

Labour Force Statistics ♦ June 2003

HIGHLIGHTS

All labour force statistics in this Highlights article are seasonally adjusted, unless otherwise indicated

- **B.C. employment increased by 2,100 in June, following a decrease of 7,800 in May.**

This was accompanied by a decrease of 7,600 in the number of people looking for work (unemployed), reducing the B.C. unemployment rate by 0.3 percentage points to 8.3 per cent.

- **B.C. employment increased in the services sector and declined in the goods producing sector during June.**

Within the services sector, employment increases were experienced in professional, scientific and technical services; public administration; accommodation, food and beverage services; and health and social services. Employment decreases were experienced in transportation and warehousing; education; and other services. Within the goods producing sector, decreased employment in manufacturing, agriculture and utilities more than offset a significant increase in the construction industry.

- **B.C. employment increased for women and decreased very slightly for men during June.**

For women, full-time employment in-

creased and part-time employment rose slightly. For men, full-time employment declined slightly and part-time employment rose slightly. Overall, full-time employment rose by 300 and part-time employment increased by 1,800 in June.

- **Canadian employment increased overall by 48,800 in June, spurred by a large increase of 43,400 in part-time employment and a modest increase of 5,400 in full-time employment.**

Most of the overall increase was attributable to increases in Ontario (17,200), Quebec (10,300), Alberta (9,700) and New Brunswick (6,200), with Prince Edward Island (3.7 per cent) and New Brunswick (1.8 per cent) experiencing the largest relative increases. Manitoba and Newfoundland were the only provinces experiencing decreased employment in June.

| Selected Statistics | June 2003 | May 2003 | June 2002 |
|---|-----------|----------|-----------|
| B.C. Unemployment Rate | 8.3% | 8.6% | 8.7% |
| Canada Unemployment Rate | 7.7% | 7.8% | 7.5% |
| B.C. Employment - Change from prev. mo. | 0.1% | -0.4% | - |
| B.C. Labour Force - Change from prev. mo. | -0.3% | 0.2% | - |
| B.C. Labour Force Participation Rate | 65.0% | 65.3% | 65.0% |

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 - Second Quarter 2003

All labour force statistics in this article are seasonally adjusted, unless otherwise indicated

Summary. . . . Seasonally adjusted employment in British Columbia rose 3,800 in the second quarter of 2003 from the first quarter of 2003. Employment rose in each quarter since the fourth quarter 2001, with the exception of the fourth quarter of 2002. The rise in the labour force in the second quarter of 2003 out-paced employment growth. As a result, the second quarter unemployment rate rose to 8.3 per cent from 8.0 per cent in the first quarter of 2003.

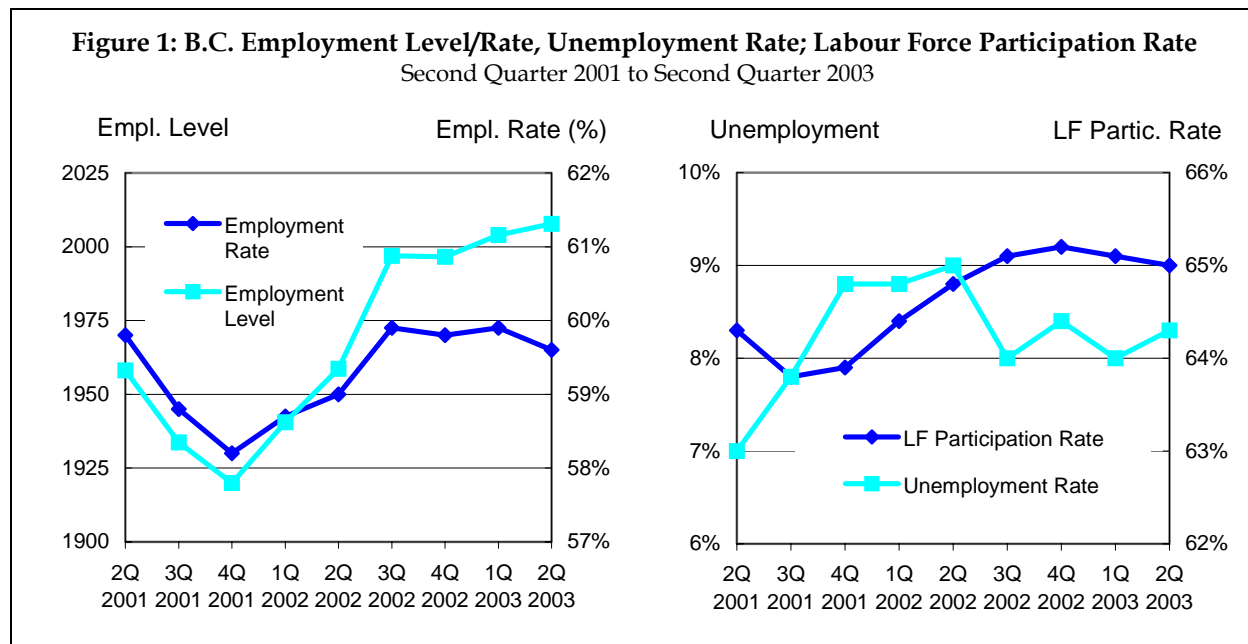
Goods sector employment has increased for the past four consecutive quarters, but the pace of employment growth slowed in the second quarter 2003. Services sector employment rose (0.8 per cent) after two consecutive quarterly declines.

