

## Labour Force Statistics ♦ March 2003

### HIGHLIGHTS

- **B.C. seasonally-adjusted employment increased by 17,700 in March following an 11,700 increase in February.** As a result of the job growth, the unemployment rate fell to 7.7 per cent in March from 8.2 per cent in February.
- **Seasonally-adjusted employment increased in the B.C. goods producing sectors by 13,400 in March. This increase was shared by all goods industries.** Service sector employment increased by 4,300 in March. Increases in transportation and warehousing, education and other services were partly offset by declines in retail and wholesale trade and public administration employment. There was little change in other service industries.
- **In March, seasonally-adjusted employment increased for men by 13,700 and for women by 4,000 with the increase in full-time employment outweighing a decline in part-time employment for both sexes.** Overall, full-time employment rose by 34,400 and part-time employment declined by 16,700.
- **Canadian seasonally-adjusted employment increased by 14,200 in March.** Employment increased substantially in B.C. (17,700) and Ontario (17,100) and decreased by 20,800 in Quebec. There was little change in employment in the other provinces.

Selected Statistics (SA)*	Mar. 2003	Feb. 2003	Mar. 2002
B.C. Unemployment Rate	7.7%	8.2%	9.0%
Canada Unemployment Rate	7.3%	7.4%	7.7%
B.C. Help Wanted Index (1996=100)	82.9	85.1	94.8
B.C. Employment - Change from prev. mo.	0.9%	0.6%	-
B.C. Labour Force - Change from prev. mo.	0.3%	0.6%	-
B.C. Labour Force Participation Rate	65.3%	65.1%	64.5%

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

**Note:** The Help-wanted Index will be terminated with the publication of the April 2003 reference month on May 6, 2003. Many users have expressed concern over its performance in recent years, especially in light of the growing use of the Internet by employers as a means of posting job openings.

*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 reflecting 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 British Columbia Labour Market - First Quarter 2003

**Summary . . .** Seasonally adjusted employment in British Columbia rose 7,400 in the first quarter of 2003 from the 4th quarter of 2002. Employment has been rising in B.C. since the fourth quarter 2001, with a net increase of 84,100 over the last five quarters.

The rise in employment in the first quarter of 2003 out-paced labour force growth. As a result, the first quarter unemployment rate was reduced to 8.0 per cent from 8.4 per cent in the fourth quarter of 2002.

Goods sector employment (led by manufacturing) has increased for the past five consecutive quarters and now stands at the highest historical level. Services sector employment declined for the second consecutive quarter with employment declines of 10,400 since third quarter 2002.

Regionally, actual data for the first quarter of 2003 compared to the same period in 2002 shows improvement in employment for all regions except Kootenay and Cariboo, which experienced generally weaker labour market conditions on this year-over-year basis.

