



# Labour Market Bulletin

British Columbia

June 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

By the second quarter of 2022, most restrictions on events and travel brought on by the COVID-19 pandemic had been removed. As such, tourism is forecast to be strong in summer 2022, supporting economic activity particularly in the Lower Mainland and the Vancouver Island and Coast regions.<sup>1</sup> Leading into the summer, an unusually cool spring has delayed the start to British Columbia's wildfire season, and while this would normally be positive news, this weather may have negative impacts on some industries, such as agriculture.<sup>2</sup>

Despite the return to more normal business operations, the province is experiencing an acute labour shortage in many key sectors. The rising costs of inputs associated with high inflation are negatively affecting many industries. Labour disputes are increasing as workers demand wage growth in line with inflation. The rising interest rates employed by the Bank of Canada in response to rising inflation have already had a significant cooling effect on the province's real estate sector.<sup>3</sup>

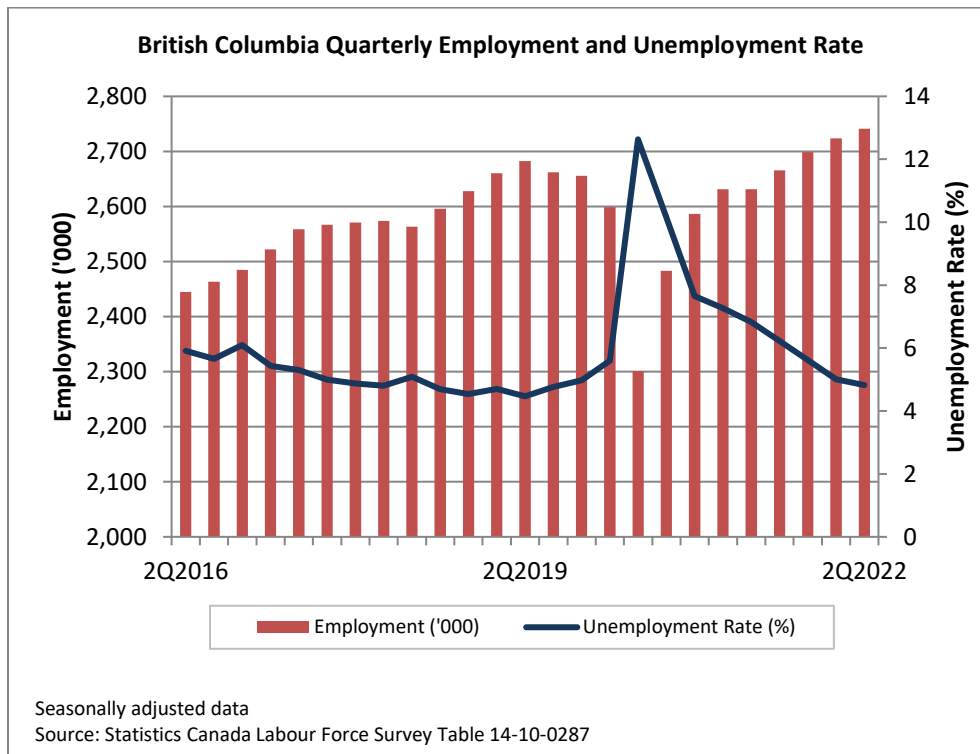
Employment in BC increased 0.6% (17,400 positions) over the second quarter of 2022. Gains were exclusively in full-time employment (1.1% or +23,500 positions), which offset losses in part-time employment (-1.0% or -6,100 positions). Meanwhile, the province's unemployment rate declined 0.2 percentage points from the first quarter of 2022 to 4.8%, still below the national average.

