

Labour Force Statistics ♦ December 2002

HIGHLIGHTS

- **B.C. seasonally-adjusted employment in December was down slightly by 3,100 from November.** All of the drop was in employment for men aged 25+ (-8,400), while women aged 25+ experienced employment increases of 1,700 in December. Overall, employment for youth aged 15 to 24 was up by 3,600 in December.
- **B.C.'s seasonally-adjusted unemployment rate dropped to 8.3 per cent in December as 7,000 people left the labour force while employment only fell by 3,100.** The labour force participation rate of 65.1 per cent is up by 0.9 percentage points from December, 2001.
- **B.C. employment by industry for 2002 compared to 2001 on an average annual basis, shows all-industry growth of 1.6 per cent.** There was above-average growth in agriculture, utilities, construction, retail and wholesale trade, transportation, finance, insurance, real estate and leasing, education services, and health and social assistance services. Sectors where employment was down include other primary (forestry, fishing, mining, oil and gas), professional, technical and business services, and public administration.
- **Canadian seasonally-adjusted employment grew by 58,000 in December, led by net gains in Quebec, Ontario and Alberta.** Only B.C. had an employment decline in December. In the past twelve months, Canadian employment was up by 559,600, of which 81,200 was in B.C.

Selected Statistics (SA)*	Dec. 2002	Nov. 2002	Dec. 2001
B.C. Unemployment Rate	8.3%	8.5%	9.7%
Canada Unemployment Rate	7.5%	7.5%	8.0%
B.C. Help Wanted Index - (1996=100)	86.3	87.1	97.9
B.C. Employment - Change from prev. mo.	-0.2%	-0.1%	-
B.C. Labour Force - Change from prev. mo.	-0.3%	0.1%	-
B.C. Labour Force Participation Rate	65.1%	65.3%	64.2%

* 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 the Accountability Branch (250) 952-6776.

The B.C. Labour Market in 2002

Employment . . . In 2002, B.C. employment increased by 31,000 or 1.6 per cent from 2001 on an annual average basis. With the exception of 2001, employment in B.C. has increased every year since 1983.

Employment in the goods sector increased by 1.8 per cent or 7,000 in 2002. Industries in the goods sector that showed the most improvement in employment were agriculture and construction. These gains were partially offset by employment losses in other primary (forestry, fishing, mining, oil and gas).

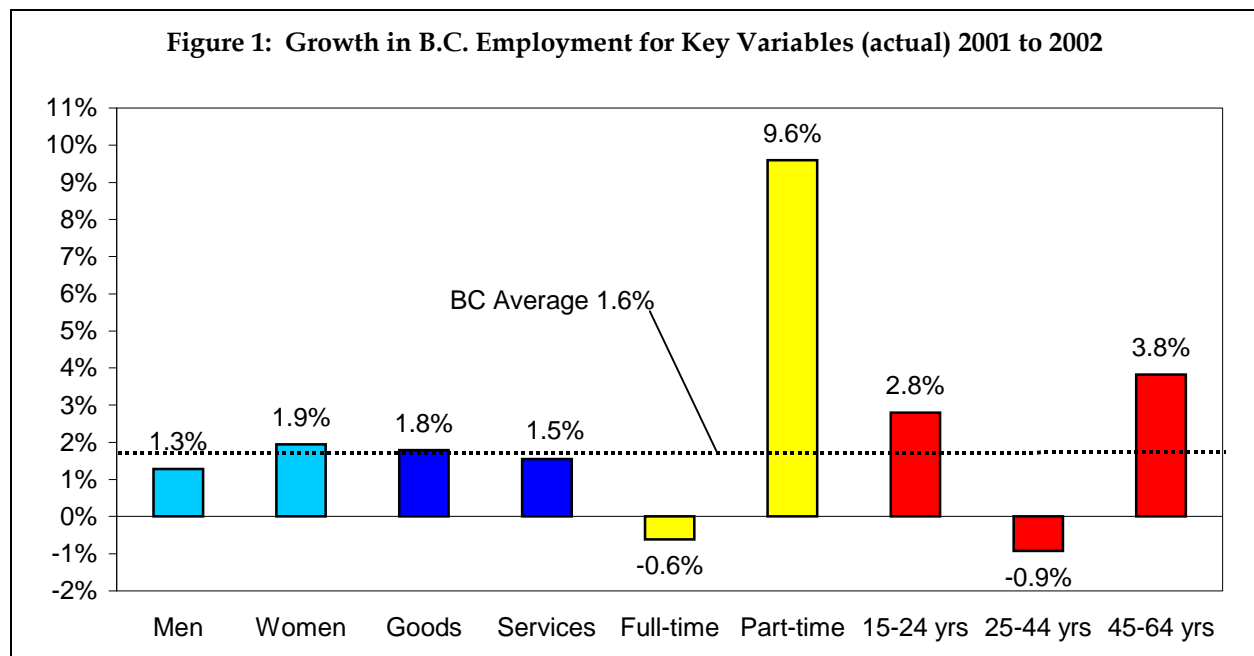
Employment in the services sector grew 1.5 per cent or 24,000 in 2002. Most of the growth came from retail and wholesale trade, transportation, finance, insurance, real estate and leasing, education services, and health care and social assistance services. These gains were partially offset by employment losses in professional, scientific and technical services and public administration.

