
Labour Force Statistics ♦ June 2000

HIGHLIGHTS

- **B.C. seasonally adjusted employment and the estimated number of unemployed persons both were down marginally in June from May.** B.C.'s unemployment rate has fallen over each of the last seven months to sit at 6.7 per cent in June.
- **B.C. seasonally adjusted employment in the second quarter of 2000 rose a moderate 0.2 per cent, following a 1.5 per cent jump in the first quarter of 2000.** Actual employment for the first half of 2000 is up 2.4 per cent (46,200) compared to the first half of 1999.
- **The seasonally adjusted youth unemployment rate stood at 12.6 per cent in the second quarter of 2000, up from 12.1 per cent in the first quarter of 2000.** This remains well below the 15.0 per cent level seen a year ago in the second quarter of 1999.
- **Seasonally adjusted employment in June for Canada overall also changed little (down 0.1 per cent).** All provinces saw some declines in employment in June except for slight gains in Ontario and Manitoba.

Selected Statistics (SA)*	Jun. 2000	May 2000	Jun. 1999
B.C. Unemployment Rate	6.7%	6.8%	8.7%
Canada Unemployment Rate	6.6%	6.6%	7.5%
B.C. Help Wanted Index (1996=100)	143.0	145.0	129.0
B.C. Employment - Monthly Change	-0.1%	0.8%	-
B.C. Labour Force - Monthly Change	-0.1%	0.7%	-
B.C. Participation Rate	64.7%	64.8%	65.3%

* 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.

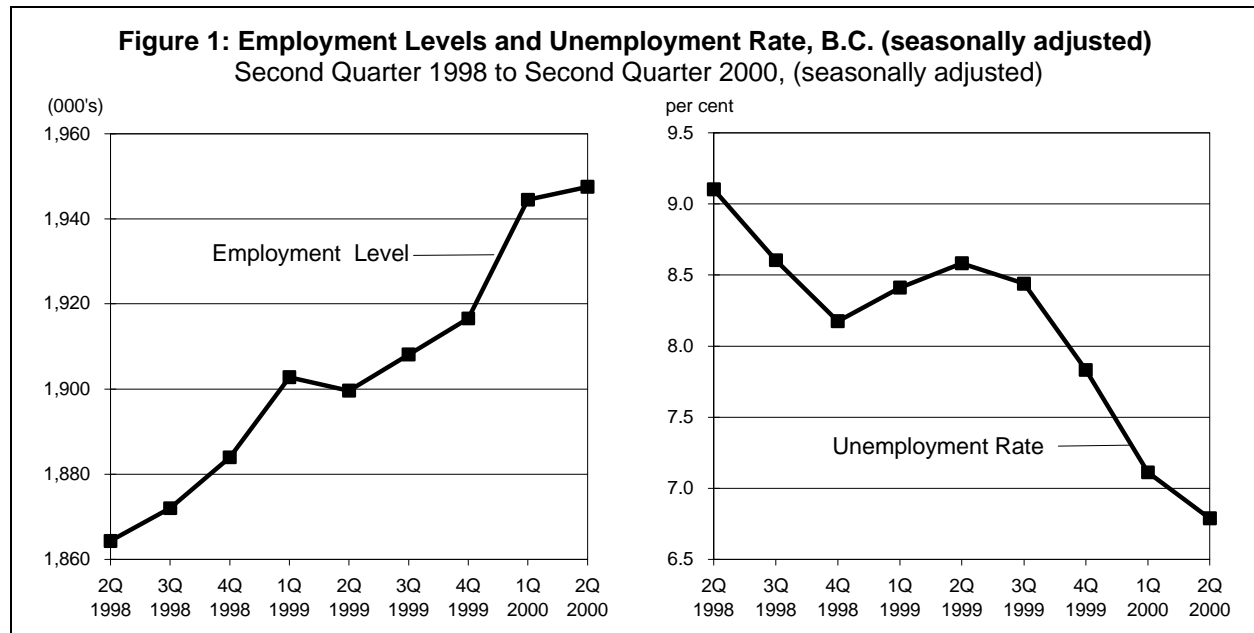
The British Columbia Labour Market - Second Quarter 2000