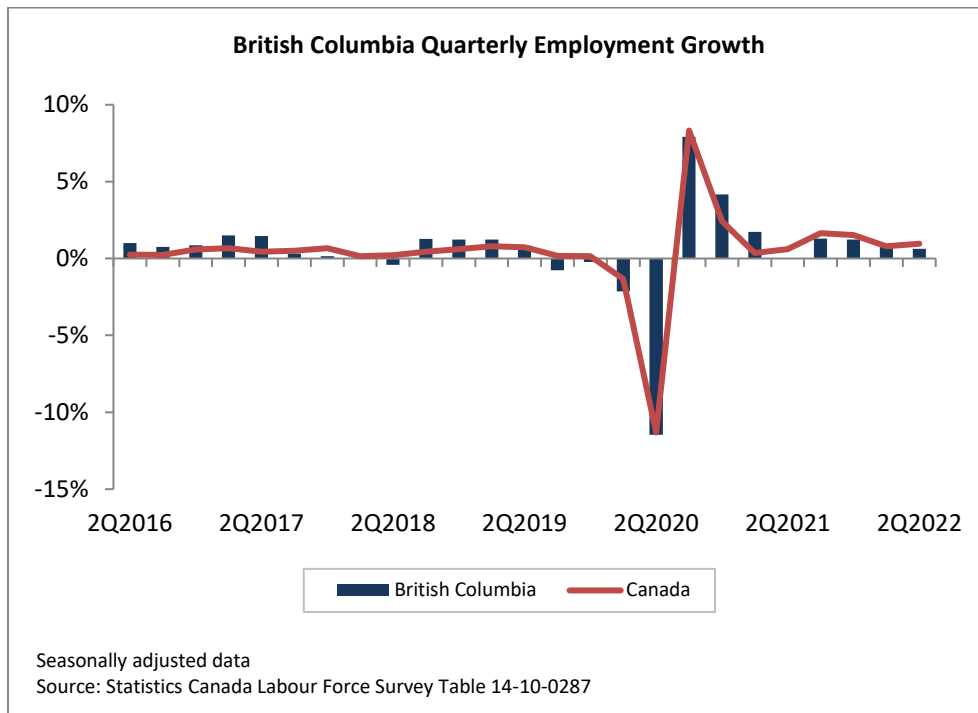
**British Columbia Quarterly Labour Force Statistics**

| Seasonally adjusted data      | 2nd Quarter 2022 | 1st Quarter 2022 | 2nd Quarter 2021 | Quarterly Variation |      | Yearly Variation |       |
|-------------------------------|------------------|------------------|------------------|---------------------|------|------------------|-------|
|                               |                  |                  |                  | Number              | %    | Number           | %     |
| <b>Population 15 + ('000)</b> | 4,420.8          | 4,403.3          | 4,334.7          | 17.5                | 0.4  | 86.1             | 2.0   |
| <b>Labour Force ('000)</b>    | 2,880.0          | 2,867.4          | 2,823.9          | 12.6                | 0.4  | 56.1             | 2.0   |
| <b>Employment ('000)</b>      | 2,741.2          | 2,723.8          | 2,631.2          | 17.4                | 0.6  | 110.0            | 4.2   |
| Full-Time ('000)              | 2,164.8          | 2,141.3          | 2,055.9          | 23.5                | 1.1  | 108.9            | 5.3   |
| Part-Time ('000)              | 576.4            | 582.5            | 575.3            | -6.1                | -1.0 | 1.1              | 0.2   |
| <b>Unemployment ('000)</b>    | 138.8            | 143.6            | 192.8            | -4.8                | -3.3 | -54.0            | -28.0 |
| <b>Unemployment Rate (%)</b>  | 4.8              | 5.0              | 6.8              | -0.2                | -    | -2.0             | -     |
| <b>Participation Rate (%)</b> | 65.1             | 65.1             | 65.1             | 0.0                 | -    | 0.0              | -     |
| <b>Employment Rate (%)</b>    | 62.0             | 61.9             | 60.7             | 0.1                 | -    | 1.3              | -     |

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 2.1 percentage points from the previous quarter and decreased 3.5 percentage points from the same quarter last year. The quarterly decline in the rate was largely due to men in the 15-24 demographic (-3.9 percentage points) while the rate was down only 0.3 percentage points for women 15-24. Year-over-year, the reverse was true—unemployment dropped 6.0 percentage points for women and 1.1 points for men.