All of B.C.'s employment increase in 2002 was among part-time workers, who sus-

tained job gains of 9.6 per cent (up 39,600). This was partially offset by the 0.6 per cent decrease in full-time employment (down 8,500). The part-time gains were shared by men and women (up 16.7 and 6.0 per cent respectively). Men experienced almost all of the full-time job losses (down 0.9 per cent).

The number of self-employed workers increased by 4.0 per cent in 2002. Private sector employment grew by 1.2 per cent while public sector employment remained unchanged.

Employment growth of 3.8 per cent for persons aged 45 to 64 was bolstered in part by demographics, as the number of baby boomers entering this cohort strongly exceeded pre-baby boomers leaving the cohort. Male and female youth aged 15 to 24 also saw employment growth (up 2.8 per cent). Those 25 to 44 years of age saw employment decrease by 0.9 per cent, compared to the provincial average employment gain of 1.6 per cent for all age groups.

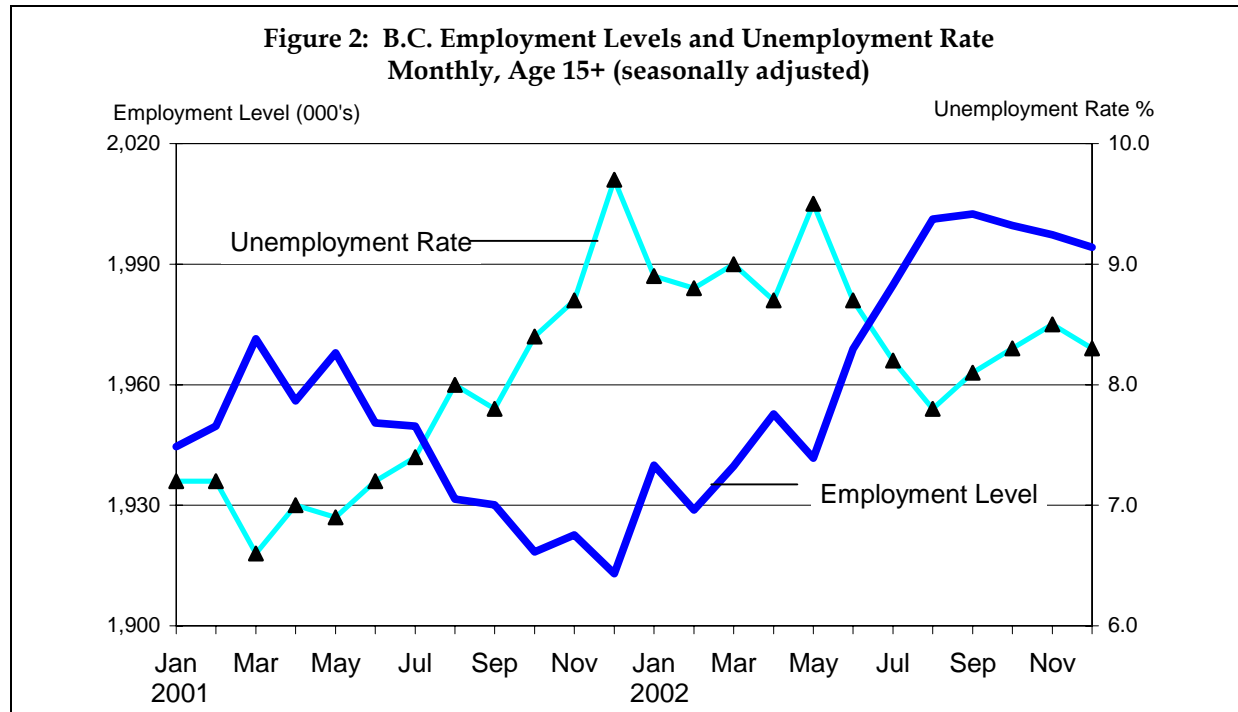


Employment and Unemployment Rates During 2002 . . . Figure 2 shows B.C. employment increased throughout most of 2002 until September but has pulled back somewhat over the last three months.

The unemployment rate in 2002 dipped to a low in August of 7.8 per cent, and has risen back slightly into the 8.1 to 8.5 per cent range over the last four months.

