



Labour Market Bulletin

British Columbia

March 2022



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

As the province observed the third anniversary of the start of the COVID-19 pandemic, the relaxation of provincially mandated health orders allowed businesses to move toward less restrictive operations. For the first time in two years, businesses are now operating at, or close to, pre-pandemic capacities. However, employment remained relatively unchanged (0.9% or +25,200 positions) over the first quarter of 2022. Gains were exclusively in full-time employment (1.2% or +25,600 positions), which offset losses in part-time employment (-0.2% or -400 positions). Meanwhile, the province's unemployment rate declined 0.6 percentage points from the fourth quarter of 2021, to 5.0%, still below the national average.

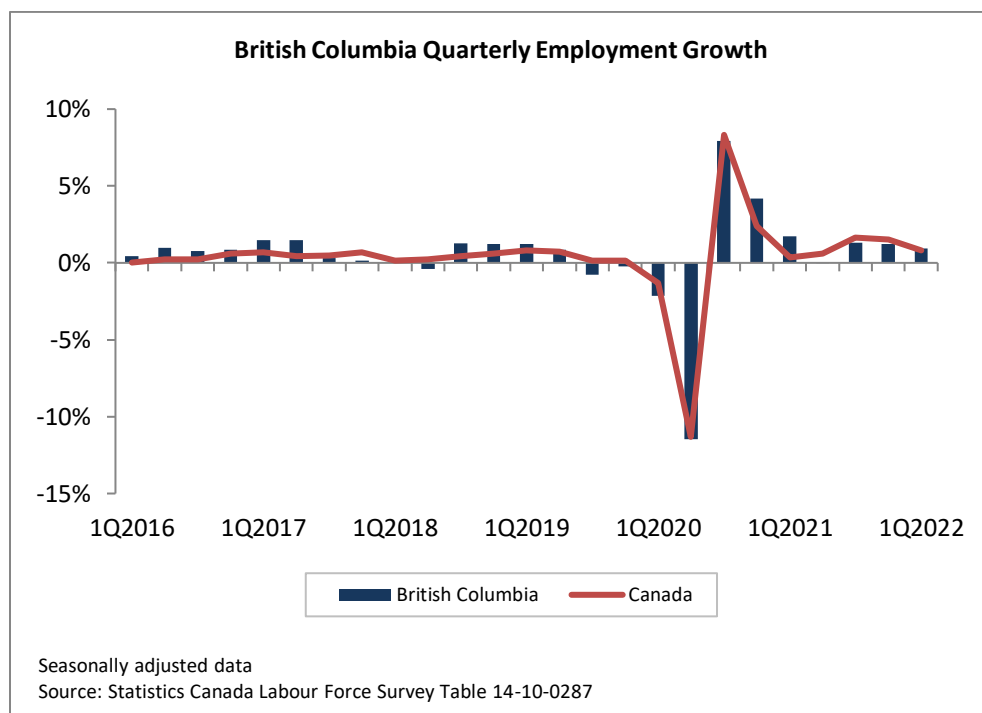
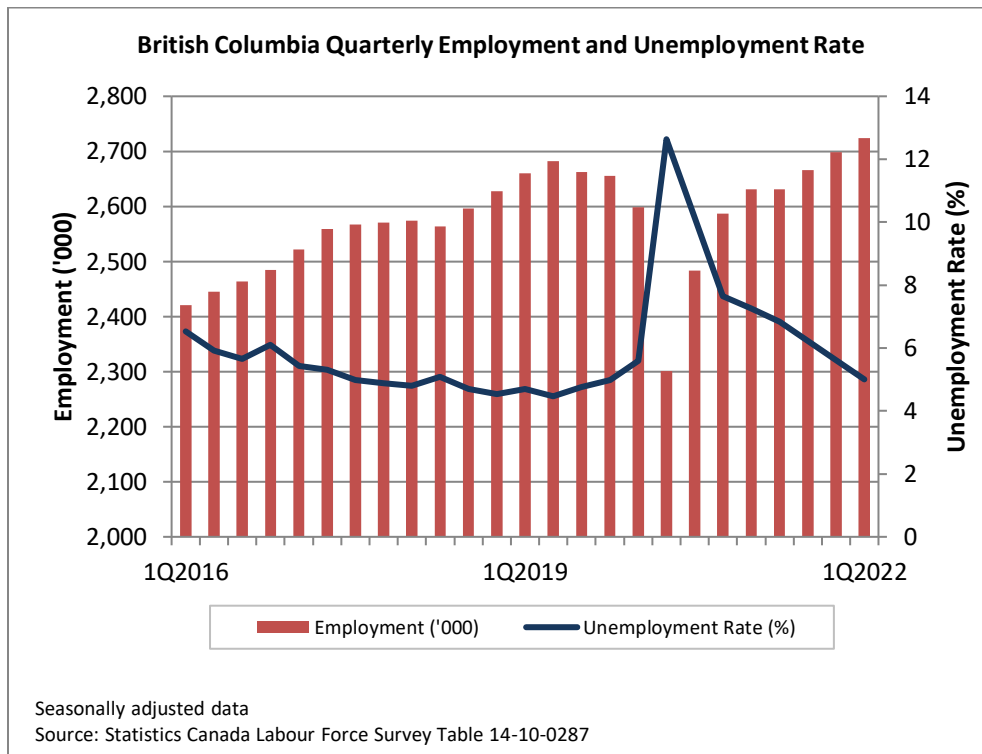
March marked a return to pre-pandemic normalcy for many British Columbians. The B.C. Vaccine Card program ended effective April 8, after its initial implementation in September 2021. As part of the update, businesses are now able to transition away from a COVID-19 safety plan to a less onerous communicable disease plan. Similarly, vaccine requirements for post-secondary students living in residence has also been lifted.¹