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

| Seasonally adjusted data  | 2nd Quarter 2022 (%) | 1st Quarter 2022 (%) | 2nd Quarter 2021 (%) | Quarterly Variation (% points) | Yearly Variation (% points) |
|---------------------------|----------------------|----------------------|----------------------|--------------------------------|-----------------------------|
| <b>Total</b>              | 4.8                  | 5.0                  | 6.8                  | -0.2                           | -2.0                        |
| <b>25 years and over</b>  | 4.2                  | 4.1                  | 6.0                  | 0.1                            | -1.8                        |
| Men - 25 years and over   | 4.3                  | 4.2                  | 6.3                  | 0.1                            | -2.0                        |
| Women - 25 years and over | 4.1                  | 4.0                  | 5.7                  | 0.1                            | -1.6                        |
| <b>15 to 24 years</b>     | 8.5                  | 10.6                 | 12.0                 | -2.1                           | -3.5                        |
| Men - 15 to 24 years      | 9.8                  | 13.7                 | 10.9                 | -3.9                           | -1.1                        |
| Women - 15 to 24 years    | 7.2                  | 7.5                  | 13.2                 | -0.3                           | -6.0                        |

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

Though employment increased slightly over the quarter (0.6%), year-over-year employment growth was strong (4.2%). Quarterly employment rose in both the **goods producing** (0.4%) and **services producing** (0.7%) sectors.

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

| Seasonally adjusted data ('000)                   | 2nd Quarter 2022 | 1st Quarter 2022 | 2nd Quarter 2021 | Quarterly Variation |      | Yearly Variation |       |
|---|------------------|------------------|------------------|---------------------|------|------------------|-------|
|   |                  |                  |                  | Number              | %    | Number           | %     |
| <b>Total employed, all industries</b>             | 2,741.2          | 2,723.8          | 2,631.2          | 17.4                | 0.6  | 110.0            | 4.2   |
| <b>Goods-producing sector</b>                     | 491.9            | 489.7            | 487.0            | 2.2                 | 0.4  | 4.9              | 1.0   |
| Agriculture                                       | 27.1             | 25.1             | 22.0             | 2.0                 | 8.0  | 5.1              | 23.2  |
| Forestry, fishing, mining, quarrying, oil and gas | 45.1             | 44.8             | 52.9             | 0.3                 | 0.7  | -7.8             | -14.7 |
| Utilities   | 15.3             | 14.6             | 21.0             | 0.7                 | 4.8  | -5.7             | -27.1 |
| Construction                                      | 224.0            | 215.6            | 213.4            | 8.4                 | 3.9  | 10.6             | 5.0   |
| Manufacturing                                     | 180.5            | 189.5            | 177.8            | -9.0                | -4.7 | 2.7              | 1.5   |
| <b>Services-producing sector</b>                  | 2,249.3          | 2,234.2          | 2,144.2          | 15.1                | 0.7  | 105.1            | 4.9   |
| Trade   | 431.0            | 431.0            | 394.6            | 0.0                 | 0.0  | 36.4             | 9.2   |
| Transportation and warehousing                    | 143.5            | 149.5            | 138.4            | -6.0                | -4.0 | 5.1              | 3.7   |
| Finance, insurance, real estate and leasing       | 163.2            | 164.4            | 170.6            | -1.2                | -0.7 | -7.4             | -4.3  |
| Professional, scientific and technical services   | 261.5            | 252.0            | 261.8            | 9.5                 | 3.8  | -0.3             | -0.1  |
| Business, building and other support services     | 100.0            | 91.6             | 110.1            | 8.4                 | 9.2  | -10.1            | -9.2  |
| Educational services                              | 199.1            | 201.2            | 184.6            | -2.1                | -1.0 | 14.5             | 7.9   |
| Health care and social assistance                 | 384.5            | 386.7            | 351.3            | -2.2                | -0.6 | 33.2             | 9.5   |
| Information, culture and recreation               | 139.2            | 134.6            | 125.8            | 4.6                 | 3.4  | 13.4             | 10.7  |
| Accommodation and food services                   | 178.6            | 175.8            | 163.1            | 2.8                 | 1.6  | 15.5             | 9.5   |
| Other services                                    | 110.6            | 106.9            | 111.0            | 3.7                 | 3.5  | -0.4             | -0.4  |
| Public administration                             | 138.1            | 140.3            | 132.9            | -2.2                | -1.6 | 5.2              | 3.9   |