While events of September 11th obviously had an effect on the B.C. economy in 2001, employment during 2002 more than fully regained all of the losses seen in 2001.

The employment-to-population ratio in 2002 rose to 59.4 per cent from 59.2 per cent in 2001.



Unemployment Changes in 2002 . . . The provincial annual average unemployment rate increased to 8.6 per cent in 2002 from 7.7 per cent in 2001 which represents an increase of 23,300 unemployed individuals.

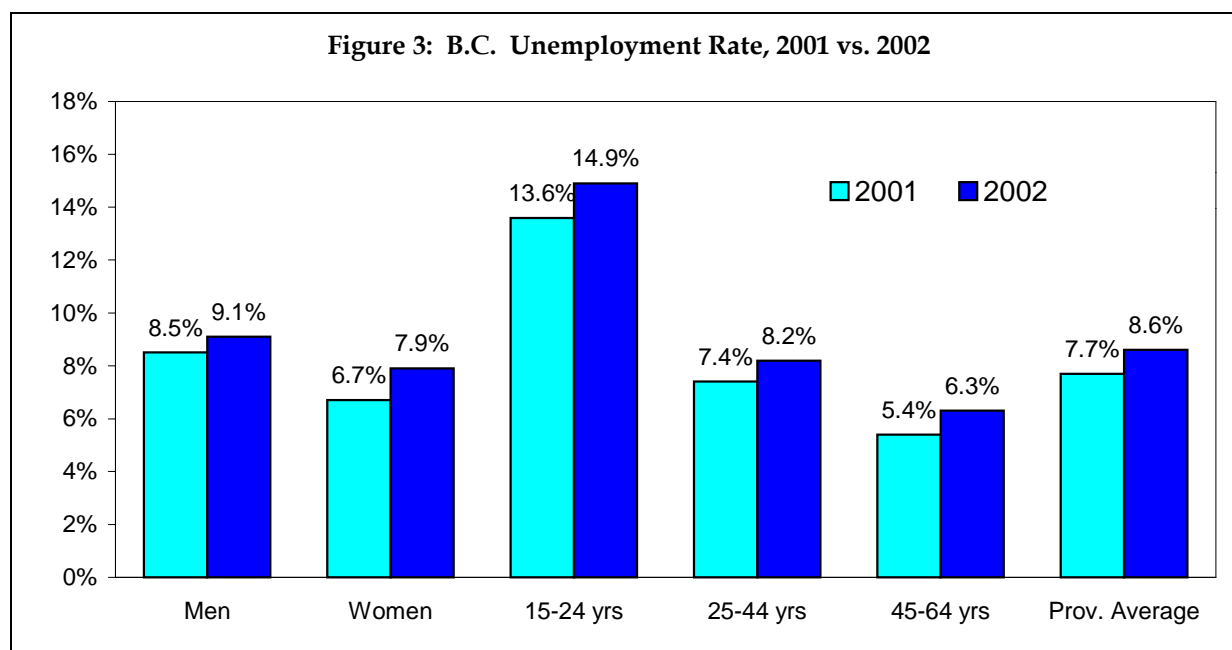
The annual average unemployment rate rose for both men and women (see Figure 3). The unemployment rate for men increased by 0.6 percentage points to 9.1 per cent, up from 8.5 per cent in 2001. Women experienced a slightly greater increase in the unemployment rate, which rose 1.2 percentage points to 7.9 per cent from 6.7 per cent.

The largest change in the annual average unemployment rate was experienced by youth. The rate rose to 14.9 per cent in 2002

from 13.6 per cent in 2001. Young women experienced a greater increase in the unemployment rate than young men during 2002.

The 25-44 age group experienced an increase in the unemployment rate to 8.2 per cent in 2002 from 7.4 per cent in 2001. This increase was only slightly lower than the 0.9 percentage point increase experienced overall.

Workers aged 45 to 64 continued to enjoy the lowest unemployment rate of the three age groups, at 6.3 per cent in 2002. But this was up from the 5.4 per cent level experienced in 2001.



Employment by Industry. . . B.C.'s goods sector expanded by 7,000 workers (up 1.8 per cent) in 2002, while the services sector saw an employment gain of 24,000 or 1.5 per cent. See Figure 4 for a detailed breakdown of employment by industry.

In the goods sector, there were noted employment gains in agriculture (4,200) and construction (5,700). Other primary (forestry, fishing, mining, oil and gas) lost 4,400 jobs in 2002 (down 10.2 per cent). Manufacturing saw little change from 2001.

