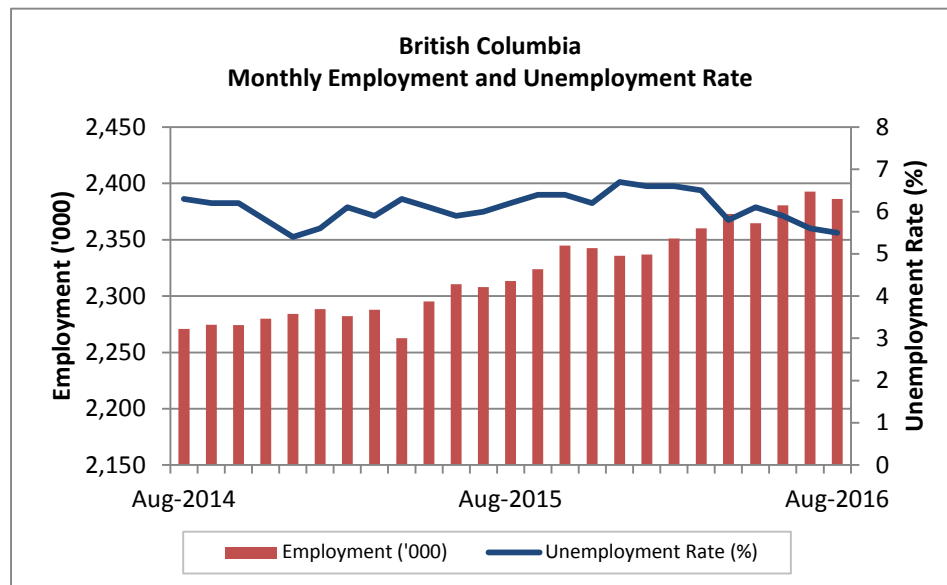
Employment in BC decreased slightly in August. There were 6,600 less people employed in the province compared to a month earlier, representing an employment drop of 0.3%. This month-over-month decrease is entirely due to losses in part-time employment (-29,000) with gains in full-time work (+22,400) only partially offsetting part-time losses. The provincial labour market continues to perform well on a year-over-year basis. Employment is up 3.1% on the year and 72,600 more people were employed compared to the same month last year. In fact, BC has the highest rate of annual employment growth among provinces, far out pacing national growth of 0.4% during the same period.<sup>1</sup> Moreover, all signs point to British Columbia holding on to the top spot in 2016 provincial growth rankings.<sup>2</sup> 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.<sup>3</sup> Exports and housing wealth are expected to continue to lead growth in BC for multiple years.<sup>4</sup>

### British Columbia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	August 2016	July 2016	August 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	3,939.5	3,934.6	3,884.1	4.9	0.1	55.4	1.4
<b>Labour Force ('000)</b>	2,526.2	2,535.0	2,466.2	-8.8	-0.3	60.0	2.4
<b>Employment ('000)</b>	2,386.1	2,392.7	2,313.5	-6.6	-0.3	72.6	3.1
Full-Time ('000)	1,881.7	1,859.3	1,839.1	22.4	1.2	42.6	2.3
Part-Time ('000)	504.4	533.4	474.4	-29.0	-5.4	30.0	6.3
<b>Unemployment ('000)</b>	140.1	142.3	152.7	-2.2	-1.5	-12.6	-8.3
<b>Unemployment Rate (%)</b>	5.5	5.6	6.2	-0.1	-	-0.7	-
<b>Participation Rate (%)</b>	64.1	64.4	63.5	-0.3	-	0.6	-
<b>Employment Rate (%)</b>	60.6	60.8	59.6	-0.2	-	1.0	-

Note: Totals may not add due to rounding

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



Despite employment losses in the province, the unemployment rate in British Columbia remained virtually unchanged. In August the unemployment rate stood at 5.5% compared to 5.6% in July 2016 and 6.2% in August 2015. The number of unemployed shrunk both on the month (-1,500) and on the year (-8,300).

BC youth unemployment numbers are striking in August 2016. According to LFS numbers, the unemployment rate for youth aged 15 to 24 in BC decreased by 3.2 percentage points compared to July 2016 and by 6.1 percentage points compared to the August 2015. This decrease would mostly be due to decreases in unemployment for young men (-6.1 percentage points compared to last month; -8.9 percentage points compared to last year).