British Columbia Quarterly Labour Force Statistics

Seasonally adjusted data	1st Quarter 2022	4th Quarter 2021	1st Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	4,403.3	4,383.6	4,323.2	19.7	0.4	80.1	1.9
Labour Force ('000)	2,867.4	2,859.1	2,837.7	8.3	0.3	29.7	1.0
Employment ('000)	2,723.8	2,698.6	2,631.6	25.2	0.9	92.2	3.5
Full-Time ('000)	2,141.3	2,115.7	2,046.7	25.6	1.2	94.6	4.6
Part-Time ('000)	582.5	582.9	584.9	-0.4	-0.1	-2.4	-0.4
Unemployment ('000)	143.6	160.5	206.1	-16.9	-10.5	-62.5	-30.3
Unemployment Rate (%)	5.0	5.6	7.3	-0.6	-	-2.3	-
Participation Rate (%)	65.1	65.2	65.6	-0.1	-	-0.5	-
Employment Rate (%)	61.9	61.6	60.9	0.3	-	1.0	-

Note: Totals may not add due to rounding

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



The youth unemployment rate declined 1.2 percentage points from last quarter and down 3.9 percentage points from this time last year. Women in the 15-24 demographic experienced the biggest improvement to their unemployment rate, down 1.3 percentage points over the quarter and 9.2 percentage points from this time in 2021. Nevertheless, the impacts of the pandemic on women continued to linger. In a recent poll, over a third of women in the province reported that their purchasing power had yet to return to pre-pandemic levels.²

British Columbia Quarterly Unemployment Rates, by Gender and Age

Seasonally adjusted data	1st Quarter 2022 (%)	4th Quarter 2021 (%)	1st Quarter 2021 (%)	Quarterly Variation (% points)	Yearly Variation (% points)
Total	5.0	5.6	7.3	-0.6	-2.3
25 years and over	4.1	4.6	6.1	-0.5	-2.0
Men - 25 years and over	4.2	4.9	5.9	-0.7	-1.7
Women - 25 years and over	4.0	4.3	6.2	-0.3	-2.2
15 to 24 years	10.6	11.8	14.5	-1.2	-3.9
Men - 15 to 24 years	13.7	14.7	12.5	-1.0	1.2
Women - 15 to 24 years	7.5	8.8	16.7	-1.3	-9.2

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

Though employment increased slightly over the quarter (0.9%), year-over-year employment growth was strong (3.5%). Employment rose in both the **goods producing** (0.4%) and **services producing** (1.1%) sectors.