Summary . . . Seasonally adjusted employment in British Columbia in the second quarter of 2000 rose moderately by 0.2 per cent compared to the sharp rise in the first quarter of 2000. Employment in B.C. has increased consecutively over the last eight quarters, with only a slight pause in the second quarter of 1999. Employment growth in the second quarter of 2000 by women saw net gains in full-time work only. Employment gains for men were part-time. Goods sector employment, which has paced employment growth over the last year, slowed in the second quarter, while services remained flat. Overall gains in employment in the second quarter were seen in the number of private sector employees (up 44,000), offsetting the declines in self-employed workers (down 38,800) and public sector employees (down 2,200). The number of those actively looking for work in the second quarter, the unemployed, fell by 6,000 from the first quarter of 2000. Unemployment rates are down in all regions from a year ago, with employment gains widespread across nearly all regions in the first half of 2000 from the first half of 1999.

Employment and Unemployment Rate . . .

Figure 1 notes employment continued to rise in the second quarter, but at a slower rate than in the previous three quarters. Employment gains in the latest quarter were split evenly between men and women. B.C. employment now stands 3,100 above the level in the first quarter of 2000, and 47,900 above the level seen in the second quarter of 1999.

The number of estimated unemployed persons fell to 141,900 in the second quarter, down from 148,900 in the first quarter of 2000 and down from 178,400 one year ago. These declines in unemployed persons, with gains in employment, have been pushing down the provincial unemployment rate. The provincial unemployment rates in each of the last three months were the lowest seen since July, 1981. Overall, the second quarter unemployment rate averaged 6.8 per cent, down from 7.1 per cent in the first quarter 2000, and down from 8.6 per cent a year ago. The unemployment rate in the second quarter of 2000 was 7.4 per cent for men and 6.1 per cent for women.



Employment by Industrial Classification . . .

Figure 2 shows net changes in employment over the previous quarter for each of the last four quarters, as well as both the net change and the percentage change seen in average employment levels for the last half of 1999 to the first half of 2000.

The goods sector's strong employment growth rate of 4.3 per cent for the first six months of 2000 from the last six months of 1999 yielded over half of the total net employment gains (17,300). Notable gains in the goods sector were seen in the fourth quarter of 1999 and the first quarter of 2000. This improvement by the goods sector has been led by Manufacturing and the Other Primary sector (which includes logging, fishing, mining, and oil & gas). These employment gains are consistent with improvements in a number of economic indicators such as manufacturing shipments and

volumes of timber scaled which both saw boosts in the first half of 2000.

Construction employment for the first six months of 2000 is up marginally from the last half of 1999 but this sector has seen net decreases in employment in three of the last four quarters. Residential construction markets continue to see challenges due in part to weak net interprovincial migration.

Employment in the *services sector* in the first half of 2000 from the previous six month period grew by 1.1 per cent, amounting to a net gain of 16,400. This increase was mainly experienced in the first quarter of 2000 as services employment paused in the second quarter of 2000. Accommodation and food services; information, culture and recreation; health services; and the management of small companies sector drove the gains in services.