Note: Totals may not add due to rounding

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

Employment in British Columbia's **agriculture** sector rose by 8% or 2,000 jobs over the second quarter; however, it continues to adapt to the changing realities of the province's climate. Unseasonably cool temperatures in Q2 affected farmers across British Columbia, delaying harvests and stunting plant growth.<sup>4</sup> The sector continues to experience worker shortages, as well as increased input costs and other environmental challenges.<sup>5</sup>

Employment in the province's **construction** industry rebounded in the second quarter (+8,400 or +3.9%), and increased 10,600 jobs or 5% year-over-year. Despite employment growth, housing activity in the province has continued to slow with the number of housing starts down 11.2% in May 2022 compared to May 2021.<sup>6</sup> Looking ahead, according to May 2022 data, the number of building permits issued in the province remained flat compared to May 2021.<sup>7</sup>

Meanwhile inflation and supply chain disruptions have led to an increase in the cost of building materials. Indeed, 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 22.9% in May 2022 from the previous month, and 80.4% from May 2021. The growth was driven by an increase in the value of permits for the construction of non-residential buildings, due in part to an increase in major project activity in Southwest B.C.<sup>8</sup>

**Forestry** is a key economic driver in many B.C. interior, coastal, and northern communities. Employment in the sector was stable over the quarter (+0.7%) while remaining below the level of the same time last year (-7,800 or -14.7%). 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. Lumber prices have dropped significantly from their record highs during the COVID-19 pandemic and stumpage fees are expected to increase in the province, leading to higher operating costs for forestry companies.<sup>9</sup>

Employment in the province's **services producing sector** increased over the quarter (+15,100 or 0.7%), and was up over the year (+105,100 or 4.9%). The sector's gains were driven by quarterly employment boosts in **professional, scientific and technical services** (+3.8%); **business, building and other support services** (+9.2%); and **information, culture and recreation** (+3.4%). Employment gains in these sectors offset losses in others including **transportation and warehousing** (-4.0%) and **public administration** (-1.6%).

Employment in the province's **transportation and warehousing** industry decreased over the quarter (-6,000 or -4.0%) but was still up over the year (5,100 or 3.7%). The province's transportation industry is continuing to face challenges due to staff shortages and well as strike actions. Despite hiring more than 500 new workers earlier in the year, BC ferries continues to face a shortage of workers resulting in cancelled sailing on some of its busiest routes.<sup>10,11</sup> While passenger numbers are up from their COVID-19 slump (37% year-over-year), they are still below pre COVID-19 figures.<sup>12</sup>

The air transportation industry is struggling to overcome a surge in passenger numbers and logistical issues as the summer travel season begins. Vancouver International Airport has had long wait times for passengers due to staffing shortages at the terminal, with workers citing lack of pay and overwork as reasons for lower employee numbers.<sup>13</sup> As well, airlines have cancelled and reduced their operating schedules due to workforce and other constraints in the industry.<sup>14</sup> Canada's airports have seen some of the worst delays recently as passenger numbers continue to surge to near pre-pandemic levels.<sup>15</sup>

The **accommodation and food service** sector is another area of the economy that has faced a staffing shortfall as it moves into the busy summer season. Employment in the sector rose by 2,800 jobs (+1.59%) on a quarterly basis and 9.5% year-over-year. Despite labour shortages, the latest data shows that food and drink sales in the province have returned to pre-pandemic levels, surpassing industry highs set in 2019.<sup>16</sup>

Employment in the province's **professional, scientific and technical services** sector increased by 9,500 jobs (3.5%) on a quarterly basis and remained largely unchanged (-300 jobs or -0.1%) year-over-year. The sector's employment has been bolstered in recent months with technology companies such as Amazon and Microsoft advertising around 750 new positions in Vancouver, largely in skilled positions such as software engineering and development.<sup>17,18</sup> Microsoft will also expand its presence further in Vancouver with plans to occupy a new 400,000 sq. ft. 20 storey office tower in the downtown core in 2023.<sup>19</sup>

## REGIONAL ANALYSIS

The province’s economic recovery from the COVID-19 pandemic remains ongoing in all economic regions. Compared to the second quarter of 2021, the unemployment rate declined in all of the province’s economic regions except for the **Northeast**. The largest improvements were reported in the **North Coast and Nechako** (-3.4 percentage points), **Lower Mainland and Southwest** (-2.4) and **Kootenay** (-1.8) economic regions.