British Columbia Quarterly Labour Force Statistics, by Industry

Seasonally adjusted data ('000)	1st Quarter 2022	4th Quarter 2021	1st Quarter 2021	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,723.8	2,698.6	2,631.6	25.2	0.9	92.2	3.5
Goods-producing sector	489.7	487.9	489.7	1.8	0.4	0.0	0.0
Agriculture	25.1	24.0	24.6	1.1	4.6	0.5	2.0
Forestry, fishing, mining, quarrying, oil and gas	44.8	44.6	51.8	0.2	0.4	-7.0	-13.5
Utilities	14.6	14.7	19.9	-0.1	-0.7	-5.3	-26.6
Construction	215.6	215.5	219.8	0.1	0.0	-4.2	-1.9
Manufacturing	189.5	189.2	173.6	0.3	0.2	15.9	9.2
Services-producing sector	2,234.2	2,210.6	2,141.9	23.6	1.1	92.3	4.3
Trade	431.0	423.6	394.5	7.4	1.7	36.5	9.3
Transportation and warehousing	149.5	142.5	138.4	7.0	4.9	11.1	8.0
Finance, insurance, real estate and leasing	164.4	164.3	164.3	0.1	0.1	0.1	0.1
Professional, scientific and technical services	252.0	245.9	254.6	6.1	2.5	-2.6	-1.0
Business, building and other support services	91.6	101.3	106.1	-9.7	-9.6	-14.5	-13.7
Educational services	201.2	194.6	189.6	6.6	3.4	11.6	6.1
Health care and social assistance	386.7	379.0	345.5	7.7	2.0	41.2	11.9
Information, culture and recreation	134.6	133.0	126.9	1.6	1.2	7.7	6.1
Accommodation and food services	175.8	175.1	177.3	0.7	0.4	-1.5	-0.8
Other services	106.9	108.1	110.7	-1.2	-1.1	-3.8	-3.4
Public administration	140.3	143.2	133.8	-2.9	-2.0	6.5	4.9

Note: Totals may not add due to rounding

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

Employment in the province's **goods producing sector** was relatively unchanged over the quarter (+0.4%). Despite the sector's stability, employment was up substantially in the **agriculture** industry (+4.6%) over the quarter, with additional gains in **forestry, fishing, mining, quarrying, oil and gas** (+0.4%) and **manufacturing** (+0.2%). Employment in the province's **construction** industry remained unchanged (+0.0%), and declined in **utilities** (-0.7%).

Though there was strong employment growth in agriculture, many of the province's farmers continued to face reduced incomes as the industry dealt with inflated input costs and ongoing labour shortages. Fortunately, the industry can expect an influx of workers in the coming months with an anticipated high volume of temporary foreign workers set to return to the province. Temporary foreign workers play a vital role in preventing interruptions to the B.C. food supply by easing the strain caused by labour shortages. However, the COVID-19 pandemic and subsequent travel restrictions limited the number of foreign labour entering the province in recent years. To address the shortage, the Government of British Columbia has taken steps to smooth entry of international workers after the announcement of plans to end the COVID-19 quarantine program for foreign workers. However, the government will keep an assistance program for another year to support self-isolation to curb the spread of the virus.³

Employment in the province's **construction** industry was below last year's levels (-4,200 or -1.9%), and was unchanged over the quarter. Housing activity in the province has recently displayed signs of slowing down with the number of housing starts down 17.3% in February 2022 compared to February 2021.⁴ Looking ahead, increase in building permits suggest that construction activity may rebound. According to February 2022 data, the number building permits issued in the province increased 11.8% in February from the previous month while remaining below the level of the same time last year.⁵

Meanwhile inflation and supply chain disruptions have led to an increase in the cost of building materials. Rising construction costs, inflation and an increased demand for housing have all contributed to a substantial increase in the value of new construction permits. For instance, the value of the province's new building permits rose 178.8% in February 2022 from the previous month, and 96.3% from February 2021. The growth was driven by an increase in the value of permits for the construction of non-residential buildings, which grew 764%, due in part to an increase in major project activity in Southwest B.C. (see Regional Analysis below).^{6, 7}

Forestry is a key economic driver in many B.C. interior, coastal, and northern communities. Employment in the sector was stable over the quarter (+0.4%) while remaining below the level of the same time last year (-7,000 or -13.5%). The forestry supply chain is highly integrated, and continues to adapt to the ongoing challenges of a shrinking timber supply, the result of clearcutting, wildfires, and measures to protect old-growth forest areas. According to the Government of British Columbia, the province's logging deferrals are now in place, covering 1.7 million hectares of old-growth forest. Further, the province's old growth harvesting in unprotected areas has decreased 40 percent over the past 5 years.⁸

