
Labour Force Statistics ♦ April 2000

HIGHLIGHTS

- **B.C. seasonally adjusted employment decreased in April from March by 9,600 (down 0.5 per cent).** When combined with a relatively larger decrease in the estimated number of unemployed persons in April, the B.C. unemployment rate edged down to 6.9 per cent in April from 7.0 per cent in March.
- **Despite slight decreases in each of the last two months, B.C. overall employment remains up by 38,300 since April 1999.** All of this net increase over the past year has been in full-time work, with two-thirds occurring in the goods-producing sector and one-third in the services sector.
- **Seasonally adjusted employment for B.C. youth (aged 15-24) decreased by 2,000 (down 0.7 per cent) in April from March, but remains up by 400 from April 1999.** The youth unemployment rate rose to 12.6 per cent in April from 12.3 per cent a month earlier, but remains well below the 14.8 per cent of a year ago.
- **Seasonally adjusted employment in April was also down in Alberta and Saskatchewan, and rose either slightly or moderately in all other provinces.** Only Manitoba and Nova Scotia saw any significant decrease in their unemployment rates in April from March.

Selected Statistics (SA)*	Apr. 2000	Mar. 2000	Apr. 1999
B.C. Unemployment Rate	6.9%	7.0%	8.8%
Canada Unemployment Rate	6.8%	6.8%	8.2%
B.C. Help Wanted Index (1996=100)	145.0	147.0	128.0
B.C. Employment - Monthly Change	-0.5%	-0.2%	-
B.C. Labour Force - Monthly Change	-0.6%	-0.2%	-
B.C. Participation Rate	64.5%	64.9%	65.4%

* Unless otherwise indicated, all labour force variables are seasonally adjusted.

Labour Force Statistics is a joint compilation and review by BC STATS of the Ministry of Finance and Corporate Relations and the Research, Evaluation and Accountability Branch of the Ministry of Advanced Education, Training and Technology of the results of the monthly Labour Force Survey conducted by Statistics Canada. For more information, call BC STATS (250) 387-0327 or R,E&A (250) 952-6111.

B.C. Labour Market Update for Youth Aged 15 to 24

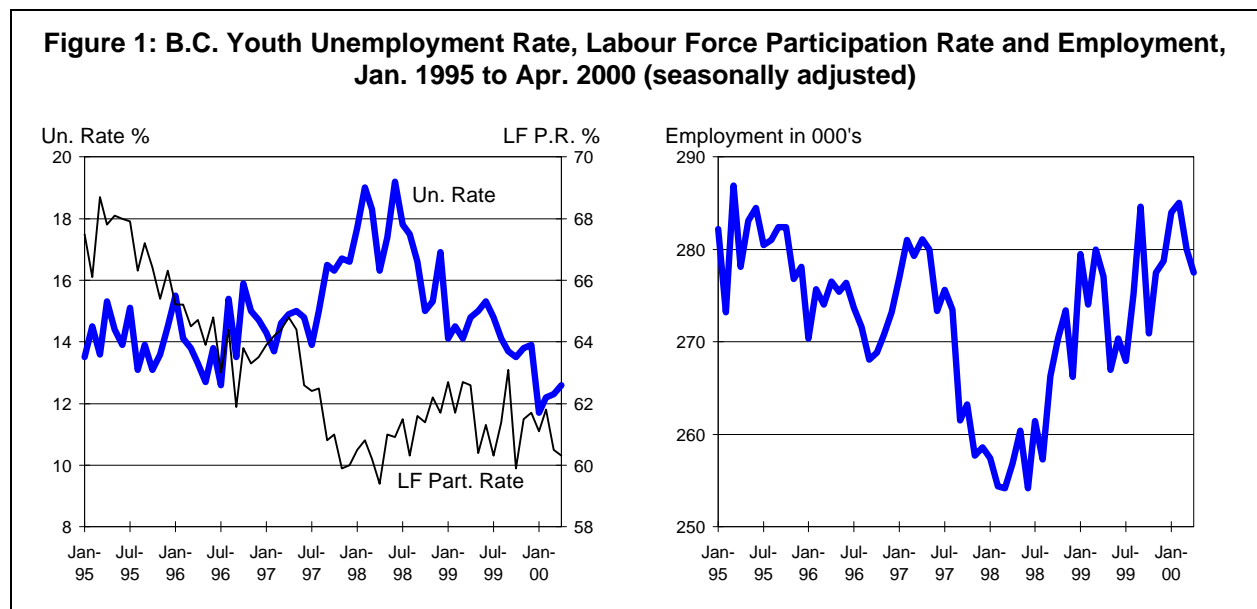
Introduction . . . Youth labour market conditions between mid-1998 and present have shown considerable improvement. Employment has been rising and the unemployment rate has been falling. Yet this recent improvement followed a period between early-1995 and mid-1998 where the B.C. youth labour market saw considerable challenges. Examination of labour market changes and conditions between younger youth and older youth by student status highlights some notable differences, and provides better understanding into the aggregate youth labour market data.