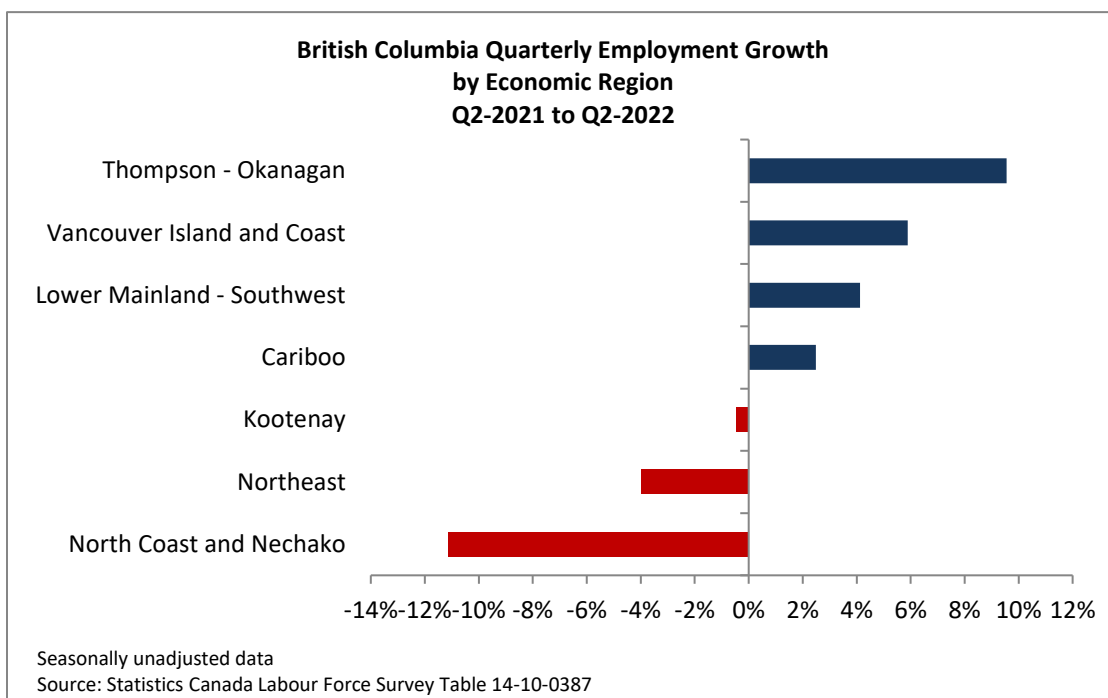
Please note that the statistics for the economic regions are not seasonally adjusted and should only be compared on a year-over-year basis. Employment is sometimes influenced by seasonal and calendar effects occurring at the same time and with the same magnitude every year, which can bring about changes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

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

| Seasonally unadjusted data | Employment              |                         |                      | Unemployment Rate    |                      |                             |
|----------------------------|-------------------------|-------------------------|----------------------|----------------------|----------------------|-----------------------------|
|                            | 2nd Quarter 2022 ('000) | 2nd Quarter 2021 ('000) | Yearly Variation (%) | 2nd Quarter 2022 (%) | 2nd Quarter 2021 (%) | Yearly Variation (% points) |
| <b>British Columbia</b>    | 2,755.6                 | 2,639.5                 | 4.4                  | 4.8                  | 6.8                  | -2.0                        |
| <b>Economic Regions</b>    |                         |                         |                      |                      |                      |                             |
| Vancouver Island and Coast | 435.1                   | 410.9                   | 5.9                  | 4.0                  | 5.6                  | -1.6                        |
| Lower Mainland - Southwest | 1,764.3                 | 1,694.5                 | 4.1                  | 4.8                  | 7.2                  | -2.4                        |
| Thompson - Okanagan        | 307.4                   | 280.6                   | 9.6                  | 5.8                  | 6.5                  | -0.7                        |
| Kootenay                   | 83.3                    | 83.7                    | -0.5                 | 3.8                  | 5.6                  | -1.8                        |
| Cariboo                    | 90.5                    | 88.3                    | 2.5                  | 5.9                  | 6.1                  | -0.2                        |
| North Coast and Nechako    | 39.1                    | 44.0                    | -11.1                | 4.2                  | 7.6                  | -3.4                        |
| Northeast                  | 36.0                    | 37.5                    | -4.0                 | 5.0                  | 3.9                  | 1.1                         |