Regionally, actual data for the second quarter of 2003 compared to the same period in 2002 shows improvement in

employment for all regions except Vancouver Island and the Cariboo, which both experienced generally weaker labour market conditions on this year-over-year basis.

Employment and Employment Rates . . .

The left hand graph of Figure 1 shows that employment for the second quarter of 2003 was 49,700 higher than for the second quarter of 2001. Over the past two years, employment rose during five quarters (including the first and second quarters of 2003) and declined during three quarters (in particular, the third and fourth quarters of 2001). Despite the increase in employment level, B.C.'s employment rate for the second quarter of 2003 (59.6 per cent) was virtually the same as for the second quarter of 2001 (59.8 per cent), due to the increase in the labour force.



Unemployment and Labour Force Participation . . . The right hand graph of Figure 1 shows that B.C.'s unemployment rate for the second quarter of 2003 was 8.3 per cent, which is 0.3 per cent higher than the 8.0 per cent rate for the first quarter of 2003, and 1.3

percentage points higher than the 7.0 per cent rate for the second quarter of 2001. However, during the most recent four quarters the unemployment rate has been well below the 8.8 – 9.0 per cent rates that were experienced during the fourth quarter of 2001 and the first and

second quarters of 2002. B.C.'s labour force participation rate was 65.0 per cent for the second quarter of 2003, the fourth consecutive quarter that it has been at or below 65.0 per cent, and 1.2 percentage points higher than the 63.8 per cent rate for the third quarter of 2001.

Employment by Industrial Classification . . .

Figure 2 shows quarterly net changes in employment by industry sector over the last four quarters. It also shows the percentage change in average employment level between the second quarter of 2003 and the second quarter of 2002.

For the *goods sector*, employment has increased in each of the past four quarters. Employment for the second quarter of 2003 was 1,500 higher than for the first quarter of 2003, and 36,900 higher (a 9.5 per cent increase) than for the second quarter of 2002. The increase in employment from second quarter of 2002 to second quarter of 2003 has been shared across each of the industry cate-

gories, with manufacturing experiencing the largest increase (13,600) and other primary (i.e. forestry, fishing, mining, oil and gas) experiencing the largest relative increase (36.4 per cent).

For the *services sector*, employment increased in the second quarter after declining in the two previous quarters. Employment for the second quarter of 2003 was 2,400 higher than for the first quarter of 2003, and 12,300 higher (a 0.8 per cent increase) than for the second quarter of 2002. The increase in employment from second quarter of 2002 to second quarter of 2003 has not been evenly distributed across the various industry categories. Seven industry categories experienced an increase in employment, with finance, insurance and real estate experiencing the largest increase (10,700) and the largest relative increase (9.4 per cent). Four industry categories experienced a decrease in employment, with accommodation, food and beverage experiencing the largest decrease (17,200) and the largest relative decrease (9.8 per cent).

Figure 2: B.C. Employment by Industrial Classification
Second Quarter 2002 to Second Quarter 2003

