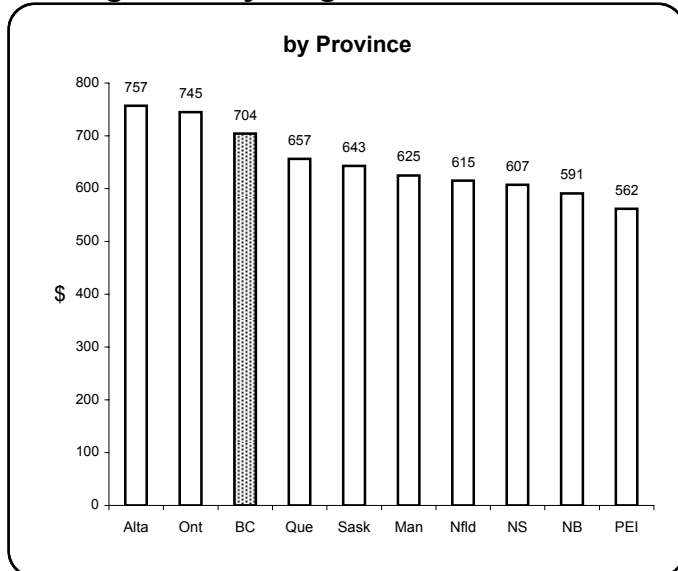
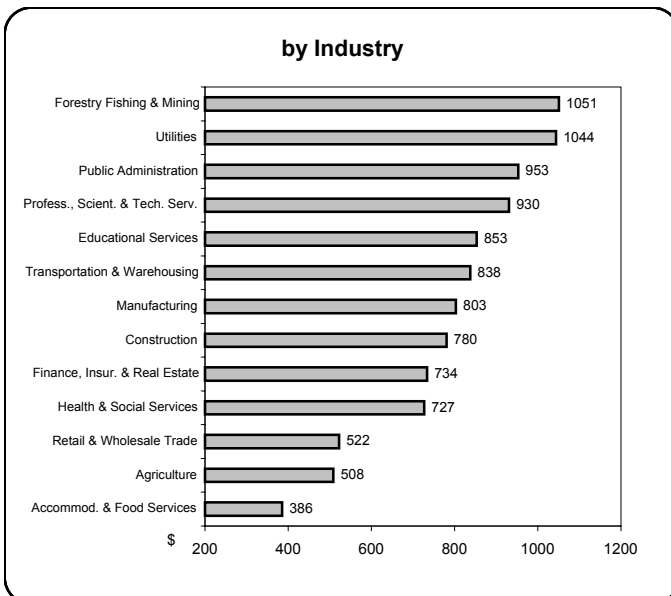
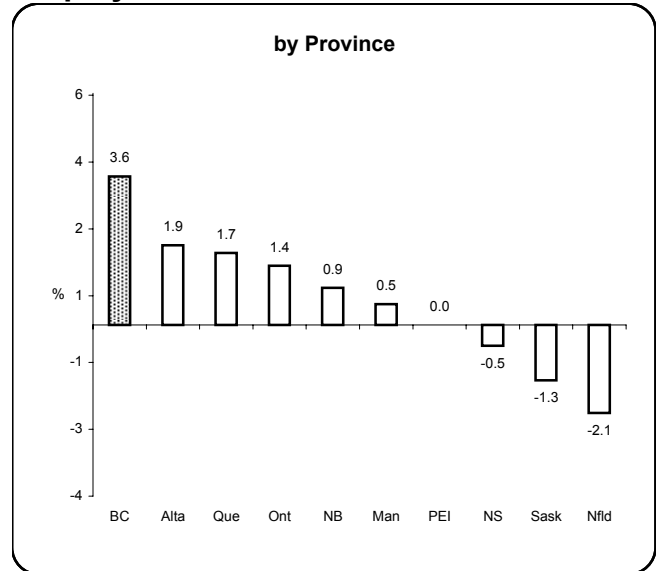