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 the pandemic. Employment in the region rose 5.9% this quarter over the same time last year, while the unemployment rate declined 1.6 percentage points over the same period. Though tourism operators have hired many new workers, they still face shortages.<sup>20</sup> In construction, several large projects are underway on Vancouver Island, including the BC Government's new \$76.8M Keating Cross Road flyover project in the District of Central Saanich.<sup>21</sup>

Employment in the **Lower Mainland – Southwest** region continued to rise. Year-over-year, more than 69,800 jobs (+4.1%) were added this quarter. Meanwhile, the region's unemployment rate improved 2.4 percentage points to 4.8%. Construction played a large role in the region's growth this quarter. Spending on major projects in British Columbia reached a 10-year high in the latest reports, with an overwhelming majority of these projects located in the Lower Mainland.<sup>22</sup> This construction growth is projected to remain high with a number of major projects announced, including the nearly \$400M new Vancouver Art Gallery building, which is slated to open in 2027.<sup>23</sup> The BC Government has also committed \$2.4B in funding to the region's transit provider, Translink, to deliver the new Surrey Langley Skytrain extension.<sup>24</sup> Translink is also set to begin work on the \$30M Phibbs Exchange upgrade in North Vancouver later this year.<sup>25</sup>

Employment in the **Thompson – Okanagan** region increased 26,800 (9.6%) this quarter compared to Q2 2021, while the unemployment rate improved by 0.7 percentage points to 5.8%. The Thompson-Okanagan region has been acutely impacted by labour shortages, especially in the healthcare sector. Hospitals and clinics across the region have faced temporary closures as a result of staff shortages.<sup>26,27</sup> These issues have affected hospitals in both rural and urban areas, with some patients transferred from Kamloops' Royal Inland Hospital to Kelowna due to staffing shortages.<sup>28</sup> In response to these shortages, the City of Kamloops is exploring options and incentives to aid in the retention and recruitment of healthcare professionals in the region.<sup>29</sup> Mayors in the south Okanagan have also met with provincial officials regarding the physician shortage to discuss solutions.<sup>30</sup>

Year-over-year employment was down 0.5% in the **Kootenay** region for the quarter. Despite the decrease, the region's unemployment rate improved 1.8 percentage points to 3.8%. Teck Resources announced that next year it would conduct a carbon capture pilot project at its Trail facilities to capture carbon dioxide from the acid plant flue gas.<sup>31</sup>

Employment in the **North Coast and Nechako** region dropped 11.1% compared to the second quarter of 2021, while the unemployment rate fell by 3.4 percentage points to 4.2% over the same period. The region's tourism sector is rebounding with almost 15 times as many visitors to Haida Gwaii in June compared to the same time in 2021 when tourism was virtually non-existent due to COVID-19 measures.<sup>32</sup> The community's economy will also benefit from increased internet access, as the Connected Coast project has just finished laying 87 km of fiber optic cables connecting the island to the mainland.<sup>33</sup> Prince Rupert's tourism industry will also be bolstered by the return of cruise ships to the town. The port is expecting to welcome 43 cruise ships carrying an estimated 60,600 passengers during the 2022 season.<sup>34</sup>

Year-over-year employment was up 2.5 % in the **Cariboo** region, while the unemployment rate improved 0.2 percentage points to 5.9%. The Government of B.C., Northern Health, and the City of Prince George are building a new 50-unit supportive housing facility, 50 additional supportive homes, and a health-care clinic that will provide on-site staff and support services.<sup>35</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> Business in Vancouver. (June 08, 2022) [B.C. plays key role in Canadian tourism resurgence](#)

<sup>2</sup> Business in Vancouver. (June 27, 2022) [Cool spring leads to 'delayed start' of B.C.'s wildfire season, BCWS says](#)

<sup>3</sup> Business in Vancouver. (June 28, 2022) [Interest rates send shivers through B.C. real estate market](#)

<sup>4</sup> Vancouver Sun. (May 17, 2022) [B.C.'s cool, wet spring playing havoc with farmers](#)

<sup>5</sup> Business in Vancouver. (May 24, 2022) [Farm owners navigate labour challenges](#)

<sup>6</sup> 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 \(x 1,000\)](#)

<sup>7</sup> Statistics Canada. [Table 34-10-0066-01 Building permits, by type of structure and type of work \(x 1,000\)](#)

<sup>8</sup> Ibid.