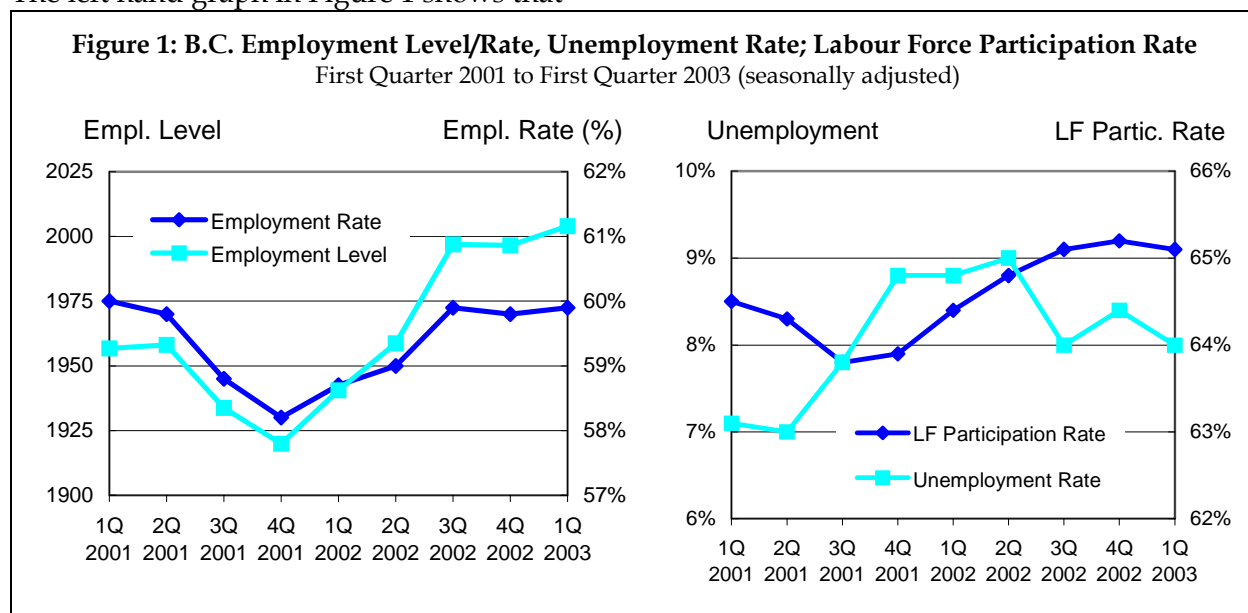
### Employment and Employment Rates . . .

The left hand graph in Figure 1 shows that

employment has resumed growth after a pause in the fourth quarter 2002. Employment for men accounted for all of the increase in the latest quarter (up 8,500) while employment for women decreased by 1,100. The proportion of persons aged 15 and older who were employed (employment rate) rose only slightly to 59.9 per cent from 59.8 per cent. The employment rate has generally remained below 60.0 per cent since it peaked at 60.5 per cent in the fourth quarter of 2000.

### Unemployment and Labour Force Participation . . .

The unemployment rate dropped from 8.4 per cent to 8.0 per cent in the first quarter of 2003. Unemployment rates in B.C. in the last three quarters have been well below rates of nearly 9.0 per cent in the previous three quarters (see Figure 1 right-hand graph). The unemployment rate in the first quarter of 2003 was 7.9 per cent for men and 8.1 per cent for women. The right-hand graph also shows that labour force participation leveled off at just over 65.0 per cent in the last three quarters, after rising from a low of 63.8 per cent in the third quarter 2001.



**Employment by Industrial Classification . . .**

Figure 2 shows quarterly net changes by industry in seasonally adjusted employment over the last four quarters. It also shows the percentage change in average employment level between the first quarter of 2003 to the first quarter of 2002.

Employment in the *goods sector* continued to have positive growth for the fifth straight quarter, reversing the declining trend seen in the previous seven quarters. In the latest quarter, increases were seen in all goods sectors except construction.

Between first quarter 2002 and first quarter 2003, employment in the goods sector was up by 10.5 per cent, compared to a 1.5 per cent increase in the services sector.

Within the goods sector, all industries saw an employment increase over the last four quarters with agriculture and other primary (forestry, fishing, mining, oil and gas) showing the highest average percentage growth.

Employment in the *services sector* was down for the second consecutive quarter. A substantial employment gain was seen in education services (up 13,400) in the first quarter of 2003, following a loss in the previous quarter. The diverse health and social assistance sector (which includes non-profit, private and public employers) sustained the most significant employment decrease in the first quarter 2003 (down 11,100) followed by professional, scientific and technical services (down 6,400).

Over the last four quarters, services sector employment grew by 1.5 per cent. All of this gain was in the second and third quarters of 2002. The finance, insurance & real estate sector saw the largest percentage increase in employment among services over the last year (up 13.9 per cent). By contrast, accommodation and food services saw the largest percentage loss in employment (down 9.2 per cent), or a net decline of 16,300 jobs.