The decline in the availability of log supply has constrained forestry operations in the province. Canfor is partially curtailing production at their nine sawmills in British Columbia for at least four weeks effective April 4th. The company cited the global supply chain crisis as the reason for the reduction in operations. This curtailment translates into a capacity decline of at least 100 million board feet.⁹ Similarly, West Fraser is reducing its operating

schedule to a three-day work week at all of its BC lumber mills. The decision, which the company stated was due to supply chain and transportation issues in Western Canada, will affect over 700 employees.¹⁰

Employment in the province's **services producing sector** increased modestly over the quarter (+23,600 positions or +1.1%), and was up over the year (+92,300 or +4.3%). The sector's gains were driven by quarterly employment boosts in **transportation and warehousing** (+4.9%), **educational services** (+3.4%) and **professional, scientific and technical services** (+2.5%). Employment gains in these sectors offset losses in others including **business, building and other support services** (-9.6%) and **public administration** (-2.0%).

Employment in the province's **transportation and warehousing** industry improved over the quarter (+4.9%) and over the year (+8.0%). Looking forwards, a relaxation of travel restrictions has signaled a wider resumption of international travel. Vancouver welcomed its first cruise ship in over two years following the federal ban on cruise ships in response to the COVID-19 pandemic.¹¹ Cruise ships represent an important source of revenue for the province. According to the Tourism Industry Association of B.C., cruise ships contribute approximately \$2.7 billion in revenue to the provincial economy annually.¹² The loss of revenue from cruise ship passengers during the pandemic has been substantial, with some businesses in coastal cities reporting revenue declines of 80-90 percent.¹³ The lifting of the ban means over 300 ships are expected in the province's ports during the upcoming cruise season.¹⁴

Employment in the province's **accommodation and food service** industry remained relatively unchanged over the quarter (+0.4%), and was slightly down from last year (-0.8%). The hospitality industry, which was severely affected by pandemic restrictions, may expect a return to pre-pandemic normalcy with the dissolution of masking mandates and the B.C. vaccine card. After suffering several years of a reduced events circuit, the Vancouver Convention Centre reported over 200 bookings so far in 2022.¹⁵ According to the B.C. Restaurant and Foodservices Association, this year's food service sales are expected to jump 30% over 2021.¹⁶

However, the hospitality sector is among those already grappling with staff shortages. In response to instability in the industry throughout the pandemic, many hospitality workers left the sector to find employment elsewhere. BC Ferries, for example, warned passengers of service disruptions and cancellations due to staff shortages. Similarly, the B.C. Restaurant and Foodservices association estimated the food services industry would be approximately 30,000 workers short over the year.¹⁷

REGIONAL ANALYSIS

The province's economic recovery from the COVID-19 pandemic remains ongoing in all economic regions. Compared to the first quarter of 2021, the unemployment rate declined in all of the province's economic regions. The largest improvements were reported in the **Cariboo** (-3.1 percentage points), **Lower Mainland and Southwest** (-2.8) and **North Coast and Nechako** (-2.6) economic regions.

