



# Labour Market Bulletin

## British Columbia

February 2019



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

The number of people employed in BC increased to 2,547,800 in the month of February (+3,600). This monthly growth was distributed between full-time (+2,300) and part-time employment (+1,400). Employment was down both in the private (-1,300) and public sector (-10,000) in February; however, these losses were offset by a substantial increase in the number of self-employed British Columbians (+15,000). On an annual basis, employment increased 69,200, led by employment growth in the private sector (+51,500).<sup>1</sup>

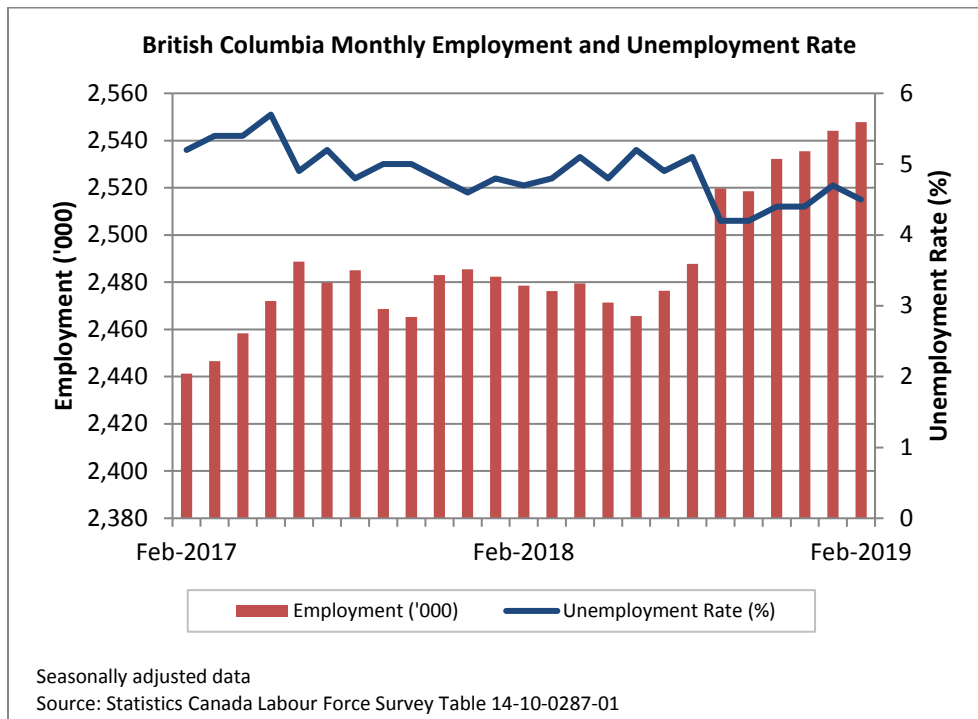
BC's unemployment rate declined 0.2 percentage points in February and remains the lowest of any province in Canada at 4.5%. In fact, BC's unemployment rate has remained below the national average since mid-2011.

### British Columbia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	February 2019	January 2019	February 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	4,067.3	4,063.7	4,007.6	3.6	0.1	59.7	1.5
<b>Labour Force ('000)</b>	2,668.9	2,668.6	2,601.1	0.3	0.0	67.8	2.6
<b>Employment ('000)</b>	2,547.8	2,544.2	2,478.6	3.6	0.1	69.2	2.8
Full-Time ('000)	1,973.3	1,971.0	1,922.7	2.3	0.1	50.6	2.6
Part-Time ('000)	574.6	573.2	555.9	1.4	0.2	18.7	3.4
<b>Unemployment ('000)</b>	121.1	124.4	122.6	-3.3	-2.7	-1.5	-1.2
<b>Unemployment Rate (%)</b>	4.5	4.7	4.7	-0.2	-	-0.2	-
<b>Participation Rate (%)</b>	65.6	65.7	64.9	-0.1	-	0.7	-
<b>Employment Rate (%)</b>	62.6	62.6	61.8	0.0	-	0.8	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287, formerly CANSIM 282-0087



There was a slight decline in the unemployment rate for those aged 25 years and over and for youth (15 to 24 years) in February. The unemployment rate for young men decreased 1.8 percentage points to 9.4%, while the rate for young women increased 1.2 percentage points to 8.2% month over month. Year-over-year, the unemployment rate for young women in BC is up three full percentage points; although there are a greater number of young women participating in BC’s labour force (+7,700) compared to last February.