**Figure 2: B.C. Employment by Industrial Classification**  
First Quarter 2002 to First Quarter 2003 (seasonally adjusted)

	Employment Level 1Q03 (000's)	Net Change from previous quarter				Per Cent Change 1Q02 to 1Q03
		2Q02	3Q02	4Q02	1Q03	
<b>Total</b>	<b>2,004.0</b>	<b>18,200</b>	<b>38,200</b>	<b>-300</b>	<b>7,400</b>	<b>3.3%</b>
<b>Goods Sector</b>	<b>424.4</b>	<b>4,900</b>	<b>18,000</b>	<b>8,000</b>	<b>9,400</b>	<b>10.5%</b>
Agriculture	36.2	3,000	3,300	2,500	2,000	42.7%
Other Primary	46.8	-2,700	2,200	2,900	5,300	19.7%
Utilities	13.4	1,000	-700	-100	1,200	11.7%
Construction	121.9	1,500	6,200	2,000	-3,600	5.2%
Manufacturing	206.1	2,100	6,900	800	4,500	7.5%
<b>Service Sector</b>	<b>1,579.6</b>	<b>13,400</b>	<b>20,300</b>	<b>-8,400</b>	<b>-2,000</b>	<b>1.5%</b>
Retail & Wholesale Trade	323.5	11,400	3,500	-900	700	4.8%
Transportation & Warehousing	117.7	1,400	5,300	1,200	3,700	10.9%
Finance, Insur. & Real Estate	128.0	500	9,200	6,300	-400	13.9%
Prof. Scientific & Technical	129.5	-1,800	600	-800	-6,400	-6.1%
Management of Companies	78.3	2,300	-3,300	-300	4,900	4.8%
Education Services	150.7	3,400	2,500	-6,200	13,400	9.5%
Health & Social Assistance	210.3	3,900	3,300	1,900	-11,100	-0.9%
Information, Culture & rec.	101.3	-2,300	6,800	-7,100	-1,700	-4.0%
Accommodation & Food	160.7	-2,300	-6,900	-3,100	-4,000	-9.2%
Other Services	93.5	-2,900	-5,500	2,400	-1,600	-7.5%
Public Administration	86.2	-200	4,800	-2,100	800	3.9%

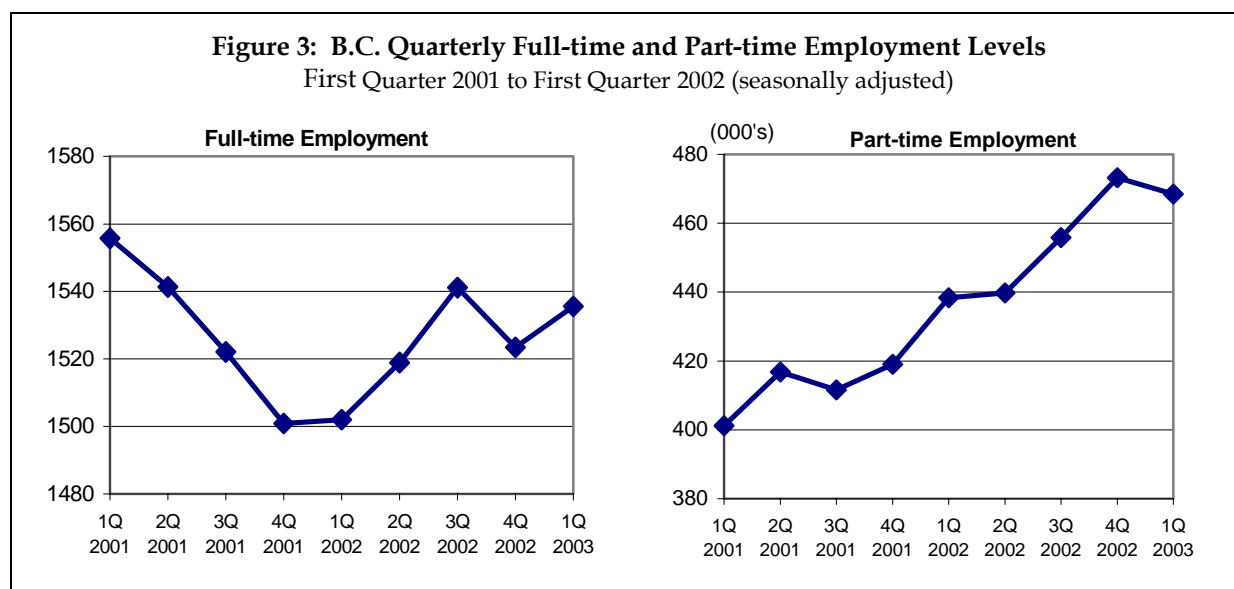
\* The sum of the industries may not add to the provincial total due to rounding.

