
Labour Force Statistics ♦ March 2002

HIGHLIGHTS

- **B.C. employment rose by 10,900 in March, offsetting a similar drop in February.** Higher employment was accompanied by a jump in the number of people looking for work (unemployed) which pushed the unemployment rate up to 9.0 per cent in March.
- **Men gained both full-time and part-time jobs while women saw increased full-time employment and lower part-time jobs levels.** Both the goods producing and services sectors gained employment in March.
- **B.C. employment in the first quarter rose by 18,200 from the fourth quarter of 2001.** Employment in the latest quarter stood 19,000 lower than the first quarter of 2001.
- **Employment for Canada rose sharply by 88,100 in March. First quarter gains for Canada were 170,000 (up 1.1 per cent) over the fourth quarter of 2001.** All provinces except Saskatchewan showed positive employment gains in March.

Selected Statistics (SA)*	Mar. 2002	Feb. 2002	Mar. 2001
B.C. Unemployment Rate	9.0%	8.8%	6.6%
Canada Unemployment Rate	7.7%	7.9%	7.7%
B.C. Help Wanted Index - (1996=100)	95.0	95.0	135.0
B.C. Employment - Change from prev. mo.	0.6%	-0.6%	-
B.C. Labour Force - Change from prev. mo.	0.8%	-0.4%	-
B.C. Participation Rate	64.4%	63.9%	64.6%

* 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 Management Services and the Accountability Branch of the Ministry of Advanced Education of the results of the monthly Labour Force Survey conducted by Statistics Canada. For more information, call BC STATS (250) 387-0327 or Accountability (250) 952-6776.

The British Columbia Labour Market - First Quarter 2002

Summary . . . Seasonally adjusted employment in British Columbia rose in the first quarter of 2002 by 0.8 per cent from the fourth quarter of 2001. The latest quarter halted the fall in full-time employment seen throughout most of 2001. The rise in employment was matched by labour force growth, which kept the unemployment rate at 8.9 per cent for the first quarter of 2002, unchanged from the previous quarter. This pause in the unemployment rate breaks with its rise of almost two percentage points which occurred in the second half of 2001.

Goods sector employment increased in the latest quarter following two previous quarterly declines. Goods sector employment remained 5.8 per cent lower than the first quarter 2001. Services sector employment was up slightly since the same quarter a year ago (up 0.3 per cent).

Regionally, actual data for the first quarter of 2002 compared to the same period in 2001 shows some improvement in employment for the Vancouver Island/Coast region but generally weaker labour market conditions for all other regions on this year-over-year basis.

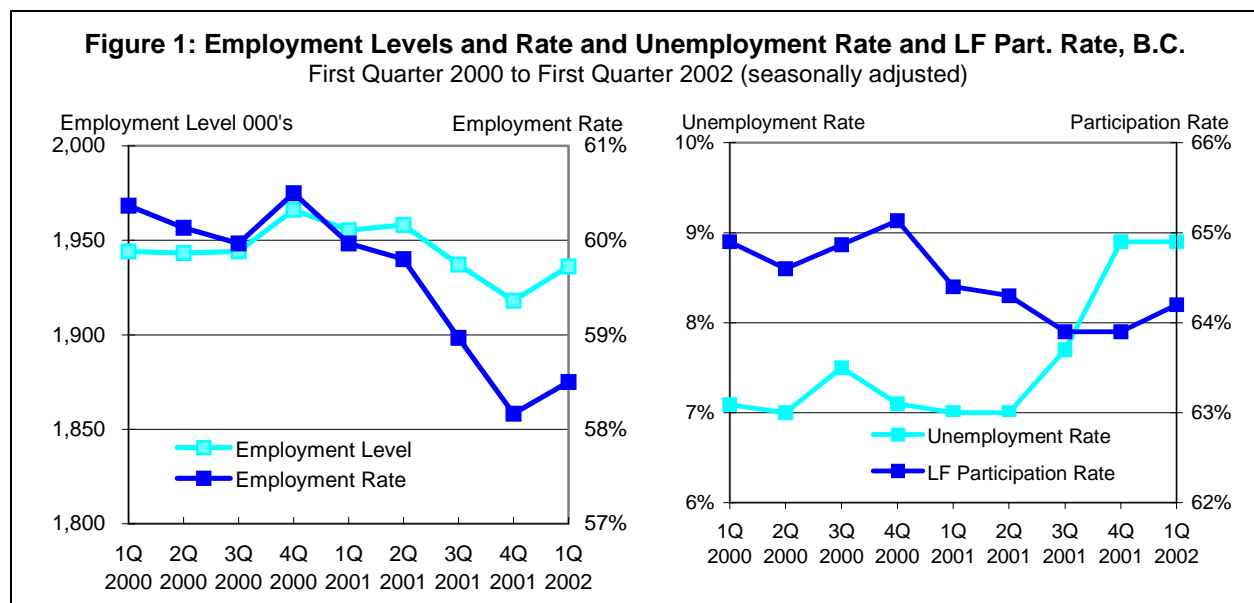
Employment and Employment Rates . . . The left hand graph in Figure 1 notes employment has increased by 18,200 in the first quarter following four consecutive quarters of