Recent Youth Labour Market Conditions . . .

Figure 1 displays monthly levels for the seasonally adjusted B.C. youth unemployment rate, labour force participation rate and employment since 1995. From January 1995 to mid-1998, B.C. youth labour market conditions saw considerable deterioration as their employment level fell by some 20,000 and their unemployment rate rose from just under 14 per cent to a peak of 19.2 per cent in July 1998. This rise in the youth unemployment rate was particularly concerning since it occurred in an environment where the proportion of youth participating in the active labour force was falling. Between mid-1998 and April 2000,

youth labour market conditions in B.C. have seen considerable improvement. Employment levels have climbed back to about 280,000, while the unemployment rate has dropped from 19.2 per cent in July 1998 to 12.6 per cent in April 2000. The youth labour force participation rate stabilized and has shown some modest growth in the past two years, but remains well below levels seen in the mid-1990's. Part of the decline in the overall youth labour force participation rate since the mid-1990's has occurred due to structural and compositional changes in the youth population. Structurally, the proportion of B.C. youth who are engaged in schooling (either secondary or post-secondary) has risen. Students, especially full-time students, are less likely to be in the labour force than non-students. Compositionally, the proportion of the overall youth population aged 15 to 24 who are younger youth aged 15 to 19 is higher today than in 1995 due the demographic impact of the baby echo generation who are now entering their mid-teens. To help separate out these structural and compositional changes, below we examine youth labour market variables separately for non-students versus students for both younger youth aged 15 and 19 and older youth aged 20 and 24.

Figure 1: B.C. Youth Unemployment Rate, Labour Force Participation Rate and Employment, Jan. 1995 to Apr. 2000 (seasonally adjusted)

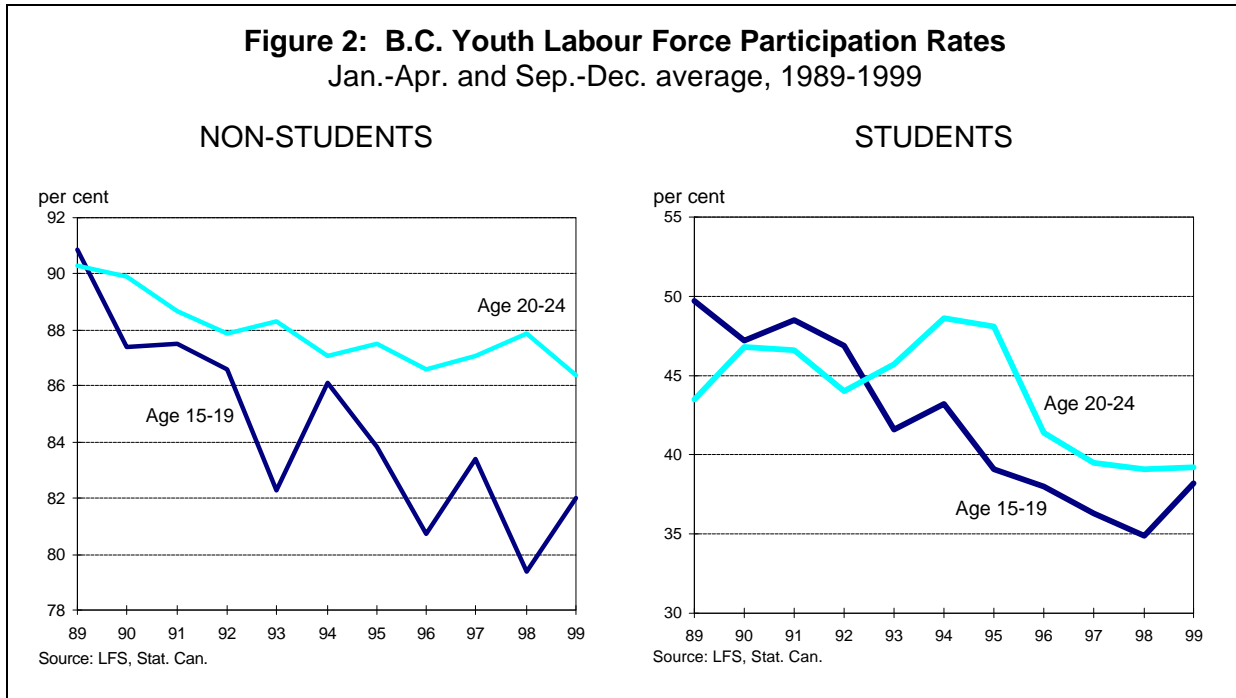


Labour Force Participation by Student Status for Younger and Older Youth . . .

Figure 2 shows labour force participation rates for youth sub-groups taken during the main school year (January-April and September-December). By 1999, student and non-student youth, both those aged 15-19 and 20-24, had considerably lower labour force participation than at the start of the decade, and slightly lower than seen in the mid-1990's. Thus the decline in the overall youth labour force participation rate noted earlier in Figure 1, was driven by more than just the structural impact due to increased schooling participation and the age compositional change. For non-student youth, the decline in their

participation in the labour force suggests they continue to face labour market challenges.

