



BC STATS

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Labour Force Statistics ♦ March 2001

HIGHLIGHTS

- **B.C. seasonally adjusted employment increased by 22,300 bringing total gains in February and March to 29,200.** This offsets the 29,800 decrease seen in January.
- **Goods sector employment in March was up 2.3 per cent, while services grew by 0.8 per cent.** Within goods, construction employment in March rose to its highest monthly level since September 2000. Within services, gains in transportation, trade and health services were partly offset by a decrease in education and accommodation and food.
- **The employment gains in B.C. in March from February were shared between full-time work (up 10,300) and part-time work (up 12,000).** Women accounted for two-thirds of the full-time job gains, and three-quarters of the part-time increase.
- **Seasonally adjusted employment in March for Canada overall grew by 29,700.** Gains in B.C. and Ontario more than offset decreases in Alberta, New Brunswick and Nova Scotia.

Selected Statistics (SA)*	Mar. 2001	Feb. 2001	Mar. 2000
B.C. Unemployment Rate	6.6%	7.3%	7.0%
Canada Unemployment Rate	7.0%	6.9%	6.8%
B.C. Help Wanted Index - (1996=100)	135.0	137.0	147.0
B.C. Employment - Change from prev. mo.	1.1%	0.4%	-
B.C. Labour Force - Change from prev. mo.	0.4%	0.2%	-
B.C. Participation Rate	64.6%	64.5%	64.8%

* 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 Youth and Labour Market Services 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 YLMS (250) 952-6776.

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The British Columbia Labour Market - First Quarter 2001

Summary . . . Seasonally adjusted employment in British Columbia in the first quarter of 2001 declined by 0.5 per cent from the fourth quarter of 2000. This is only the second employment decrease in B.C. over the last eight quarters. A sharp drop in employment in January 2001 pulled down the average employment level for the first quarter.

Despite the drop in employment, the unemployment rate fell to 7.1 per cent in the first quarter of 2001, as some previously-unemployed persons dropped out of the labour force.

The decline in goods sector employment paused in the last quarter but is down 2.8 per cent from a year ago. Services employment was down in the latest quarter, but remains up by 1.5 per cent over a year ago. Regionally, the first quarter of 2001 compared to the same period in 2000 shows labour market improvement in the Cariboo and Lower Mainland/Southwest.

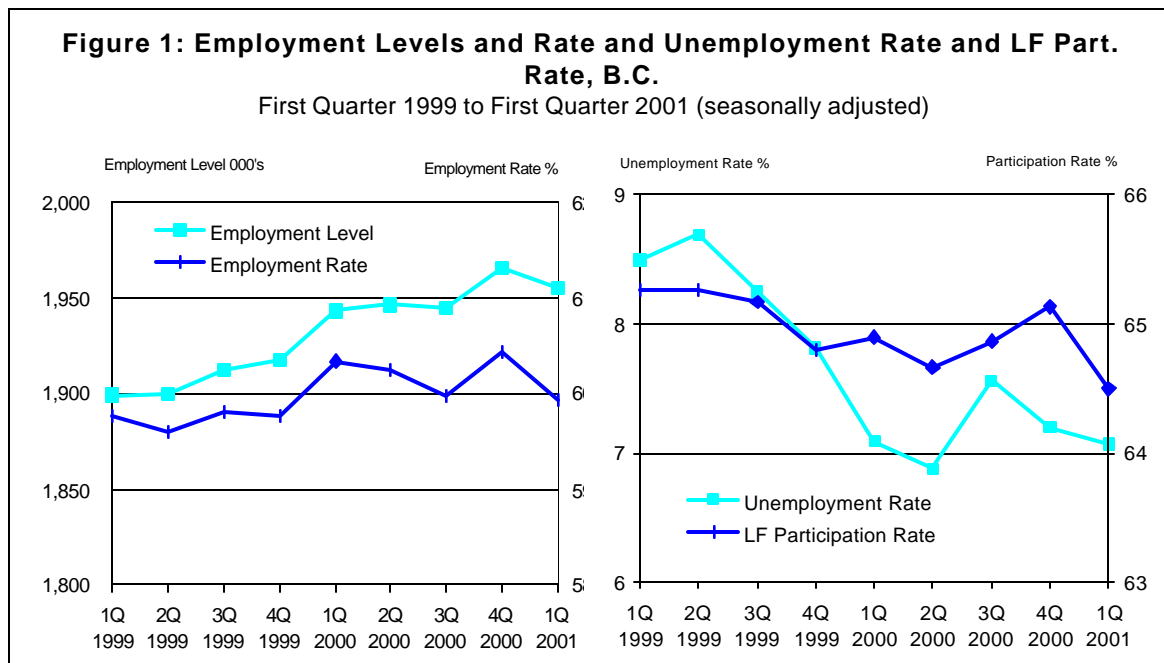
Employment and Employment Rates . . . The left-hand graph in Figure 1 notes employment dropped in the first quarter, after a dramatic increase in the fourth quarter of 2000. This

leaves employment still well above levels in the third quarter of 2000. The decrease in employment in the latest quarter was primarily sustained by women (down 11,600) while employment for men decreased by 6,500. The proportion of persons aged 15 and older who were employed (employment rate) fell to 59.9 per cent in the first quarter of 2001 from 60.3 per cent in the previous quarter.