In the services sector, most of the net gains in jobs came from retail and wholesale trade (9,500 or 3.1 per cent), transportation and warehousing (3,200 or 3.0 per cent), health care and social assistance (13,500 or 6.6 per cent), and education services (4,000 or 2.9 per cent). Services-sector industries that lost employment included professional, scientific and technical services (down 4,300 or 3.0 per cent) and public administration (down 4,1400 or 4.6 per cent). The job loss in public administration in B.C.

was all sustained by the provincial public administration sub-sector.

Figure 4 also provides a long-term perspective on changes in industry employment with annual average growth changes between 1992 and 2002. The services sector has seen much higher growth than the goods sector over this period. Within the goods sector, only manufacturing has averaged above one per cent annual average growth since 1992.

Since 1992, the services sector has grown through a number of "new economy" and business services such as: professional/scientific/technical services; management/administrative/other support; and information/culture/recreation. By contrast, traditional service industries, including the larger retail & wholesale trade and transportation & warehousing sectors, have grown slower than average over the ten year period. Public administration is the only component in the services sector that has seen an overall employment loss over the past ten years.

Figure 4: Industry Employment Levels and Growth in B.C., Annual Averages						
	1992	2000	2001	2002	% Change 2001- 2002	Average Annual % Change 1992-2002
All Industries*	1620.3	1949.1	1942.4	1973.4	1.6%	2.2%
Goods-Producing Sector	372.0	414.4	392.0	399.0	1.8%	0.7%
Agriculture	30.5	29.7	25.9	30.1	16.2%	-0.1%
Other Primary (Forestry, Fishing, Mining, Oil and Gas)	48.2	55.4	43.3	38.9	-10.2%	-1.9%
Utilities	11.3	11.3	11.7	12.4	6.0%	1.0%
Construction	114.3	112.5	114.9	120.6	5.0%	0.6%
Manufacturing	167.7	205.4	196.2	196.9	0.4%	1.7%
Services-Producing Sector	1248.3	1534.7	1550.4	1574.4	1.5%	2.6%
Retail and Wholesale Trade	265.2	303.2	309.5	319.0	3.1%	2.0%
Transportation and Warehousing	100.5	114.4	106.9	110.1	3.0%	1.0%
Finance, Insurance, Real Estate and Leasing	109.3	119.5	116.2	118.9	2.3%	0.9%
Professional, Scientific and Technical Services	86.6	136.4	141.1	136.7	-3.1%	5.8%
Management, Administrative and Other Support	40.6	71.9	73.9	74.7	1.1%	8.4%
Educational Services	106.1	134.9	135.7	139.7	2.9%	3.2%
Health Care and Social Assistance	162.9	202.1	203.8	217.3	6.6%	3.3%
Information, culture and recreation	65.3	99.3	106.1	105.6	-0.5%	6.2%
Accommodation and food services	130.8	164.0	170.6	171.0	0.2%	3.1%
Other services	81.8	99.3	97.8	96.8	-1.0%	1.8%
Public administration	99.3	89.7	88.8	84.7	-4.6%	-1.5%

* The sum of the industries may not add to the provincial total due to rounding.

Regional Labour Markets . . . The overall net job gain in B.C. during 2002 was chiefly due to employment growth in the large and diversified Lower Mainland/Southwest region. Employment in the region grew 33,700 or 2.8 per cent. Despite this, the unemployment rate increased to 7.8 per cent from 6.6 per cent. Employment also grew in the Vancouver Island/Coast region in 2002, up by 6,700 or 2.2 per cent after two consecutive years of job losses in this region.

All other regions of B.C. saw employment losses in 2002 except the Northeast region, which remained almost unchanged (see Figure 5).

The unemployment rate for all regions except Vancouver Island/Coast increased in 2002. Similarly, the ratio of employment-to-population decreased in the same four regions where employment fell.

Figure 5: B.C. Regional Labour Market Changes, Annual Average 2001 and 2002							
Development Region	Employment (000's)*			Unemployment Rate (%)		Employment/Pop Ratio	
	2001	2002	% Chg.	2001	2002	2001	2002
Vancouver Island/Coast	305.3	312.0	2.2%	9.1%	8.7%	54.0%	54.8%
Lower Mainland/S.W.	1,187.9	1221.6	2.8%	6.6%	7.8%	61.0%	61.6%
Thompson/Okanagan	213.7	210.0	-1.7%	9.2%	9.3%	55.5%	53.7%
Kootenay	71.9	68.3	-5.0%	9.6%	10.1%	57.9%	54.5%
Cariboo	83.0	81.9	-1.3%	9.7%	12.7%	61.3%	60.4%
North Coast/Nechako	47.4	46.3	-2.3%	10.9%	12.7%	63.8%	62.3%
Northeast	33.2	33.4	0.6%	5.9%	9.1%	69.0%	69.7%
B.C.	1,942.4	1973.4	1.6%	7.7%	8.6%	59.2%	59.4%

* The sum of the regions may not add to the provincial total due to rounding.

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