Earnings & Employment Trends ♦ December 2005

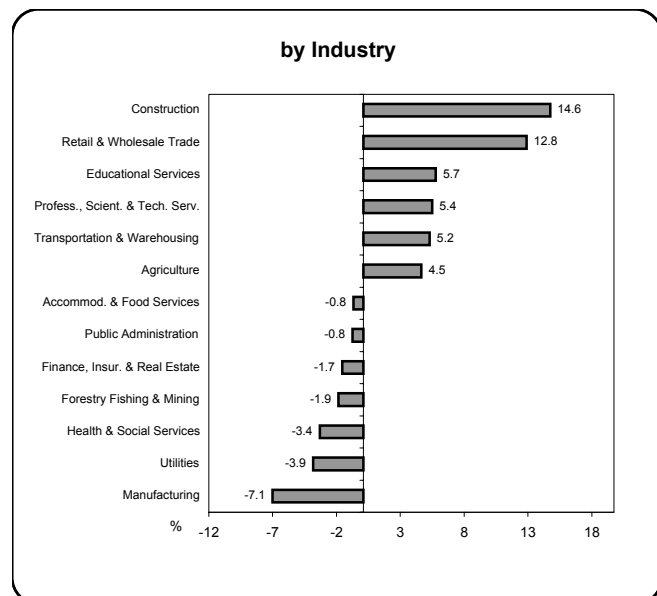
Average Weekly Wage Rate* - December 2005



Employment Growth* - December 2005



* Latest 12 month average



* Month over same month previous year (unadjusted)

Prepared by: BC STATS

Source: Statistics Canada Labour Force Survey

Feature Article: The Current Labour Market Boom in BC: Are Aboriginal People Benefiting?

The Current Labour Market Boom in BC Are Aboriginal Peoples Benefiting?

Background

The labour market in BC has shown strong growth over the last year, so much so that the unemployment rate in the 4th quarter was 5.0 per cent, the lowest it has been for at least the last 30 years. While most industries have benefited from the boom, the drivers appear to be the construction industry (annual employment growth of 19%), the Professional, Scientific and Technical Services Industries, the Education Industry and the Primary Industries all of which have grown at an annual rate exceeding 6 per cent in the past year.

As some of this growth is likely attributable to the preparation activities leading up to the 2010 Olympics, the growth is by no means concentrated in the Lower Mainland alone. In fact, while the Lower Mainland grew at a respectable rate of 2.6 per cent in 2005, it was overshadowed by a stellar growth rate of 4.8 per cent in the rest of the province.

The demographic groups who have gained the most from the employment boom are the men whose unemployment rate in 2005 fell below the rate for women (5.8% vs 5.9%, which reverses the trend of the last decade when the rate for men always exceeded the rate for women) and the young, those aged 15-24. Over the last decade the annual average unemployment rate for youth has been consistently well above 13 per cent but in 2005 it dropped to 10.1 per cent. Jobs for that age group grew by close to 8 per cent from the year before.

For Aboriginal peoples, many promises have been made that they too will benefit from the economic spin-offs of the Olympic Games. This article looks at how much Aboriginal people have participated in the labour market good fortune enjoyed by the general population in 2005.

The data used for this analysis is from an expansion of the Labour Force Survey program maintained by Statistics Canada, which has been producing estimates on Aboriginal labour market activity since the 2nd quarter of 2004. The British Columbia Government has provided short-term funding to April 2006 to increase the sample size and improve the quality of the of the information in BC. Unfortunately, the survey covers only the off-reserve population and this, alongside the short time-frame, limits the rigor of the analysis. However, the data do give some indication of how Aboriginal people have been faring in the BC workforce in recent months.