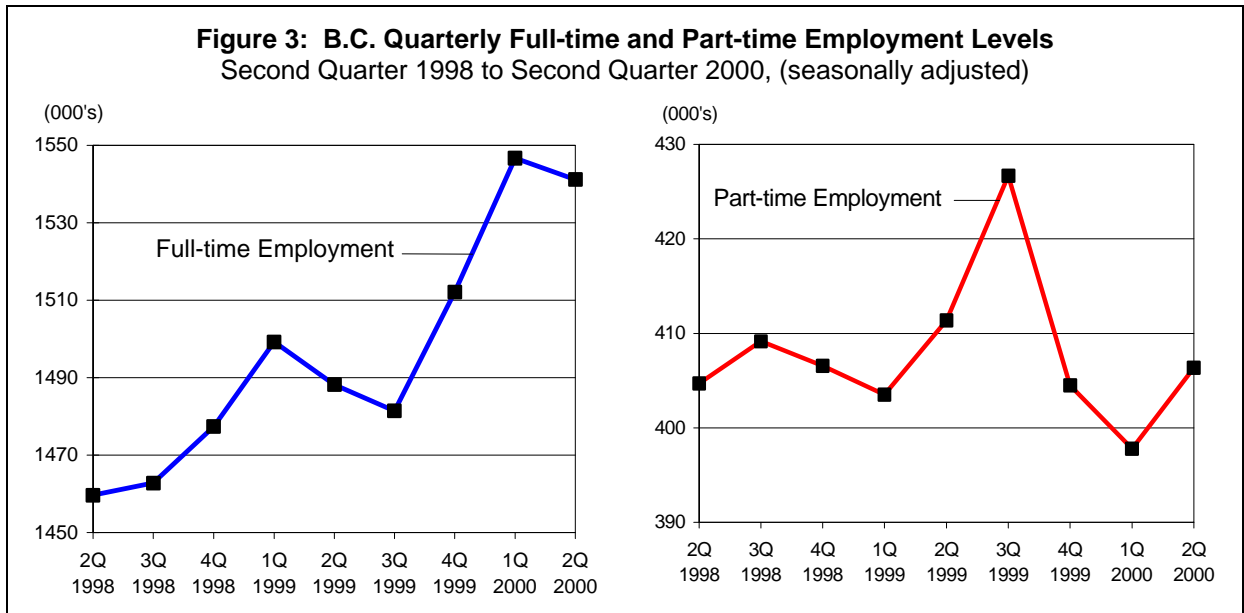
Figure 2: B.C. Employment by Industrial Classification
Second Quarter 2000 Levels, Net Changes by Quarter, and Changes
in 1st Half of 2000 from 2nd Half of 1999, (seasonally adjusted)

	Employment Level 2Q00	Net Change from previous quarter				Net Change 2nd Half 99 to 1st Half 00	Per Cent Change 2nd Half 99 to 1st Half 00
		3Q99	4Q99	1Q99	2Q00		
Goods Sector	415,900	4,000	10,000	10,400	3,000	17,300	4.3%
Agriculture	30,200	700	300	900	-1,100	500	1.6%
Other primary	54,600	800	5,300	1,600	4,600	6,600	13.1%
Utilities	11,300	-200	-1,200	700	400	300	2.5%
Construction	115,900	-2,100	-400	2,400	-2,100	1,200	1.1%
Manufacturing	203,900	4,900	5,900	4,800	1,800	8,700	4.4%
Service Sector	1,528,800	4,400	-1,400	17,500	-600	16,400	1.1%
Retail & wholesale trade	305,100	-4,700	-100	-300	-5,200	-3,000	-1.0%
Transportation & warehousing	121,000	5,600	-900	-300	500	-500	-0.4%
Finance, insur. & real estate	115,600	1,100	-2,600	-2,400	1,100	-3,200	-2.6%
Prof. Scientific & technical	132,100	-2,800	-4,600	0	4,700	0	0.0%
Management of Companies	68,000	2,600	-2,300	4,200	1,500	3,800	5.9%
Education services	138,000	5,300	6,600	1,900	-5,500	2,500	1.9%
Health & social assistance	203,200	900	4,100	3,300	2,600	6,700	3.4%
Information, culture & rec.	94,500	800	-1,100	4,000	600	3,800	4.2%
Accommodation & food	156,800	-2,600	-1,500	7,500	7,800	10,700	7.1%
Other services	101,900	-400	-1,300	-1,800	-3,900	-4,400	-4.2%
Public administration	92,400	-1,500	-1,300	2,100	-4,900	0	0.0%

Full and Part-time Employment . . . Figure 3 shows that seasonally adjusted full-time employment in the second quarter of 2000 declined slightly after substantial increases in each of the previous two quarters.

