



Labour Market Bulletin

British Columbia

August 2020



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of British Columbia (B.C.), including the regions of Northern B.C., Vancouver Island and Coast, Lower Mainland, Thompson–Okanagan and the Kootenays.

OVERVIEW

The province's labour market continues to recover, albeit slowly, from the impact of the novel coronavirus (COVID-19) outbreak, as employment increased slightly (+0.6%) in August. B.C. continues to lead the western provinces in job growth, yet was overshadowed significantly by Ontario (+2.0%) and Quebec (+1.3%).¹ Between July and August of 2020, the gains in full-time employment (+13,300) outpaced that of part-time employment (+2,000).² After significant job losses earlier this year, the private sector continued to lead employment growth (+22,300), whereas employment in the public sector edged upwards (+3,500). In comparison, self-employment declined sharply (-10,600).³

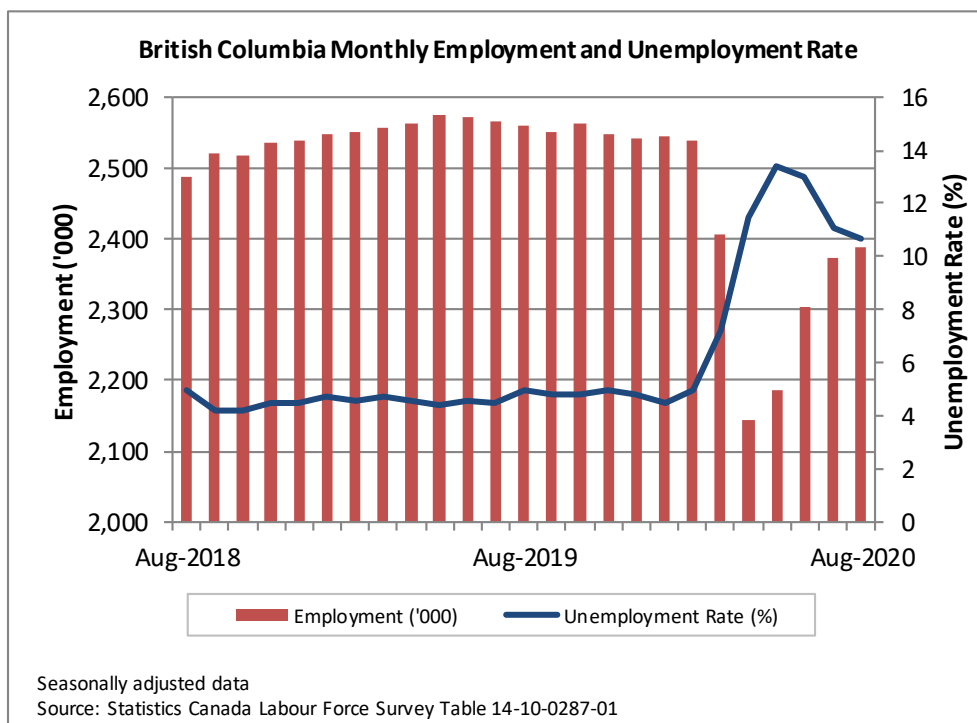
The economy remains at risk as the number of COVID-19 cases continue to rise, though most British Columbians continue to practice social distancing. To limit the spread of COVID-19, the Canada-U.S. border remains closed to all non-essential travel, with the Government of Canada extending the closure until September 21.⁴ Though employment increased in August, the resurging outbreak and border closure will continue to pose challenges to key industries, slowing the province's economic recovery.

British Columbia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	August 2020	July 2020	August 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	4,179.9	4,175.6	4,107.4	4.3	0.1	72.5	1.8
Labour Force ('000)	2,674.3	2,669.5	2,693.2	4.8	0.2	-18.9	-0.7
Employment ('000)	2,389.5	2,374.2	2,559.1	15.3	0.6	-169.6	-6.6
Full-Time ('000)	1,849.2	1,835.9	1,997.9	13.3	0.7	-148.7	-7.4
Part-Time ('000)	540.3	538.3	561.2	2.0	0.4	-20.9	-3.7
Unemployment ('000)	284.9	295.3	134.1	-10.4	-3.5	150.8	112.5
Unemployment Rate (%)	10.7	11.1	5.0	-0.4	-	5.7	-
Participation Rate (%)	64.0	63.9	65.6	0.1	-	-1.6	-
Employment Rate (%)	57.2	56.9	62.3	0.3	-	-5.1	-