Unemployment and Labour Force

Participation . . . The number of estimated unemployed persons fell to 148,800 in the first quarter 2001 from 152,500 in the fourth quarter of 2000.

As seen in the right-hand graph in Figure 1, the labour force participation rate fell to 64.5 per cent in the first quarter. This resumes the downward trend seen in previous quarters after being interrupted by the up-ticks in the third and fourth quarters of 2000. With this large drop in persons in the labour force in the latest quarter, the unemployment rate fell slightly to 7.1 per cent from 7.2 per cent. The unemployment rate in the first quarter of 2000 was 7.8 per cent for men and 6.2 per cent for women.



Employment by Industrial Classification . . .

Figure 2 shows quarterly net changes by industry in seasonally adjusted employment over the last four quarters. The final column notes the percentage change seen in average employment levels comparing the first quarter of 2001 to the first quarter of 2000.

Employment in the *goods sector* has weakened over the last three quarters following slight gains in the second quarter of 2000. The other primary sector (forestry, fishing, mining, oil and gas) sustained all of the employment declines for the goods sector in the latest quarter. It is also down notably from a year ago. Construction and manufacturing saw increases in employment in the first quarter, but these only partially offset the decline in the other primary sector. For construction, the gains in the first quarter provide some encouraging news to this sector, which has been challenged over the past several years. Most of the gain in construction employment in the first quarter occurred in March.

Over the last year, employment in the goods sector was down by 2.8 per cent from the first quarter 2000, which in net terms represented an employment decrease of 11,700. Within goods, only manufacturing employment increased over the last year.

The bulk of the employment losses in the first quarter were in the *services sector*, down by 10,100 from the fourth quarter 2000. Gains in accommodation and food services, transportation, retail and wholesale trade, and information, culture & recreation, were more than offset by decreases in education, management of companies, and public administration.

Over the last year, from first quarter 2000 to first quarter 2001, net employment in the services sector overall grew by 1.5 per cent or 23,300. Most of this gain was seen in the fourth quarter of 2000. Accommodation and food services, along with information, culture and recreation have been driving the gains in services for the last four quarters.

Figure 2: B.C. Employment by Industrial Classification

Second Quarter 2000 to First Quarter 2001 (seasonally adjusted)