Compared to a year ago, full-time employment in B.C. is up by 53,000 (3.6 per cent) and part-time employment is down slightly by 7,000 (-1.2 per cent). Fully 40 per cent of the net gain in full-time work were by youth aged 15 to 24 (up 15.2 per cent). Also on a year-over-year basis, full-time employment gains by men were 40,200 (4.6 per cent), and full-time work also saw growth by women of 12,800 (2.8 per cent).

Comparing the second quarter of 2000 to the first quarter of 2000, women gained in full-time employment (up 700), while full-time employment for men fell by 6,200 resulting in a small net decrease in overall full-time employment of 5,500. Overall part-time employment increased by 8,500 in the second quarter of 2000 from the previous quarter. This follows a substantial decrease in part-time work in the previous two quarters. Part-time work for men increased by 7,500 in the second quarter of 2000, and decreased for women by 1,000.



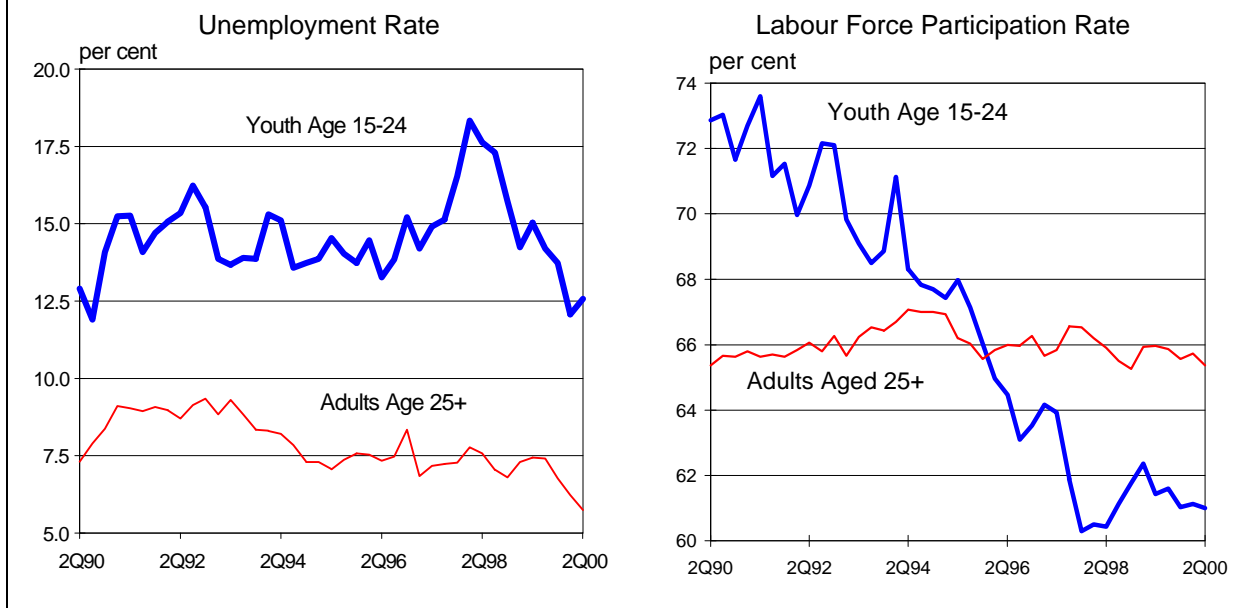
Unemployment and labour force participation . . . The seasonally adjusted unemployment rate for adults aged 25+ in the second quarter of 2000 fell to 5.7 per cent (see Figure 4a). The declining adult unemployment rate has occurred beside an adult labour force participation rate which has been holding steady at about 65 per cent over the last ten years (see Figure 4b).