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

Seasonally Adjusted Data	February 2019 (%)	January 2019 (%)	February 2018 (%)	Monthly Variation (% points)	Yearly Variation (% points)
<b>Total</b>	4.5	4.7	4.7	-0.2	-0.2
<b>25 years and over</b>	3.8	3.9	4.2	-0.1	-0.4
Men - 25 years and over	3.6	3.9	4.2	-0.3	-0.6
Women - 25 years and over	4.1	4.0	4.1	0.1	0.0
<b>15 to 24 years</b>	8.8	9.1	8.0	-0.3	0.8
Men - 15 to 24 years	9.4	11.2	10.6	-1.8	-1.2
Women - 15 to 24 years	8.2	7.0	5.2	1.2	3.0

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287, formerly CANSIM 282-0087

## EMPLOYMENT BY INDUSTRY

Monthly employment gains in BC's services-producing sector (+9,700) more than offset losses in the goods-producing sector (-6,000) for the month of February. The same trend is observed on an annual basis. Employment in BC's services-producing sector grew 4.6% (+90,700), while employment in the goods-sector contracted 4.2% (-21,300).

Employment in BC's **resource extraction industry** (forestry, fishing, mining, quarrying, oil and gas) increased 5.3% to 49,300 in February, with very little change from the same period last year (-1.4%). New provincial measures were recently announced to support employment in resource extraction. In Budget 2019, the Government of BC allocated \$20 million over three years towards the province's mining industry. These funds are being divided between two new divisions in an effort to help attract investment, increase job creation, and maintain mine safety.<sup>2</sup>

The **manufacturing industry** employed 167,400 British Columbians in February 2019, down 9.3% annually. Wood product manufacturers, such as Canfor Corp. and Conifex Timber Inc., imposed production cuts in the last quarter of 2018 that have carried over into the first quarter of 2019.<sup>3,4</sup> Indeed, a decline in the price of lumber during the second half of 2018 led several companies to slow production at their BC sawmills. Compounding the problem, BC's timber supply has diminished in recent years due to the effects of the mountain pine beetle and two consecutive years of severe wildfire activity in the province, increasing log costs for the manufacturers.

The Province recently introduced new measures that aim to increase the processing of BC logs on the coast and reduce wood waste by redirecting it to pulp and paper mills in BC. The Coast Forest Sector Revitalization Initiative will be implemented through a series of legislative, regulatory and policy changes over the next two years.<sup>5</sup> As part of Budget 2019, the Government of BC allocated \$10 million towards diversifying forest tenures and manufacturing, increasing log processing within the province, and supporting collaboration with Indigenous governments and other stakeholders.<sup>6</sup>

Budget 2019 also includes \$20.1 billion over three years in capital spending focussed on building and maintaining BC's health, transportation and education infrastructure. This spending includes \$4.4 billion for new and upgraded health care facilities, \$6.6 billion towards new transportation projects, \$2.7 billion to maintain, replace, renovate or expand K-12 education facilities and \$3.3 billion to increase capacity in post-secondary education institutions.<sup>7</sup> These spending plans should help fuel future employment growth in BC's **construction industry**, which was down both on a monthly (-2.7%) and on an annual basis (-3.8%). According to the Independent Contractors and Businesses Association (ICBA) of BC, over half of surveyed construction companies in BC expect more work volume in 2019.<sup>8</sup>

BuildForce Canada's 2019-2028 Construction and Maintenance Forecast for BC predicts that an additional 14,600 workers will be needed to meet peak labour demands in 2021. Demand will be greatest in the non-residential sector where major projects will require 12,900 workers by 2021. Meanwhile, demand in the residential sector is projected to require 1,700 more workers by 2021, as the focus shifts from new home construction towards renovations.<sup>9</sup>

In February 2019, the most significant monthly employment increases among services-producing industries in BC were in **wholesale and retail trade** (+6,600), **health care and social assistance** (+5,100), and **information, culture and recreation** (+4,100). On an annual basis, BC's **accommodation and food services industry** added more jobs than any other industry in the province (+20,700). Employment growth in accommodation and food services is fuelled by a tourism industry that continues to expand in BC. In fact, the number of international visits to the province reached a new record of 6.1 million in 2018 – 6.4% more than in 2017.<sup>10</sup>

Meanwhile, the provincial government recently launched a new framework called *Welcoming Visitors, Benefiting Locals, Working Together: A Strategic Framework for Tourism in British Columbia*. The three-year plan prescribes direction for year-round tourism growth for all regions of the province while preserving the environment.<sup>11</sup> The framework includes strategies to address the challenges faced by a seasonal tourism workforce such as affordable housing, as well as tackling a skills gap by helping workers gain the skills needed to join this growing industry.<sup>12</sup>