Net Change from previous quarter

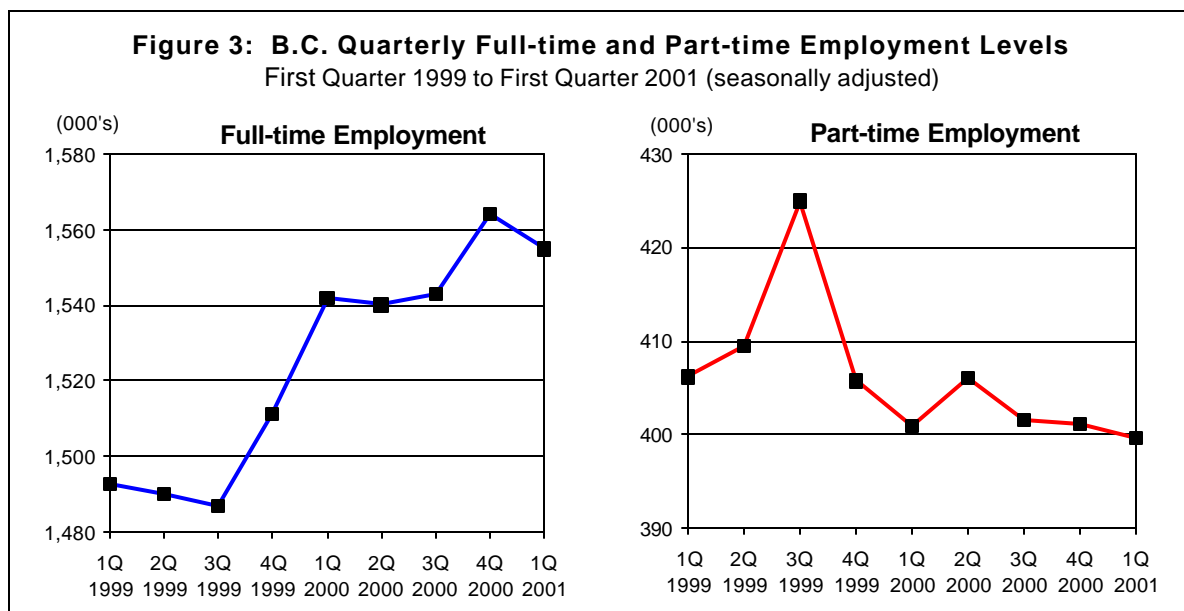
	<i>Employment Level 1Q01</i>	<i>2Q00</i>	<i>3Q00</i>	<i>4Q00</i>	<i>1Q01</i>	<i>Per Cent Change 1Q00 to 1Q01</i>
Total	1,954,500	3,300	-1,500	20,700	-10,700	0.6%
Goods Sector	405,400	1,300	-1,400	-10,800	-600	-2.8%
Agriculture	27,800	-1,100	2,800	-4,500	400	-8.1%
Other primary	46,700	3,700	-4,000	-1,900	-6,200	-15.3%
Utilities	10,400	400	800	-2,700	600	-8.0%
Construction	109,600	-3,000	1,400	-8,200	3,200	-5.7%
Manufacturing	210,900	1,500	-2,400	6,500	1,500	3.4%
Service Sector	1,549,200	1,900	-100	31,500	-10,100	1.5%
Retail & wholesale trade	304,900	-3,800	5,800	-2,900	1,700	0.3%
Transportation & warehousing	108,900	-700	-9,500	-4,200	2,500	-9.8%
Finance, insur. & real estate	121,400	1,100	6,800	-1,400	-800	5.0%
Prof. Scientific & technical	138,500	4,700	-1,200	5,400	-2,500	4.8%
Management of Companies	70,300	1,200	4,400	700	-4,700	2.5%
Education services	134,000	-4,400	-2,700	9,700	-5,700	-2.2%
Health & social assistance	195,800	2,600	-4,600	-3,000	-2,400	-3.6%
Information, culture & rec.	111,200	1,000	1,700	12,800	1,200	17.6%
Accommodation & food	177,200	7,500	-3,600	12,600	3,500	12.5%
Other services	99,800	-3,400	1,700	-700	1,000	-1.4%
Public administration	87,000	-4,000	900	2,700	-4,200	-5.0%

Full and Part-time Employment . . . Figure 3 shows that seasonally adjusted full-time employment declined in the first quarter of 2001 after substantial increases going back to the third quarter of 1999. Comparing the first quarter of 2001 to the fourth quarter of 2000, both men and women lost full-time employment, resulting in a net decrease in overall full-time employment of 9,200.

Overall part-time employment decreased by 1,500 in the first quarter of 2001 from the previous quarter. Part-time employment levels are well below their peak employment level seen in third quarter 1999. Almost all of the decrease

in part-time work in the first quarter 2001 was sustained by women (-2,400) while part-time work for men increased by 1,000.

Over the past year, when comparing the latest quarter to the first quarter of 2000, full-time employment in B.C. was up by 13,100 (0.8 per cent) and part-time employment was down by 1,300 (-0.3 per cent). On this same year-over-year basis, full-time work for women grew by 16,200 (2.6 per cent) while full-time employment for men was down 3,100 (-0.3 per cent). The latter reflects employment decreases in the goods sector, which is overly represented by men.