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

Seasonally Adjusted Data	August 2016	July 2016	August 2015	Monthly	Yearly
	(%)	(%)	(%)	Variation	Variation
				(% points)	(% points)
<b>Total</b>	5.5	5.6	6.2	-0.1	-0.7
<b>25 years and over</b>	5.4	4.9	5.1	0.5	0.3
Men - 25 years and over	5.9	5.1	5.3	0.8	0.6
Women - 25 years and over	4.7	4.7	4.8	0.0	-0.1
<b>15 to 24 years</b>	6.6	9.8	12.7	-3.2	-6.1
Men - 15 to 24 years	6.0	12.1	14.9	-6.1	-8.9
Women - 15 to 24 years	7.3	7.3	10.4	0.0	-3.1

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

In absolute numbers this represents 11,800 less unemployed youth in BC over last month; with 99% of the decrease occurring among men.<sup>5</sup> More strikingly, the size of the labour force does not show a decrease over that month, meaning that 9,800 additional young men declared being employed at the time of the survey compared to a month earlier.<sup>6</sup> Survey also shows these gains being made in terms of full-time employment: +14,600 compared to -4,800 for part-time work.<sup>7</sup> Women's contribution to this decrease in unemployment is visible regarding part-time work year-over-year (+7,400). While provincial youth has been trending positively over the last semester, these numbers are still outstanding and interesting to follow moving forward.

## EMPLOYMENT BY INDUSTRY

Employment in BC's goods-producing sector decreased by 4,100 (-0.9%) from last month but still remains higher than last year's numbers (+11,900). Monthly decrease occurred primarily in construction (+3,100 monthly).

Employment in BC's services-producing sector was up 60,700 (+3.3%) from the same period one year earlier. The largest yearly employment gains occurred in information, culture and recreation (+23,200). The sector also showed strong employment gains on the month (+4,800).

### British Columbia Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	August 2016	July 2016	August 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	2,386.1	2,392.7	2,313.5	-6.6	-0.3	72.6	3.1
<b>Goods-producing sector</b>	467.5	471.6	455.6	-4.1	-0.9	11.9	2.6
Agriculture	23.7	25.9	19.7	-2.2	-8.5	4.0	20.3
Forestry, fishing, mining, quarrying, oil and gas	51.1	51.7	49.9	-0.6	-1.2	1.2	2.4
Utilities	13.3	13.0	14.0	0.3	2.3	-0.7	-5.0
Construction	210.5	213.6	200.9	-3.1	-1.5	9.6	4.8
Manufacturing	169.0	167.3	171.2	1.7	1.0	-2.2	-1.3
<b>Services-producing sector</b>	1,918.6	1,921.1	1,857.9	-2.5	-0.1	60.7	3.3
Trade	362.3	363.9	353.0	-1.6	-0.4	9.3	2.6
Transportation and warehousing	139.1	138.5	140.0	0.6	0.4	-0.9	-0.6
Finance, insurance, real estate and leasing	135.7	136.3	129.4	-0.6	-0.4	6.3	4.9
Professional, scientific and technical services	198.7	202.3	191.7	-3.6	-1.8	7.0	3.7
Business, building and other support services	111.4	107.0	98.2	4.4	4.1	13.2	13.4
Educational services	161.9	163.5	168.5	-1.6	-1.0	-6.6	-3.9
Health care and social assistance	290.8	298.0	296.6	-7.2	-2.4	-5.8	-2.0
Information, culture and recreation	130.6	125.8	107.4	4.8	3.8	23.2	21.6
Accommodation and food services	179.0	175.4	175.2	3.6	2.1	3.8	2.2
Other services	103.4	105.4	102.0	-2.0	-1.9	1.4	1.4
Public administration	105.7	105.0	96.0	0.7	0.7	9.7	10.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

## REGIONAL ANALYSIS

Southern urban centers continue to be the main drivers of provincial employment growth in August. At 6.0%, the Lower Mainland's year-over-year employment growth rate was by far BC's highest, followed by Vancouver Island and Coast +2.9% annually.