Aboriginal Peoples¹ Employment Gains in 2005²

The unemployment rate of off-reserve Aboriginal peoples for the nine month period from April to December 2005 was 13.7 per cent. While this rate seems very high when compared to the non-Aboriginal rate during the same period (5.2%), improvements have been made. The gap has decreased from 10.1 to 8.5 percentage

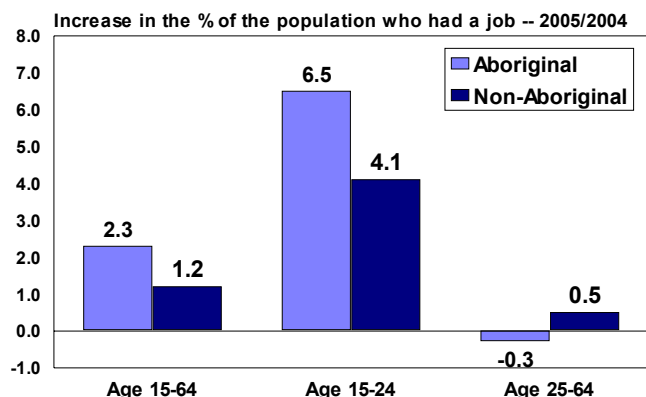
¹ Off-reserve Aboriginal peoples only.

² Because the quarterly data commenced in the 2nd Q of 2004, the 2005 data includes only the last 3 quarters of 2005 so it is consistent with the comparative 2004 data.

points in 2005. And at the time of the 2001 Census, the unemployment rate gap for the same cohort was 12.4 percentage points. At that time, only four years ago, the off-reserve Aboriginal population had an unemployment rate of 20.4 per cent. While the unemployment rate reveals one aspect of economic conditions, probably a more telling indicator is the employment rate which measures the per cent of the population that is working. In the first 9 months of 2005 that rate increased by 2.3 percentage points over the same period of 2004, which was twice the rate of improvement enjoyed by the non-Aboriginal population (1.2 ppt).

The chart below demonstrated the similarity between the Aboriginal and the non-Aboriginal populations with youth making substantial gains while the adult population showing little change.

Between 2004 and 2005 employment among the Aboriginal community increased by 2.3 percentage points, compared to only 1.2 percentage points for non-Aboriginal peoples. It appears as though Aboriginal youth (age 15-24), were the principal beneficiaries. An additional 6.5% of their youth found work in 2005.

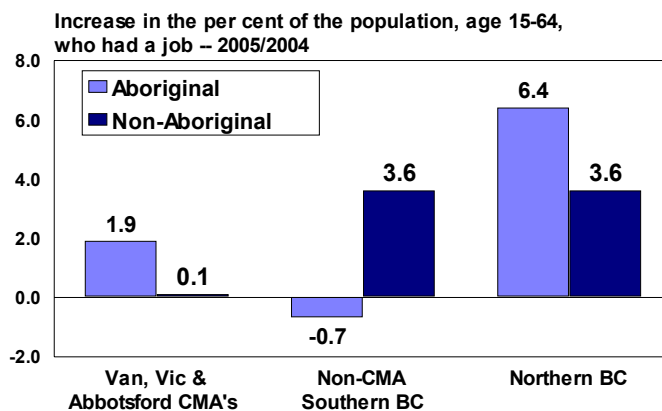


However, the trend has been different between the genders among Aboriginal and non-Aboriginal peoples. Aboriginal women made all the gains in 2005, increasing their employment rate by 5 percentage points, while Aboriginal men

did not appear to reap any of the benefits of the 2005 job boom.

The labour market success of Aboriginal peoples has varied in the different regions of BC.

The northern part of the province has benefited most from BC's economic boom of the past year. Off-reserve Aboriginals living in the North showed the most significant increase in their employment rates.



Across the province, Northern BC has shown very strong growth, particularly among Aboriginal peoples. Approximately 6 per cent more of the off-reserve Aboriginal population were employed in the April to December period of 2005 compared to the same period of 2004. Aboriginal youth living in the North did even better than that, increasing their employment rate by approximately 11 percentage points. Unfortunately, the sample size of the Labour Force Survey does not allow for any more in-depth analysis as to why there are such pronounced regional differences in the labour market success of Aboriginal peoples.

While the Labour Force Survey data coverage and quality are limited because of the small sample size, it is the only source of labour market indicators for Aboriginal peoples outside of the Census. Fortunately, the timing of the 2010 games

fits in perfectly with the timing of the Census cycle set for 2011 ,which will provide information on who had a job in 2010. But between now and then, there will be very little information available on the current labour market status of Aboriginal Peoples in BC after funding for the Labour Force Survey program runs out in April 2006.