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

Seasonally Adjusted Data ('000)	February 2019	January 2019	February 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	2,547.8	2,544.2	2,478.6	3.6	0.1	69.2	2.8
<b>Goods-producing sector</b>	484.0	490.0	505.3	-6.0	-1.2	-21.3	-4.2
Agriculture	24.4	26.2	26.2	-1.8	-6.9	-1.8	-6.9
Forestry, fishing, mining, quarrying, oil and gas	49.3	46.8	50.0	2.5	5.3	-0.7	-1.4
Utilities	12.5	12.6	13.0	-0.1	-0.8	-0.5	-3.8
Construction	230.4	236.7	239.4	-6.3	-2.7	-9.0	-3.8
Manufacturing	167.4	167.7	176.7	-0.3	-0.2	-9.3	-5.3
<b>Services-producing sector</b>	2,063.9	2,054.2	1,973.2	9.7	0.5	90.7	4.6
Trade	382.0	375.4	376.0	6.6	1.8	6.0	1.6
Transportation and warehousing	143.7	146.0	130.1	-2.3	-1.6	13.6	10.5
Finance, insurance, real estate and leasing	149.1	150.2	152.4	-1.1	-0.7	-3.3	-2.2
Professional, scientific and technical services	218.0	222.8	201.3	-4.8	-2.2	16.7	8.3
Business, building and other support services	116.9	116.2	99.7	0.7	0.6	17.2	17.3
Educational services	171.6	171.5	162.3	0.1	0.1	9.3	5.7
Health care and social assistance	320.8	315.7	323.0	5.1	1.6	-2.2	-0.7
Information, culture and recreation	137.7	133.6	129.5	4.1	3.1	8.2	6.3
Accommodation and food services	197.0	198.0	176.3	-1.0	-0.5	20.7	11.7
Other services	118.8	117.0	121.3	1.8	1.5	-2.5	-2.1
Public administration	108.1	107.9	101.3	0.2	0.2	6.8	6.7

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0355, formerly CANSIM 282-0088

## REGIONAL ANALYSIS

Employment increased in five of BC's seven economic regions between February 2018 and February 2019. The most significant annual increase in employment on a percentage basis was in the **Kootenay** economic region where a 15.3% jump in employment translated to 10,000 more jobs in the region. The majority of this employment growth was in services-producing industries such as health care and social assistance (+4,400) and accommodation and food services (+4,100).<sup>13</sup>

The unemployment rate also declined year-over-year in five of the province's economic regions. Both the **Kootenay** region and the **Thompson-Okanagan** region saw the largest declines in their unemployment rate; 2.8 percentage points each over the past year.

**Vancouver Island and Coast's** unemployment rate fell 2.1 percentage points to 3.7%— the lowest rate of any region in the province in February. Meanwhile, year-over year, employment in Vancouver Island and Coast economic region was relatively unchanged (+0.3%).

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

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	February 2019 ('000)	February 2018 ('000)	Yearly Variation (%)	February 2019 (%)	February 2018 (%)	Yearly Variation (% points)
<b>British Columbia</b>	2,518.7	2,456.2	2.5	4.7	4.9	-0.2
<b>Economic Regions</b>						
Vancouver Island and Coast	381.9	380.6	0.3	3.7	5.8	-2.1
Lower Mainland - Southwest	1,642.2	1,604.1	2.4	4.8	4.0	0.8
Thompson - Okanagan	261.8	244.6	7.0	4.7	7.5	-2.8
Kootenay	75.4	65.4	15.3	3.9	6.7	-2.8
Cariboo	76.4	79.7	-4.1	6.5	7.3	-0.8
North Coast and Nechako	42.0	43.9	-4.3	3.9	6.2	-2.3
Northeast	38.9	38.0	2.4	6.0	4.5	1.5

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0293, formerly CANSIM 282-0122

During the month of February, Vancouver-based Steelhead LNG ceased project work on the Kwispaa LNG Project located on the west coast of Vancouver Island. Steelhead LNG originally partnered with the Huu-ay-aht First Nation in March of 2017 to develop a 730-hectare natural gas liquefaction and export facility. This was to be the first Canadian LNG project developed through co-management between industry and First Nations. Construction of the facility was expected to create up to 2,000 jobs during the construction phase and as many as 400 jobs once operational.<sup>14</sup> Steelhead LNG is currently focussing on developing plans to build a natural gas pipeline from northeastern BC to the proposed facility and could revisit the Kwispaa terminal project should the pipeline gain support from the Indigenous communities along its route. The total project was estimated to cost \$18 billion.<sup>15</sup>

Meanwhile, in **North Coast and Nechako** region, construction is underway for LNG Canada's \$40 billion liquefied natural gas processing facility in Kitimat and adjoining Coastal GasLink pipeline. LNG Canada recently announced \$80,000 in funding towards driver training sessions in Terrace and Kitimat in an effort to remove barriers to

employment for local workers.<sup>16</sup> As the project moves ahead, more work camps are planned for Vanderhoof and Lejac to house workers building the adjoining Coastal GasLink pipeline linking the facility to BC's Northeast.<sup>17</sup>