Most of the province's employment is centered in the Lower Mainland-Southwest region with 1.6 million people working in that region; an increase of 88,700 from the same month last year. Meanwhile, the region's unemployment rate dropped 1.3 percentage points to 5.0% on a year-over-year basis. Notable employment increases occurred in information, culture and recreation (+22.5%), business, building and other support services (+18.3%), and finance, insurance, real estate, rental and leasing (+16.4%).<sup>8</sup>

Year-over-year employment is also up in Vancouver Island and Coast (+10,300). Growth is particularly evident in public administration (+6,500) and construction (+4,100).<sup>9</sup> The unemployment rate in Vancouver Island and Coast (5.0%) is at its lowest in the province.

For a second month in a row, the North Coast and Nechako region saw gains in the service sectors that are offsetting losses in the goods sectors. The region added 1,200 jobs in wholesale and retail trade, 1,200 in the public administration and 1,600 in transportation and warehousing. In parallel, manufacturing has declined by 2,500 employed individuals.<sup>10</sup> Economists have been predicting favourable employment numbers for the region over the course of the year because of the restart of Alcan's aluminum smelter following a major multi-year modernization project.<sup>11</sup>

Meanwhile, Kootenay experienced the largest relative year-over-year employment decline, as employment slid back 11.0%. There were 8,000 fewer people employed in Kootenay in August 2016 compared to the same month last year. The region's employment losses are largely attributed to declines in wholesale and retail trade (-5,300) and construction (-3,100).<sup>12</sup> However, there also was a large decrease in the active population in the region and, as a consequence; the unemployment rate decreased 1.4 percentage points on a year-over-year basis reaching 8.0%.

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

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2016 ('000)	August 2015 ('000)	Yearly Variation (%)	August 2016 (%)	August 2015 (%)	Yearly Variation (% points)
<b>British Columbia</b>	2,416.8	2,334.8	3.5	5.8	6.1	-0.3
<b>Economic Regions</b>						
Vancouver Island and Coast	368.7	358.4	2.9	5.0	6.3	-1.3
Lower Mainland-Southwest	1,566.7	1,478.0	6.0	5.4	5.8	-0.4
Thompson-Okanagan	253.3	262.6	-3.5	6.8	5.1	1.7
Kootenay	64.7	72.7	-11.0	8.0	9.4	-1.4
Cariboo	79.8	80.0	-0.3	7.7	7.8	-0.1
North Coast and Nechako	44.5	43.7	1.8	7.5	8.0	-0.5
Northeast	39.2	39.3	-0.3	8.6	5.5	3.1

Note: Totals may not add due to rounding

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

**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> Statistics Canada. Labour Force Survey, August 2016. <http://www.statcan.gc.ca/daily-quotidien/160909/dq160909a-eng.htm>

<sup>2</sup> RBC Economics Research; Provincial Outlook: June 2016: British Columbia <http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/bc.pdf>

<sup>3</sup> Ibid

<sup>4</sup> TD Economics. Provincial Economic Forecast. July 6, 2016. [https://www.td.com/document/PDF/economics/gef/ProvincialEconomicForecast\\_Jul2016.pdf](https://www.td.com/document/PDF/economics/gef/ProvincialEconomicForecast_Jul2016.pdf)

<sup>5</sup> Source: Statistics Canada. Table 282-0087 - Labour force survey estimates (LFS), by sex and age group, seasonally adjusted and unadjusted, monthly (persons unless otherwise noted), CANSIM (database). (accessed: 09/IX/16)

<sup>6</sup> Ibid

<sup>7</sup> Ibid

<sup>8</sup> Source: Statistics Canada. Table 282-0124 - Labour force survey estimates (LFS), employment by economic region based on 2011 Census boundaries and North American Industry Classification System (NAICS), 3-month moving average, unadjusted for seasonality, monthly (persons), CANSIM (database). (accessed: 09/IX/16)

<sup>9</sup> Ibid

<sup>10</sup> Ibid

<sup>11</sup> Central 1. Economic Analysis of British Columbia. North Coast/Nechako Regional Economic Outlook. August 2015. <https://www.central1.com/sites/default/files/NORTH%20COAST%20NECHAKO.pdf>

<sup>12</sup> Ibid