Note: Totals may not add due to rounding

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



The unemployment rate for B.C. youth (15 to 24 years) decreased by 1.5 percentage points in August, even as their unemployment rate remained high (22.6%).⁵ Meanwhile, among those aged 25 years and older, unemployment decreased slightly as the unemployment rate remained relatively unchanged at 8.6%.⁶

British Columbia Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	August 2020 (%)	July 2020 (%)	August 2019 (%)	Monthly Variation (% points)	Yearly Variation (% points)
	Total	10.7	11.1	5.0	-0.4
25 years and over	8.6	8.8	4.2	-0.2	4.4
Men - 25 years and over	8.9	8.9	4.0	0.0	4.9
Women - 25 years and over	8.3	8.7	4.5	-0.4	3.8
15 to 24 years	22.6	24.1	9.4	-1.5	13.2
Men - 15 to 24 years	25.4	22.0	10.0	3.4	15.4
Women - 15 to 24 years	19.4	26.5	8.7	-7.1	10.7

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

The province's **goods** producing sector is slowly recovering, yet employment remains well below that of August 2019 (-2.6%) at 469,300. Year-over-year employment losses were predominantly in **construction** (-19,500), with some losses in **forestry, fishing, mining, quarrying, oil and gas** (-3,300) and **manufacturing** (-2,300). In contrast, employment increased in **utilities** (+9,000) as the ongoing pandemic has not adversely affected this industry.⁷

As work continues on several major **construction** projects, government investment in large infrastructure projects (e.g., roads and bridges) continue to support economic recovery in the sector. Looking forward, the sector will likely see growth as the provincial government awarded a \$1.728B contract to the Broadway Subway Project Corporation to build a 5.7km extension of the Millennium Line in Vancouver. Construction will begin in fall 2020, with the line in service in 2025.⁸

The recovery of B.C.'s **services** sector appears to have come to a halt, as employment declined slightly between the months of July and August 2020 (-0.3%) to 1,920,200. Employment remains well below what it was a year ago, and several industries appear unlikely to recover in the short-term. Year-over-year, employment losses were predominantly in **information, culture and recreation** (-43,000), **educational services** (-24,300), **business, building and other support services** (-19,600).⁹

The province's tourism sector remains decimated as air travel is scarce and cruise ships of more than 100 passengers are not allowed in Canadian waters until October 31, 2020.¹⁰ In addition, the provincial government limited all essential travel to Haida Gwaii this August due to a spike in COVID-19 cases on the island, leading to the closure of two lodges.^{11,12} Communities that rely on tourism activities will likely face further financial challenges in the coming months with the change of the seasons.

Meanwhile, more employees in the **food service** industry found work, as bars, restaurants and breweries continued to benefit from the provincial government allowing the temporary expansion of service areas earlier this summer.¹³ Unfortunately, the sector may face financial hardship in the coming months, as it is unclear at this time if the temporary permits program will be extended beyond October 31, 2020.

In fact, a recent spike in Covid-19 cases lead the Government of British Columbia to place further restrictions on the sector. The province announced on September 8 that all nightclubs and standalone banquet halls were to shut-down immediately, and ordered all bars and restaurants to close earlier in the evening, to help reduce the spread of the virus.¹⁴

British Columbia Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	August 2020	July 2020	August 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,389.5	2,374.2	2,559.1	15.3	0.6	-169.6	-6.6
Goods-producing sector	469.3	448.6	481.6	20.7	4.6	-12.3	-2.6
Agriculture	31.1	24.5	27.3	6.6	26.9	3.8	13.9
Forestry, fishing, mining, quarrying, oil and gas	40.0	38.5	43.3	1.5	3.9	-3.3	-7.6
Utilities	21.5	18.8	12.5	2.7	14.4	9.0	72.0
Construction	215.5	211.6	235.0	3.9	1.8	-19.5	-8.3
Manufacturing	161.2	155.2	163.5	6.0	3.9	-2.3	-1.4
Services-producing sector	1,920.2	1,925.6	2,077.5	-5.4	-0.3	-157.3	-7.6
Trade	369.4	379.8	393.5	-10.4	-2.7	-24.1	-6.1
Transportation and warehousing	126.0	125.5	134.1	0.5	0.4	-8.1	-6.0
Finance, insurance, real estate and leasing	154.5	154.7	158.2	-0.2	-0.1	-3.7	-2.3
Professional, scientific and technical services	222.2	233.0	226.6	-10.8	-4.6	-4.4	-1.9
Business, building and other support services	89.1	85.6	108.7	3.5	4.1	-19.6	-18.0
Educational services	163.6	166.0	187.9	-2.4	-1.4	-24.3	-12.9
Health care and social assistance	305.5	301.4	308.0	4.1	1.4	-2.5	-0.8
Information, culture and recreation	93.0	99.0	136.0	-6.0	-6.1	-43.0	-31.6
Accommodation and food services	180.7	174.3	186.7	6.4	3.7	-6.0	-3.2
Other services	104.5	94.1	120.6	10.4	11.1	-16.1	-13.3
Public administration	111.7	112.2	117.1	-0.5	-0.4	-5.4	-4.6