**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. Table: 14-10-0288-01 (formerly CANSIM 282-0089) Employment by class of worker, monthly, seasonally adjusted and unadjusted, last 5 months (x 1,000). Accessed March 8, 2019: <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410028801>

<sup>2</sup> BC Gov News (February 25, 2019). New resources to help mining sector in B.C. thrive. Retrieved from: <https://news.gov.bc.ca/releases/2019EMPR0005-000268#>

<sup>3</sup> Canfor (January 30, 2019). Canfor temporarily curtailing production capacity in BC. Retrieved from: [https://www.canfor.com/docs/default-source/news-2019/nr20190130\\_canfortemporarilycurtailingproductioncapacityinbc.pdf?sfvrsn=9010ed91\\_2](https://www.canfor.com/docs/default-source/news-2019/nr20190130_canfortemporarilycurtailingproductioncapacityinbc.pdf?sfvrsn=9010ed91_2)

<sup>4</sup> Conifex Timber Inc. (January 31, 2019). Conifex temporarily curtailing Fort St. James operations in Q1. Retrieved from: <http://www.conifex.com/main/wp-content/uploads/2019/01/Conifex-Temporarily-Curtailing-Fort-St.-James-Operations-Q1.pdf>

<sup>5</sup> BC Gov News (January 17, 2019). Forest policy reforms to rebuild coastal forest sector. Retrieved from: <https://news.gov.bc.ca/releases/2019PREM0003-000046#>

<sup>6</sup> BC Gov News (February 19, 2019). Budget 2019 creates opportunities, makes life better for people. Retrieved from: <https://news.gov.bc.ca/releases/2019FIN0019-000248>

<sup>7</sup> BC Gov News (February 19, 2019). Budget 2019 creates opportunities, makes life better for people. Retrieved from: <https://news.gov.bc.ca/releases/2019FIN0019-000248>

<sup>8</sup> ICBA. The BC Construction Monitor February 2019. Accessed on March 3, 2019: <https://www.icbaindependent.ca/wp-content/uploads/2019/02/ICBA-Feb-2019-Wage-and-Benefit-Survey-electronic-2.pdf>

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<sup>9</sup> BuildForce Canada. 2019 BC Construction and maintenance looking forward; British Columbia – biggest construction growth potential in Canada. Accessed March 8, 2019:

[https://www.buildforce.ca/en/system/files/products/2019\\_BC\\_Constr\\_Maint\\_Looking\\_Forward.pdf](https://www.buildforce.ca/en/system/files/products/2019_BC_Constr_Maint_Looking_Forward.pdf)

<sup>10</sup> BC Gov News (March 1, 2019). B.C. launches new roadmap to bolster tourism as economic driver. Retrieved from:

<https://news.gov.bc.ca/releases/2019TAC0016-000305>

<sup>11</sup> BC Gov News (March 1, 2019). B.C. launches new roadmap to bolster tourism as economic driver. Retrieved from:

<https://news.gov.bc.ca/releases/2019TAC0016-000305>

<sup>12</sup> British Columbia. Strategic Framework at a Glance. Accessed on March 7, 2019:

[https://www2.gov.bc.ca/assets/gov/tourism-and-immigration/tourism-industry-resources/our-tourism-strategy/strategic\\_framework\\_at\\_a\\_glance\\_-\\_final.pdf](https://www2.gov.bc.ca/assets/gov/tourism-and-immigration/tourism-industry-resources/our-tourism-strategy/strategic_framework_at_a_glance_-_final.pdf)

<sup>13</sup> Statistics Canada. Table 14-10-0091-01 (formerly CANSIM 282-0124) Employment by industry, three-month moving average, unadjusted for seasonality, provinces and economic regions (x1,000). Accessed on March 8, 2019:

<https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1410009101>

<sup>14</sup> Alberni Valley News (January 11, 2019). Kwispaa LNG an opportunity for Huu-ay-aht First Nations. Retrieved from:

<https://www.alberniavalleynews.com/news/kwispaa-lng-an-opportunity-for-huu-ay-aht-first-nations/>

<sup>15</sup> Globe and Mail (February 19, 2019). Steelhead LNG calls ‘a timeout’ on Vancouver Island export terminal plans. Retrieved from:

<https://www.theglobeandmail.com/business/article-steelhead-lng-calls-a-timeout-on-vancouver-island-export-terminal/>

<sup>16</sup> Terrace Standard (February 16, 2019). LNG Canada sponsors driver’s licence training in Terrace, Kitimat. Retrieved from:

<https://www.terracestandard.com/news/lng-canada-sponsors-fast-tracked-drivers-license-training-in-terrace-kitimat/>

<sup>17</sup> Surrey Now – Leader (February 24, 2019). Two more Coastal GasLink work camps coming to northern B.C. Retrieved from:

<https://www.surreynowleader.com/news/two-more-coastal-gaslink-work-camps-coming-to-northern-b-c/>