**Full and Part-time Employment . . .** Figure 3 shows that seasonally adjusted full-time employment rebounded in the first quarter 2003 after a decline in the fourth quarter 2002. Full-time employment was up 20,700 for men and down 8,500 women in the first quarter of 2003.

Seasonally-adjusted part-time employment (those working less than 30 hours per week) decreased by 4,700 in the first quarter of 2003, breaking an upward trend over the previous five quarters. Part-time employ-

ment for men declined by 12,200 whereas part-time employment for women increased by almost 7,500.

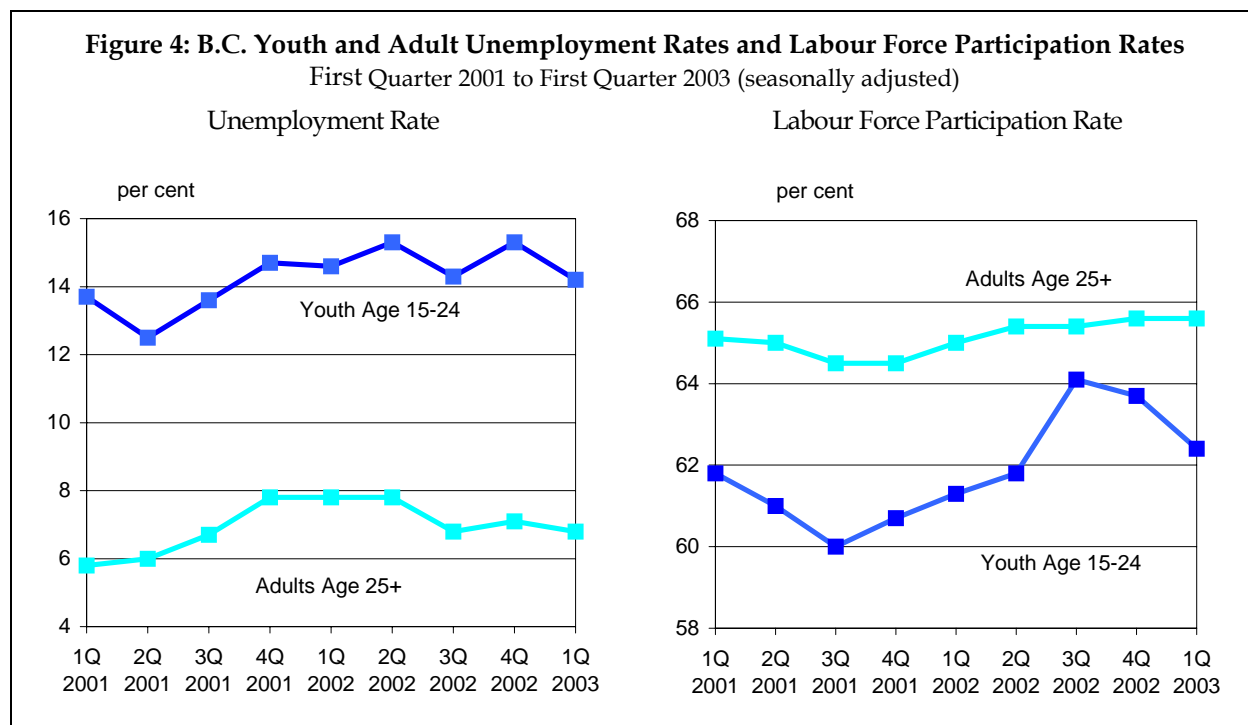
When comparing the first quarter of 2003 to the first quarter of 2002, full-time employment in B.C. increased by 33,500 (2.2 per cent), and part-time employment increased by 30,100 (6.9 per cent). On this same year-over-year quarterly basis, men accounted for all of the full-time employment gains, and women accounted for all 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) fell to 6.8 per cent from 7.1 per cent in the fourth quarter of 2002. The youth unemployment rate in B.C. dropped to 14.2 per cent in the first quarter of 2003 from 15.3 per cent in the previous quarter. Youth unemployment rates have remained above 14.0 per cent for the last six quarters.