employment declines. Employment by men accounted for three quarters of the increase in employment in the latest quarter (up 13,800) while employment for women increased by 4,400. The proportion of persons aged 15 and older who were employed (employment rate) rose to 58.5 per cent from 58.2 per cent in the first quarter of 2001. The employment rate peaked at 60.5 per cent in the fourth quarter of 2000.

Unemployment and Labour Force

Participation . . . The unemployment rate remained unchanged at 8.9 per cent in the first quarter of 2002. This pause followed a strong increase in the unemployment rate over the second half of 2001 of almost 2 percentage points (see Figure 1 right-hand graph). The unemployment rate in the first quarter of 2002 was 10.0 per cent for men and 7.6 per cent for women.

The right-hand graph also shows that the labour force participation rate rose to 64.2 per cent in the latest quarter, from 63.9 per cent in the fourth quarter 2001. Increases in both employment and the number of persons looking for work (the unemployed) left the unemployment rate unchanged.



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 in average employment levels comparing the first quarter of 2002 to the first quarter of 2001.

Employment in the *goods sector* rebounded by 11,900 in the first quarter of 2002 after declining or remaining unchanged in each of the previous six quarters. For the latest quarter, employment increases in Manufacturing, Utilities and Construction more than offset declines in Agriculture and Other Primary (which includes the logging, fishing, mining, oil and gas sub-sectors).

On a year over year basis, employment in the goods sector was down by 5.8 per cent from the first quarter 2001, which in net terms represented an employment decrease of 23,700. Within goods,

only Construction and Utilities employment increased over the last year.

Employment in the *services sector* was also positive (up 6,300) in the first quarter 2002. Gains in Finance, Insurance and Real Estate in the first quarter of 2001 partially offset declines seen in the previous three quarters. Retail and Wholesale Trade sustained the most significant employment decrease in the first quarter 2002 followed by Public Administration, which has sustained an employment loss in each of the last three quarters.

Over the last year, *services sector* employment gains in three of the last four quarters resulted in a net four-quarter gain of 4,600. The diverse Health and Social Assistance sector (which includes non-profit private and public employers) saw the strongest growth amongst services over the last year. By contrast, Finance, Insurance & Real Estate, and Public Administration sectors saw the greatest percentage decrease in employment amongst services over the last year.

Figure 2: B.C. Employment by Industrial Classification

First Quarter 2001 to First Quarter 2002 (seasonally adjusted)