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

The impact of the Covid-19 pandemic remains widespread, as nearly all the regions have yet to recover after the significant job losses earlier this year. As some people continue to either work from home, or on the job under stricter health and safety conditions, the regions remain under immense pressure.¹⁵ However, the economic recovery continues across the regions as the province remains under Phase 3 of its reopening plan.¹⁶

British Columbia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2020 ('000)	August 2019 ('000)	Yearly Variation (%)	August 2020 (%)	August 2019 (%)	Yearly Variation (% points)
British Columbia	2,384.1	2,596.0	-8.2	11.5	4.7	6.8
Economic Regions						
Vancouver Island and Coast	383.6	400.2	-4.1	10.3	4.2	6.1
Lower Mainland - Southwest	1,508.1	1,677.4	-10.1	12.3	4.7	7.6
Thompson - Okanagan	267.6	282.3	-5.2	10.1	4.6	5.5
Kootenay	72.9	70.0	4.1	11.3	6.0	5.3
Cariboo	76.6	82.9	-7.6	10.4	6.2	4.2
North Coast and Nechako	38.3	43.5	-12.0	12.2	5.0	7.2
Northeast	37.1	39.6	-6.3	7.0	5.5	1.5

Note: Totals may not add due to rounding

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

When compared to the same time last year, employment decreased by 4.1% to 383,600 in **Vancouver Island and Coast**, while the unemployment rate increased to 10.3%.¹⁷ Looking forward, the outlook for the construction sector is improving, as the provincial government continues to invest in affordable housing. Particularly, construction has begun on 40 new affordable rental homes in Powell River for families, seniors and those with disabilities.¹⁸ Construction is also set to start on nearly 50 new, affordable rental homes for families and seniors in Port Alberni.¹⁹

Despite a slow recovery in August across the **Lower Mainland – Southwest**, employment is still down 10.2% compared to last year.²⁰ Having experienced the most job losses across the province, the economic recovery will take time as COVID-19 lingers. Though the outlook for some sectors, such as retail and food service remains poor, construction projects continue to ramp up. Already construction is resuming on the \$300M Pier D terminal expansion at Vancouver International Airport (YVR), now scheduled for completion this December.²¹ In addition, construction has begun on a new \$30M commercial truck parking facility in North Surrey near the Port Mann Bridge.²² Looking forward, the construction sector will likely see strong growth in the coming months following the announcement of the aforementioned Broadway Subway Project, and the redevelopment of Oakridge Centre into a major hub of retail, residential, workspace, parks, and civic space.²³

In the past year, employment in **Thompson-Okanagan** decreased by 5.2% to 267,600 and the unemployment rate increased to 10.1%.²⁴ In mid-August near Penticton, residents evacuated and wineries closed due to the

Christie Mountain wildfire. The wildfire has since died down, and residents have returned home and local wineries on the Skaha Bench have reopened.²⁵ Meanwhile the provincial government announced it would be providing \$32.7M in funding for a new addition to the Valleyview Secondary in Kamloops. The expansion will include 20 new classrooms, a new gym, multi-use space, special-education classrooms, and play areas.²⁶

Employment in **North Coast and Nechako** declined by 12.0% to 38,300 since August of 2019 and the unemployment rate spiked to 12.2%.²⁷ Though the pandemic affected the progress of many construction projects across the region, work is picking up steam to regain lost time. Already, construction has begun on Coastal GasLink's meter station located in Kitimat.²⁸ Just North East of Kitimat lies Prince Rupert, which may see a couple new construction projects in the near future. The expansions of the Fairview Container Terminal²⁹ and Alta Gas's Ridley Island facility³⁰ are awaiting final regulatory approval.

Year-over-year, employment within **Northeast** declined by 6.3% to 37,100 and the unemployment rate increased to 7.0%.³¹ Employment within the region continued to regain ground due in part to several construction projects, including BC Hydro's Site C hydroelectric project and \$3.6M in repairs on the Pouce Coupe River Bridge located near Dawson's Creek.³²

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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