Over the past two quarters, the adult labour force participation rate held steady at 65.6

per cent, the highest rate over the last nine quarters (see Figure 4 right-hand graph). Youth participation in the labour force has fallen off in the last two quarters, declining to 62.4 per cent from a peak of 64.1 per cent in the third quarter 2002. The high unemployment rate for youth and the decrease in their labour force participation rate in the latest two quarters suggest labour market conditions are not improving for youth at this time.



**Regional . . .** Actual estimates for labour market levels and changes by development region are noted in Figure 5 which compares the first quarter of 2003 to the same period in 2002. Seasonally adjusted data is not available on a regional basis from Statistics Canada.

Positive actual *employment* growth for the first quarter of 2003 from the same period in 2002 was seen in all regions except the Kootenay and Cariboo. Overall provincial employment rose by 3.3 per cent over this period.

The Lower Mainland/Southwest experienced both the fastest growth and the largest net employment increase (up

61,100) since the first quarter of 2002. Employment in the Vancouver Island/Coast region was up 5,100.

Actual average *unemployment rates* for the first quarter of this year compared to the same quarter in 2002 declined in all regions except the Kootenay and Cariboo.

The proportion of the working age population who were employed increased in all regions except the Kootenay and Cariboo in the first quarter 2003. The overall increase in employment and fall in unemployment rate, suggest positive and improving economic conditions in most regions in B.C. over the last four quarters.

**Figure 5 - Regional Labour Market Changes**  
First Quarter 2002 compared to First Quarter 2003, Actual

Development Regions	Employment (000's)			Unemployment Rate			Employment/Pop. Ratio		
	1st Quarter 2002	1st Quarter 2003	% Change	1st Quarter 2002	1st Quarter 2003	Absolute Change	1st Quarter 2002	1st Quarter 2003	Absolute Change
Vancouver Island/Coast	307.9	313.0	1.7%	10.2%	9.0%	-1.2%	54.3%	54.8%	0.5%
Lower Mainland/S.W.	1167.6	1228.7	5.2%	8.5%	7.4%	-1.1%	59.5%	61.3%	1.8%
Thompson/Okanagan	198.3	201.7	1.7%	10.1%	9.7%	-0.4%	50.9%	51.4%	0.5%
Kootenay	70.1	68.2	-2.7%	10.4%	14.4%	4.0%	55.9%	54.5%	-1.4%
Cariboo	83.4	79.9	-4.2%	12.3%	12.8%	0.5%	61.3%	59.4%	-1.9%
North Coast/Nechako	45.2	46.0	1.7%	13.9%	11.4%	-2.5%	60.5%	62.5%	2.0%
Northeast	32.2	33.8	5.0%	8.0%	7.3%	-0.7%	66.6%	71.0%	4.4%
<b>B.C. Total</b>	<b>1908.0</b>	<b>1971.3</b>	<b>3.3%</b>	<b>9.4%</b>	<b>8.5%</b>	<b>-0.9%</b>	<b>57.7%</b>	<b>58.9%</b>	<b>1.2%</b>

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