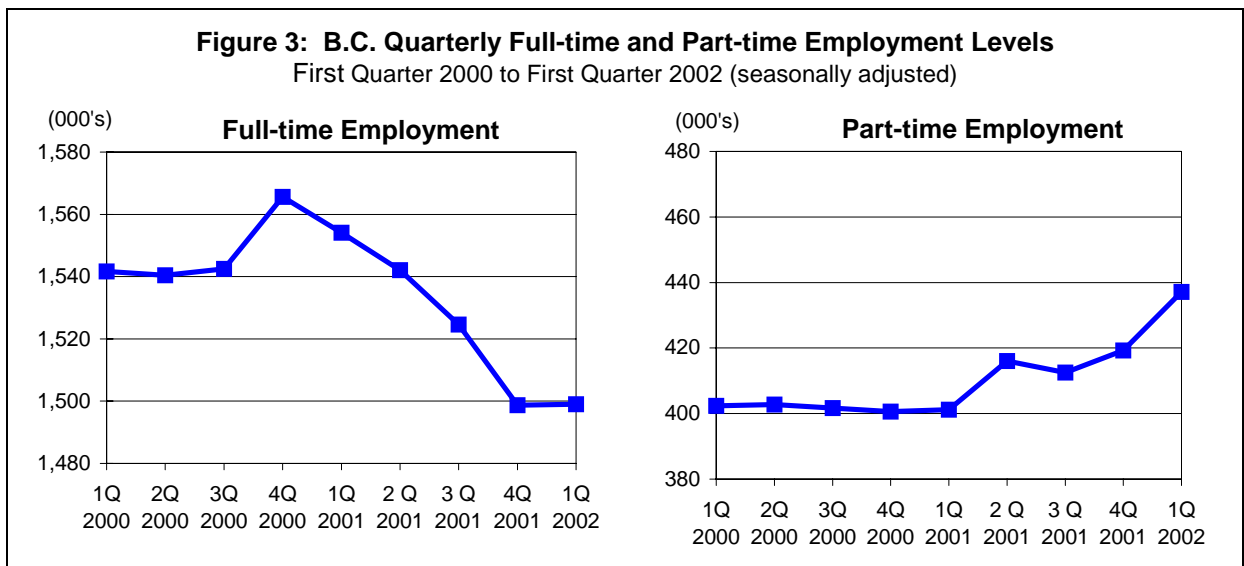
	Employment Level 1Q02 (000's)	Net Change from previous quarter				Per Cent Change 1Q01 to 1Q02
		2Q01	3Q01	4Q01	1Q02	
Total	1,936.2	2,900	-21,000	-19,100	18,200	-1.0%
Goods Sector	382.3	-6,200	-8,100	-21,300	11,900	-5.8%
Agriculture	25.1	-2,300	400	-200	-300	-8.8%
Other Primary	39.4	-4,800	2,600	-3,400	-1,400	-15.2%
Utilities	12.0	2,600	-500	-1,600	1,200	15.7%
Construction	114.8	7,400	-2,300	-4,700	2,800	2.9%
Manufacturing	191.0	-9,000	-8,400	-11,300	9,600	-9.1%
Service Sector	1,553.9	9,100	-12,900	2,200	6,300	0.3%
Retail & Wholesale Trade	308.0	1,700	3,700	7,700	-9,500	1.2%
Transportation & Warehousing	105.6	-3,300	700	-2,700	1,200	-3.8%
Finance, Insur. & Real Estate	112.4	-1,400	-5,100	-6,300	3,800	-7.4%
Prof. Scientific & Technical	137.9	7,100	-2,600	-6,000	900	-0.4%
Management of Companies	74.2	5,000	-2,300	1,100	-500	4.7%
Education Services	137.7	100	600	7,900	-4,200	3.3%
Health & Social Assistance	212.3	10,700	2,000	-4,400	8,200	8.4%
Information, Culture & rec.	105.4	-5,200	-2,900	500	1,600	-5.4%
Accommodation & Food	176.8	-7,100	-3,900	4,600	6,400	0.0%
Other Services	101.1	-2,600	-100	1,200	3,100	1.6%
Public Administration	82.5	3,900	-3,000	-1,300	-4,700	-5.9%

Full and Part-time Employment . . . Figure 3 shows that seasonally adjusted full-time employment stabilized after four consecutive quarterly declines; an accumulated decrease of 66,600 from a peak in the fourth quarter of 2000. Comparing the first quarter 2002 to the fourth quarter of 2001, full-time employment losses by men offset employment gains by women.

Overall part-time employment (those working less than 30 hours per week) increased by 17,800 in the first quarter of 2002 continuing an upward trend over the last four quarters. Men

were responsible for almost all of the gains in part-time employment in the latest quarter.

When comparing the first quarter of 2002 to the first quarter of 2001, full-time employment in B.C. decreased by 55,100 (down 3.5 per cent) and part-time employment increased by 35,900 (up 9.0 per cent). On this same year-over-year quarterly basis, men accounted for 72 per cent of the full-time employment losses, and 72 per cent of the part-time employment gains.



Youth and Adult Unemployment and Labour Force Participation . . . The seasonally adjusted unemployment rate for adults aged 25+ (see Figure 4 left-hand graph) remained unchanged at 7.8 per cent in the first quarter of 2002. Until early 2001, adult unemployment rates this decade had been holding steady at an average of just under 6.0 per cent. The youth unemployment rate in B.C. dropped slightly to 14.6 per cent in the first quarter of 2002 reversing an upward trend seen in the previous two consecutive quarters.