<sup>9</sup> Tree Frog Creative. (July 05, 2022) [Lumber prices find a near-term floor. Pending stumpage increase will put many BC mills in the red.](#)

<sup>10</sup> CTV News. (May 13, 2022) [BC Ferries hires 500 staff to combat cancellations, considers live-aboard accommodations](#)

<sup>11</sup> CBC News. (June 09, 2022) [B.C. Ferries cancels several sailings on key routes this weekend due to staff shortages](#)

<sup>12</sup> Marine Log. (June 29, 2022) [BC Ferries: On the mend, but numbers still lag pre-pandemic levels](#)

<sup>13</sup> Business in Vancouver. (May 10, 2022) [Overwork, low pay reasons for YVR screening staff shortage](#)

<sup>14</sup> CBC News. (June 29, 2022) [Air Canada to cancel dozens of daily flights this summer](#)

<sup>15</sup> Global News. (July 04, 2022) [Canada's airlines, airports saw worst delays globally over long weekend](#)



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- <sup>16</sup> Statistics Canada. (June 28, 2022). [Total, food services and drinking places, British Columbia \(seasonally adjusted\)](#)
- <sup>17</sup> Dailyhive. (May 18, 2022) [Amazon hiring for over 500 jobs in Vancouver and some pay over \\$100K](#)
- <sup>18</sup> Dailyhive. (May 25, 2022) [Microsoft hiring for over 250 jobs in Vancouver and some pay over \\$150K](#)
- <sup>19</sup> Dailyhive. (June 01, 2022) [Microsoft to open new 20-storey office hub in downtown Vancouver](#)
- <sup>20</sup> Vancouver Island Free Daily. (July 01, 2022) [‘Summer of recovery’: Pandemic-stricken tourism industry sees signs of optimism](#)
- <sup>21</sup> Government of British Columbia. (June 03, 2022) [Work ramps up on Keating Cross Road flyover project](#)
- <sup>22</sup> Western Investor. (July 06, 2022) [B.C. major projects building at levels unseen in a decade](#)
- <sup>23</sup> Vancouver Sun. (June 27, 2022) [Federal government provides more than \\$29 million for new Vancouver Art Gallery](#)
- <sup>24</sup> Government of British Columbia. (May 27, 2022) [B.C. investing more than \\$2.4 billion in Metro Vancouver transit improvements](#)
- <sup>25</sup> North Shore News. (June 29, 2022) [Big changes coming to North Van's Phibbs Exchange bus loop](#)
- <sup>26</sup> Infonews. (July 04, 2022) [Merritt emergency department closed for 24 hours](#)
- <sup>27</sup> Infonews. (June 08, 2022) [Yet another temporary emergency room closure in Clearwater](#)
- <sup>28</sup> CBC News. (May 17, 2022) [Staff shortage forces Kamloops hospital to move some patients to Kelowna](#)
- <sup>29</sup> Kamloops This Week. (June 15, 2022) [City to work with groups on incentive program to attract doctors to Kamloops](#)
- <sup>30</sup> Global News. (July 05, 2022) [‘We are definitely in a crisis’: South Okanagan mayors working to tackle doctor shortage](#)
- <sup>31</sup> Vancouver Sun. (June 28, 2022) [Teck Resources announces carbon capture pilot project in Trail](#)
- <sup>32</sup> Haida Gwaii Observer. (July 05, 2022) [Exponential tourism growth in Haida Gwaii as summer kicks off](#)
- <sup>33</sup> Haida Gwaii Observer. (July 06, 2022) [Connected Coast’s fibre optic cable reaches Haida Gwaii](#)
- <sup>34</sup> Terrace Standard. (May 17, 2022) [First cruise ship in two years docks in Prince Rupert](#)
- <sup>35</sup> Government of British Columbia. (June 13, 2022) [New homes, clinic on the way for people experiencing homelessness](#)
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