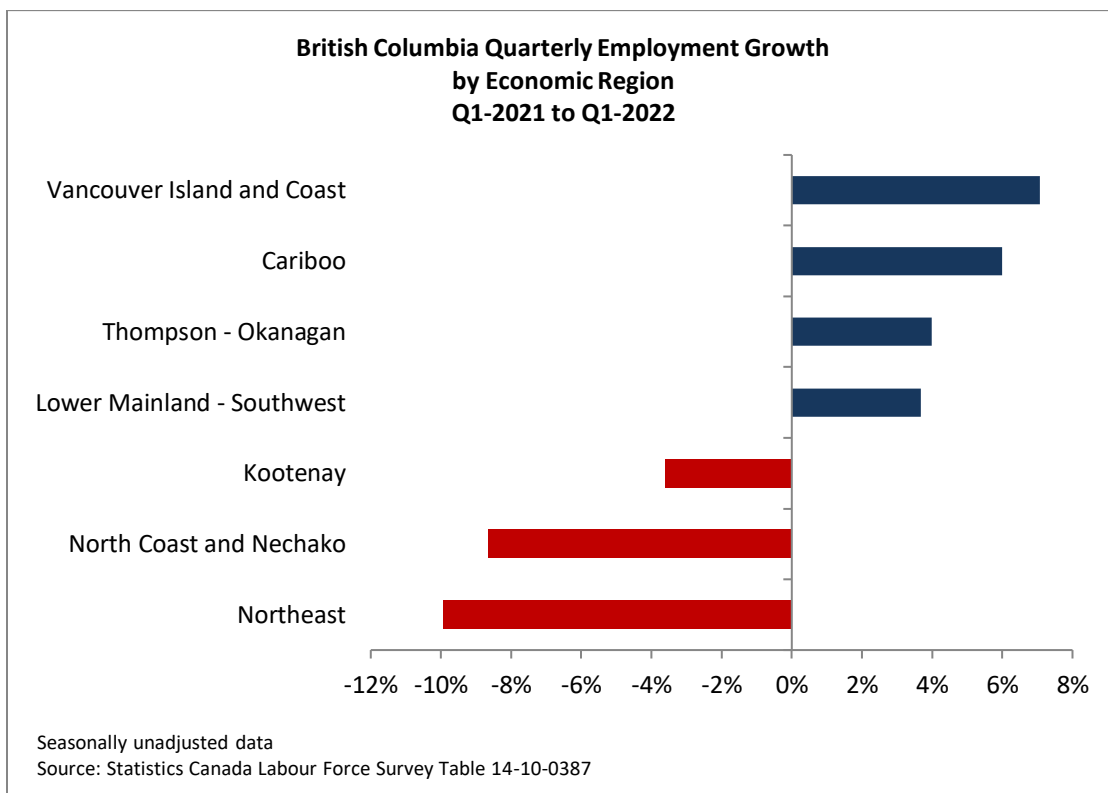
Please be aware that the statistics for the economic regions are not seasonally adjusted and should only be compared on a year-over-year basis. Employment is sometimes influenced by seasonal and calendar effects occurring at the same time and with the same magnitude every year, which can bring about changes in the data that make monthly comparisons difficult.

British Columbia Quarterly Labour Force Statistics, by Economic Region

Seasonally unadjusted data	Employment			Unemployment Rate		
	1st Quarter 2022 ('000)	1st Quarter 2021 ('000)	Yearly Variation (%)	1st Quarter 2022 (%)	1st Quarter 2021 (%)	Yearly Variation (% points)
British Columbia	2,690.3	2,595.1	3.7	5.2	7.7	-2.5
Economic Regions						
Vancouver Island and Coast	427.4	399.2	7.1	5.1	7.4	-2.3
Lower Mainland - Southwest	1,727.3	1,665.9	3.7	5.2	8.0	-2.8
Thompson - Okanagan	292.6	281.4	4.0	6.2	7.3	-1.1
Kootenay	77.4	80.3	-3.6	5.3	6.7	-1.4
Cariboo	90.2	85.1	6.0	3.7	6.8	-3.1
North Coast and Nechako	40.2	44.0	-8.6	5.9	8.5	-2.6
Northeast	35.4	39.3	-9.9	0.0	4.1	-4.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0387, formerly CANSIM 282-0122



The **Vancouver Island and Coast** economic region continues its recovery from challenges posed from the pandemic. The region recorded the province’s highest employment increase this quarter over the same time last year (+7.1%). Similarly, the region also reported an improvement to the unemployment rate, down 2.3 percentage points from the first quarter of 2021. Employment in the region received a boost from the resumption

of cruise ship visits. To date, BC Ferries has filled roughly 600 positions for the summer operating season through a variety of methods, with plans to continue hiring to fill remaining gaps.¹⁸

Meanwhile, the outlook for cannabis cultivators suffered as the Tilray Cannabis Company is set to permanently close its Nanaimo facility. The closure will result in the loss of roughly 170 jobs. At its peak, the facility employed roughly 300 people from the region, and contributed \$25 million to the local economy.¹⁹