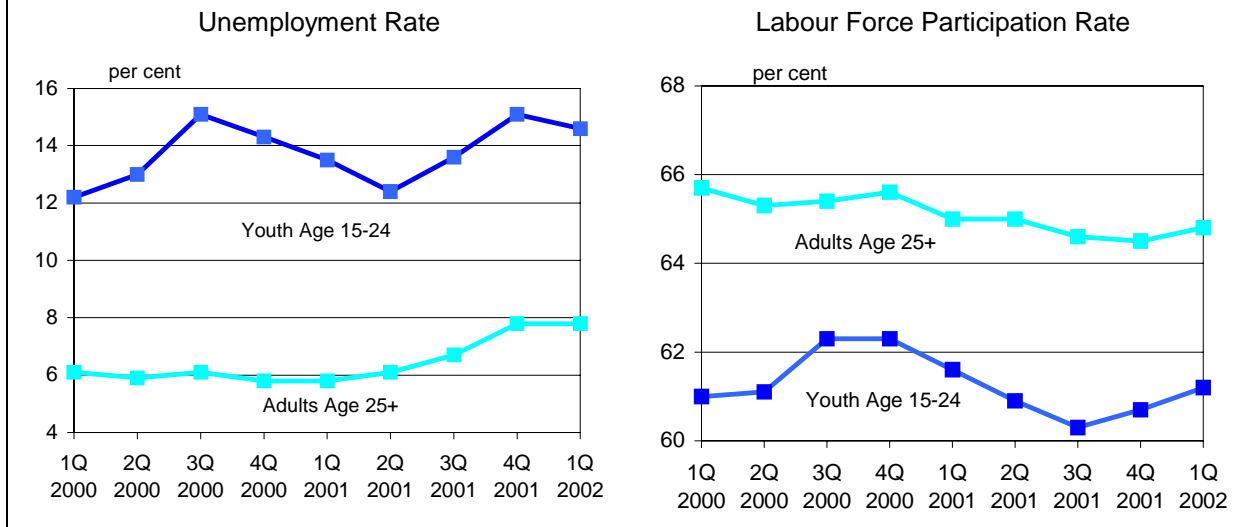
Over the past two years the adult labour force participation rate has declined by 0.9 percentage points, to 64.8 per cent in the latest quarter (see

Figure 4 right-hand graph). The rise in youth labour force participation in the latest quarter to 61.2 per cent is a second consecutive quarterly increase but this has only partially offset declines in participation seen in the previous three quarters, down from a peak of 62.3 per cent in the latter half of 2000.

The decline in the unemployment rate by youth and an increase in the labour force participation rate for both youth and adults in the first quarter 2002 suggest labour market conditions have improved from the fourth quarter of 2001.

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

First Quarter 2000 to First Quarter 2002 (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 2002 to the same period in 2001. Seasonally adjusted data is not available on a regional basis from Statistics Canada.

Positive actual *employment* growth for the first quarter of 2002 from the same period in 2001 was seen in only two of the seven reported regions of B.C. These increases in employment were more than offset by decreases in the other five regions, resulting in provincial employment being 0.9 per cent lower over this time period.

The Lower Mainland/Southwest has experienced lower employment (down 15,200) since the first quarter of 2001. By contrast, employment in the Vancouver Island/Coast region for the latest quarter was up by 11,700 from the first quarter in 2001. However, in spite of this recovery, employment is still down by 23,600 for that region compared to the first quarter of 2000. Over 85 per cent of this decrease over the last two years was felt outside the Victoria Metro area.

Actual average *unemployment rates* for the first quarter of this year compared to the same quarter in 2001 rose in all regions except Kootenay. The rise in the unemployment rate for the Northeast region 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.

The Lower Mainland/Southwest region saw a notable drop in the proportion of the working age population who were employed (down 2.4 percentage points), a fall in employment level (down 15,200), and a higher unemployment rate. The same scenario held true for the Thompson/Okanagan, Cariboo, and North Coast/Nechako regions. The relative labour market strength seen in early 2001 was followed by generally worsening conditions through the remainder of 2001.

While the actual data by region for the latest quarter suggest conditions remaining worse than the first quarter of 2001, the aggregate data reviewed earlier on a seasonally adjusted basis suggest a number of regions have likely seen improvement from the fourth quarter of 2001.

Figure 5 - Regional Labour Market Changes
First Quarter 2001 vs First Quarter 2001, Actual

Development Regions	Employment (000's)			Unemployment Rate			Employment/Pop. Ratio		
	1st Quarter 2001	1st Quarter 2002	% Change	1st Quarter 2001	1st Quarter 2002	Absolute Change	1st Quarter 2001	1st Quarter 2002	Absolute Change
Vancouver Island/Coast	297.6	309.3	3.9%	9.3%	10.2%	0.9%	54.3%	54.5%	0.2%
Lower Mainland/S.W.	1183.5	1168.3	-1.3%	6.2%	8.5%	2.3%	61.8%	59.4%	-2.4%
Thompson/Okanagan	210.5	199.3	-5.3%	9.6%	10.2%	0.6%	55.1%	51.1%	-4.0%
Kootenay	69.6	69.5	-0.1%	11.8%	10.8%	-1.0%	54.3%	55.5%	1.2%
Cariboo	83.1	82.9	-0.2%	9.2%	13.0%	3.8%	63.3%	60.9%	-2.4%
North Coast/Nechako	48.0	45.5	-5.1%	11.4%	14.7%	3.3%	64.1%	61.0%	-3.1%
Northeast	32.5	33.1	1.8%	4.4%	7.3%	2.9%	68.1%	68.6%	0.5%
B.C. Total	1924.7	1908.0	-0.9%	7.5%	9.4%	1.9%	58.9%	57.7%	-1.3%

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