Youth unemployment rates in B.C. rose slightly to 12.6 per cent in the second quarter 2000 from 12.1 per cent in the first quarter. In the past two years they have seen a dramatic decline from a peak of almost 19 per cent in early 1998. The recent drop in the youth unemployment rate

should be also considered in light of changes in youth labour force participation rates over the past ten years.

The B.C. youth labour force participation rate (proportion of all youth either in paid employment or actively looking for work) remained flat this quarter from the previous quarter at 61.0 per cent, but is up from the 60.4 per cent level of two years ago. The overall strength in the B.C. labour market in the past twelve months likely will begin to pull up the youth labour force participation rate in the second half of 2000. Historically, youth tend to lag overall labour market conditions during an expansion phase.

Figure 4: B.C. Youth and Adult Unemployment Rates and Labour Force Participation Rates
Second Quarter 1990 - Second Quarter 2000 (seasonally adjusted)



Regional . . . Actual estimates for labour market levels and changes by development region are noted in Figure 5, which compare the first six months of 2000 to the same period in 1999. Provincial employment growth has been well dispersed on a regional basis this year, unlike 1999 where relative gains were mainly in the three most populous regions.

Above average actual employment growth for the first half of 2000 from the same period in 1999 was seen in the North Coast/Nechako, Northeast, Vancouver Island-Coast, Kootenay, and Thompson-Okanagan regions. Employment gains in these regions reflect provincial increases in manufacturing and other primary sectors which occurred in the second half of 1999 and the first half of 2000. Employment growth in the above regions exceeded the percentage rises in their working age populations which boosted employment population ratios in all these regions. The large Lower Mainland-Southwest region saw more modest employment growth of 1.9 per cent this year, while employment in the Cariboo region was little changed.

Actual unemployment rates fell in most regions of B.C. in the first half of 2000 compared to the first half of 1999. The largest declines were seen in the Cariboo region, followed by the Northeast and Lower Mainland-Southwest. In the case of the Cariboo, this decline occurred with no change in employment, causing their employment to population ratio and labour force participation rate to fall.

On the whole, the 0.6 percentage point rise in the B.C. employment to population ratio (employment rate) in the first half of 2000 from the same period in 1999 reflects the strength and quality of the labour market gains. Little change in the Lower Mainland-Southwest employment rate relates in part to the moderation in service sector employment growth, which has provided the backbone of employment growth in the past four years. The boost in employment rates in the southern interior regions of Kootenay and Thompson-Okanagan are encouraging, given that these regions have traditionally seen the lowest employment rates in B.C.

Figure 5: Regional Labour Market Changes, Actual
1st Half of 1999 to 1st Half of 2000

Development Regions	Employment (000's)			Unemployment Rate			Employment/Pop. Ratio		
	1st Half 1999	1st Half 2000	% Change	1st Half 1999	1st Half 2000	Absolute Change	1st Half 1999	1st Half 2000	Absolute Change
Vancouver Island/Coast	320.8	334.4	4.2%	8.8%	7.1%	-1.6%	57.3%	59.5%	2.2%
Lower Mainland/S.W.	1,135.3	1,156.5	1.9%	8.1%	6.4%	-1.7%	60.7%	60.7%	0.0%
Thompson/Okanagan	205.6	211.4	2.8%	11.0%	10.0%	-1.0%	54.9%	55.8%	0.9%
Kootenay	69.5	71.7	3.1%	10.0%	10.0%	0.0%	56.7%	58.2%	1.5%
Cariboo	80.7	80.2	-0.7%	13.8%	9.7%	-4.1%	60.7%	59.8%	-0.9%
North Coast/Nechako	44.8	47.3	5.7%	9.3%	8.3%	-1.0%	59.4%	63.3%	3.9%
Northeast	30.4	31.9	4.9%	8.4%	5.5%	-3.0%	63.7%	66.6%	2.9%
B.C. Avg above	1,887.0	1,933.2	2.4%	8.9%	7.2%	-1.7%	59.3%	59.9%	0.6%

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