The slight rise between 1998 and 1999 in labour force participation by younger youth students and non-students, still left these two groups considerably below levels seen in the early 1990's but again close to 1995 levels. For non-student youth aged 15 to 19, almost one in five in 1999 was neither employed or actively looking for work, compared to less than 1 in 10 in 1989. For older non-student youth, their participation rate in the labour force has fallen more slightly, from over 90 per cent in 1989 to 86 per cent in 1999.



Unemployment Rates by Student Status for Younger and Older Youth. . .

Figure 3 shows unemployment rates for youth sub-groups taken during the main school year (January-April and September-December). Unemployment rates for younger and older youth, both students and non-students, were generally lower in 1999 from 1998. Yet with the exception of non-students aged 20 to 24, unemployment rates for the other three groups in 1999 continued to remain higher than in 1995, and much higher compared to conditions at the start of the 1990's. When also

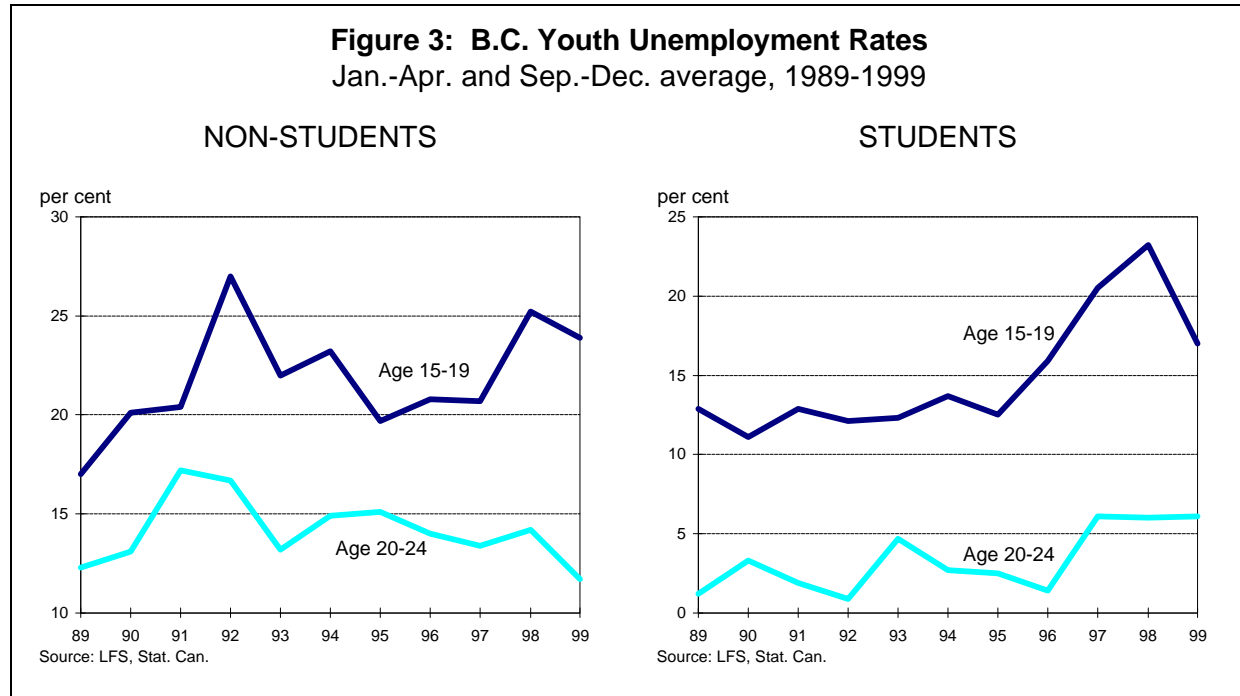
considered in light of how labour force participation rates have decayed since 1989, it appears all groups of youth except older non-students are continuing to experience more difficult labour market conditions than at the start of the 1990's.

The largest two groups of youth -- students aged 15 to 19 and non-students aged 20 to 24 -- saw the biggest unemployment rate decreases between 1998 and 1999. Yet the younger student group still has a significantly higher unemployment rate than seen in the first half of the 1990's. For non-

students aged 20 to 24 their unemployment rate "improvement" between 1998 and 1999 marks the lowest level seen since 1989.

Aggregate B.C. Youth Labour Market Showing Improvement . . . Overall youth labour market conditions continue to see slower improvement than for B.C. adults aged 25+ in the past six months. In part this lagged improvement is tied to fact youth often have less

job experience than adult job seekers. However, it is encouraging that the youth labour force participation rate has stabilized and shown some modest growth in the last six months (recall Figure 1). Ongoing youth employment gains and the fall in the youth unemployment rate over the last two years likely will provide a growing "pull" to those youth currently outside the labour force towards active job search.



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