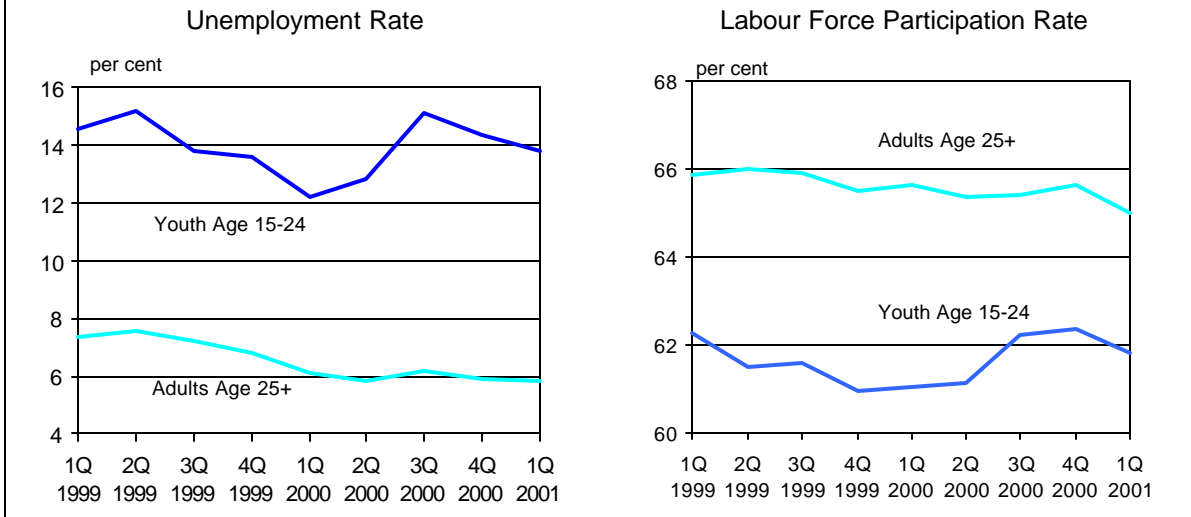
Youth and Adult Unemployment and Labour Force Participation . . . The seasonally adjusted unemployment rate for adults aged 25+ in the first quarter of 2001 declined slightly to 5.8 per cent from 5.9 per cent in the previous quarter (see Figure 4 left-hand graph). Over the last year the adult unemployment rate has remained relatively unchanged as employment and the labour force have grown at nearly the same pace. Over the past two years the adult labour force participation rate has declined by about 1 percentage point to 65.0 per cent (see Figure 4 right-hand graph).

The youth unemployment rate in B.C. fell for the second consecutive quarter, falling to 13.8 per cent in the first quarter 2001 from 14.4 per cent in the fourth quarter of 2000. It remains much improved from the 18.3 per cent peak seen in the first quarter of 1998.

The drop in youth labour force participation in the latest quarter to 61.8 per cent, breaks the pattern of gains seen in each of the past four quarters. Overall, the general upward movement in labour force participation and fall in unemployment rate for youth is encouraging.

Figure 4: B.C. Youth and Adult Unemployment Rates and Labour Force Participation Rates

First Quarter 1999 to First Quarter 2001 (seasonally adjusted)



Regional . . . Actual estimates for labour market levels and changes by development region are noted in Figure 5 which compares the first quarter of 2001 to the same period in 2000. Provincial employment change has varied on a regional basis over the past year.

Above-average actual employment growth for the first quarter of 2001 from the same period in 2000 was seen in the Cariboo, Thompson/Okanagan and Lower Mainland regions. The Lower Mainland appears to be benefiting from a diverse economic base and international in-migration, with employment up by 40,000 this quarter from the same period a year ago. By contrast, the Vancouver Island/Coast region saw a decrease of 35,000 in employment over the same period. Most of the decrease has been felt outside the Victoria/Capital area.

Actual average unemployment rates for the first three months of this year fell in three regions of B.C. (Thompson/Okanagan, Cariboo and Lower Mainland-Southwest) from levels seen in the first quarter of 2000. The unemployment rate rose in the other four regions.

The rise in the unemployment rate for North Coast/Nechako should not be viewed necessarily as a negative sign, as employment and the employment rate were both up. The labour force simply expanded faster than employment. Of more concern were the Kootenay and Vancouver Island/Coast regions with notable drops in the proportion of the population who were employed.

Figure 5: Regional Labour Market Changes
 First Quarter of 2000 vs. First Quarter of 2001 (actual data)

Development Regions	Employment (000's)			Unemployment Rate			Employment/Pop. Ratio		
	1st Quarter 2000	1st Quarter 2001	% Change	1st Quarter 2000	1st Quarter 2001	Absolute Change	1st Quarter 2000	1st Quarter 2001	Absolute Change
Vancouver Island/Coast	332.9	297.6	-10.6%	7.9%	9.3%	1.4%	59.3%	54.3%	-5.0%
Lower Mainland/S.W.	1,143.8	1,183.5	3.5%	6.7%	6.2%	-0.5%	60.2%	61.8%	1.6%
Thompson/Okanagan	206.0	210.5	2.2%	10.3%	9.6%	-0.7%	54.4%	55.1%	0.7%
Kootenay	69.6	69.6	0.0%	10.1%	11.8%	1.7%	56.6%	54.3%	-2.3%
Cariboo	80.1	83.1	3.7%	9.7%	9.2%	-0.5%	59.8%	63.3%	3.5%
North Coast/Nechako	47.7	48.0	0.6%	7.6%	11.4%	3.8%	63.8%	64.1%	0.3%
Northeast	33.0	32.5	-1.5%	3.5%	4.4%	0.9%	68.9%	68.1%	-0.8%
B.C. Total	1,913.1	1,924.7	0.6%	7.6%	7.5%	-0.1%	59.4%	58.9%	-0.5%

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