Employment in the **Lower Mainland – Southwest** region continued on an upward trajectory. Year over year, more than 28,000 jobs (+3.7%) were added this quarter. Meanwhile, the region's unemployment rate improved 2.3 percentage points to 5.1%. Looking forward, the region's employment will be supported by a multitude of large-scale projects in various stages of development. For example, construction on the expansion and renovation of the SkyTrain Brentwood Town Centre Station was set to begin in late March and be completed in 2024. The \$32.6M project includes upgrades to make the station more accessible and improve connections to bus services.²⁰ Similarly, Woodfibre LNG announced that pre-construction work on its Squamish project would begin this year. The company behind the project, Pacific Energy Corp., plans to spend around \$600M on the project in the 2022 fiscal year.²¹

The outlook for the region's professional, scientific and technical services industry improved as the federal government announced \$11.8M for two innovation projects in Surrey. Agtech Innovation Sandbox is receiving \$10M over five years, which is expected to create over 300 new jobs and WearTech Labs will receive \$1.8M, expected to result in 40 new jobs.²²

Meanwhile, governments continue to make efforts to address the region's lack of affordable housing. The federal government has committed \$44.5M for a new 157-unit social housing complex in East Vancouver. The facility will be open to seniors of low and moderate incomes with physical disabilities. Construction is expected to finish by spring 2024.²³ Construction is also underway on a 337-unit project in Vancouver that will include 220 rental homes and 117 co-operative homes. These homes are expected to be complete by fall 2024.²⁴

Annually, employment in the **Thompson – Okanagan** region increased 4.0% this quarter, while the unemployment rate improved by 1.1 percentage points. Recovery and restoration work continued to address the devastation caused by 2021's record-breaking wildfire season. The Province of BC is providing an additional \$18.4M for recovery in Lytton, a village which was destroyed by a wildfire last summer. The funding will go toward debris removal, archaeological work, and site remediation. Debris removal at the area began on March 8.²⁵

Construction activity in the region will be boosted by several upcoming developments. Construction began on March 16 on City Gardens, a \$200M development in Kamloops. The development will include two towers of 22 and 24 storeys, and four six-storey, wood-frame buildings for a total of 525 apartment and townhouse homes.²⁶ Penticton City Council approved a development permit for a new 105-room hotel with an on-site restaurant in Penticton's north end. Mundi Hotel Enterprises will operate the hotel under the Four Points by Sheraton brand.²⁷

Year over year, employment was down in the **Kootenay** region for the quarter (-3.6%). Despite the decrease, the region's unemployment rate improved 1.4 percentage points to 5.3%. The region is gearing up for another active wildfire season and taking measures now to mitigate potential impacts. The Columbia Basin Trust and the

Province of BC are providing \$1.2M for 12 wildfire prevention projects in 10 rural communities across the Kootenay region. The projects are expected to create 93 jobs while improving community resilience to wildfires.²⁸

Employment in the **North Coast and Nechako** region dropped 8.6% compared to the first quarter of 2021, while the unemployment rate fell by 2.6 percentage points over the same period. On a positive note, the region's employment may be supported by significant activity in the mining industry. Seabridge Gold plans to invest \$150M this year into its KSM Project near Stewart. The company expects to create over 1,500 jobs annually during the initial five-year construction period and 1,400 onsite jobs during the gold mine's lifespan.²⁹

Year over year, employment was up 6.0 % in the **Cariboo** region, while the unemployment rate improved by 3.1 percentage points. In positive news, Imperial Metals is restarting production at its Mount Polley mine near William's Lake. The mine has recalled existing workers and is hiring more local staff. The restart is set for April, and the mine is expected to employ around 350 workers by May or June.³⁰

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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- ² Castanet. March 14, 2022. [Finances still suffering. British Columbians' finances still suffering from ills of pandemic: poll.](#)
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- ⁴ Statistics Canada. [Table 34-10-0156-01 Canada Mortgage and Housing Corporation, housing starts in all centres 10,000 and over, Canada, provinces, and census metropolitan areas, seasonally adjusted at annual rates, monthly \(x 1,000\).](#)
- ⁵ Statistics Canada. [Table 34-10-0066-01 Building permits, by type of structure and type of work \(x 1,000\).](#)
- ⁶ IBID.
- ⁷ CPABC. March 14, 2022. [CPABC: Strong housing starts and major project construction signal investment rebound in Southwest B.C.](#)
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