| | Employment Level | | Net Change from previous quarter | | | Per Cent Change |
|-------------------------------|------------------|---------------|----------------------------------|---------------|--------------|-----------------|
| | 2Q03 (000's) | 3Q02 | 4Q02 | 1Q03 | 2Q03 | 2Q02 to 2Q03 |
| Total | 2,007.8 | 38,200 | -300 | 7,400 | 3,800 | 2.5% |
| Goods Sector | 425.9 | 18,000 | 8,000 | 9,400 | 1,500 | 9.5% |
| Agriculture | 34.8 | 3,300 | 2,500 | 2,000 | -1,400 | 22.5% |
| Other Primary | 49.6 | 2,200 | 2,900 | 5,300 | 2,800 | 36.4% |
| Utilities | 14.4 | -700 | -100 | 1,200 | 1,000 | 10.5% |
| Construction | 119.5 | 6,200 | 2,000 | -3,600 | -2,400 | 1.8% |
| Manufacturing | 207.5 | 6,900 | 800 | 4,500 | 1,400 | 7.0% |
| Service Sector | 1,581.9 | 20,300 | -8,400 | -2,000 | 2,400 | 0.8% |
| Retail & Wholesale Trade | 317.7 | 3,500 | -900 | 700 | -5,800 | -0.8% |
| Transportation & Warehousing | 114.3 | 5,300 | 1,200 | 3,700 | -3,400 | 6.4% |
| Finance, Insur. & Real Estate | 123.6 | 9,200 | 6,300 | -400 | -4,400 | 9.4% |
| Prof. Scientific & Technical | 136.7 | 600 | -800 | -6,400 | 7,200 | 0.4% |
| Management of Companies | 81.2 | -3,300 | -300 | 4,900 | 3,000 | 5.5% |
| Education Services | 147.8 | 2,500 | -6,200 | 13,400 | -2,900 | 4.8% |
| Health & Social Assistance | 213.2 | 3,300 | 1,900 | -11,100 | 2,900 | -1.4% |
| Information, Culture & rec. | 107.2 | 6,800 | -7,100 | -1,700 | 5,900 | 3.8% |
| Accommodation & Food | 157.5 | -6,900 | -3,100 | -4,000 | -3,200 | -9.8% |
| Other Services | 96.3 | -5,500 | 2,400 | -1,600 | 2,800 | -1.9% |
| Public Administration | 86.3 | 4,800 | -2,100 | 800 | 100 | 4.4% |

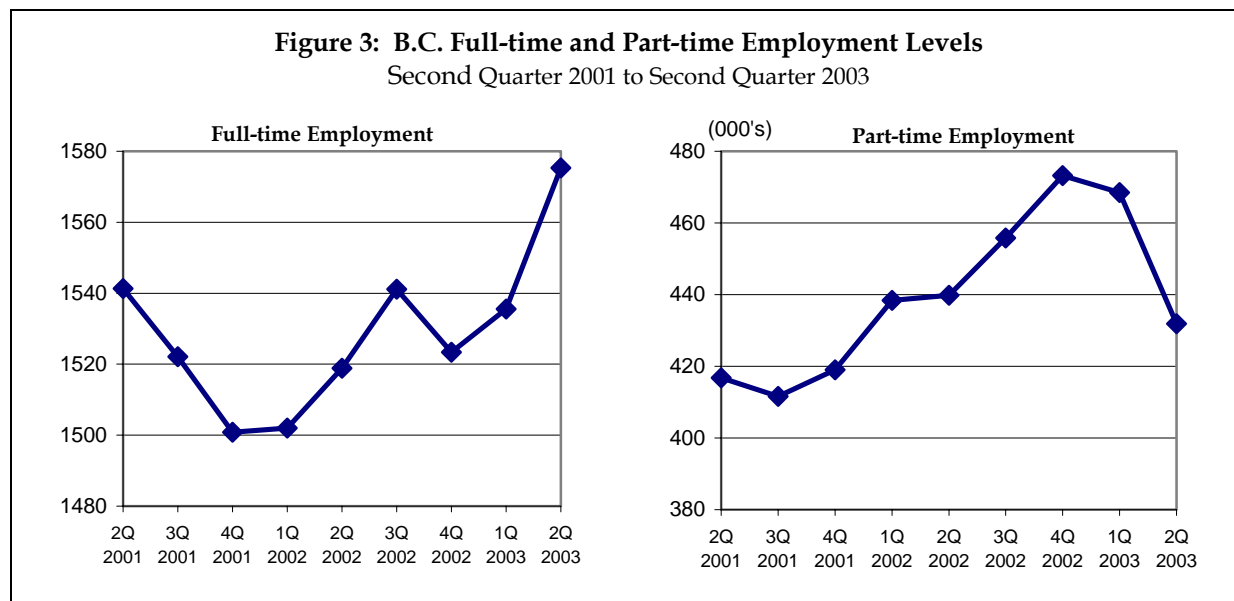
* The sum of the industries may not add to the provincial total due to rounding.

Full and Part-time Employment . . .

Figure 3 shows that full-time employment has increased in five of the past six quarters. For the second quarter of 2003, full-time employment was 39,800 higher than for the first quarter of 2003 and 74,600 higher than for the fourth quarter of 2001.

Part-time employment (those working less than 30 hours per week) decreased for the

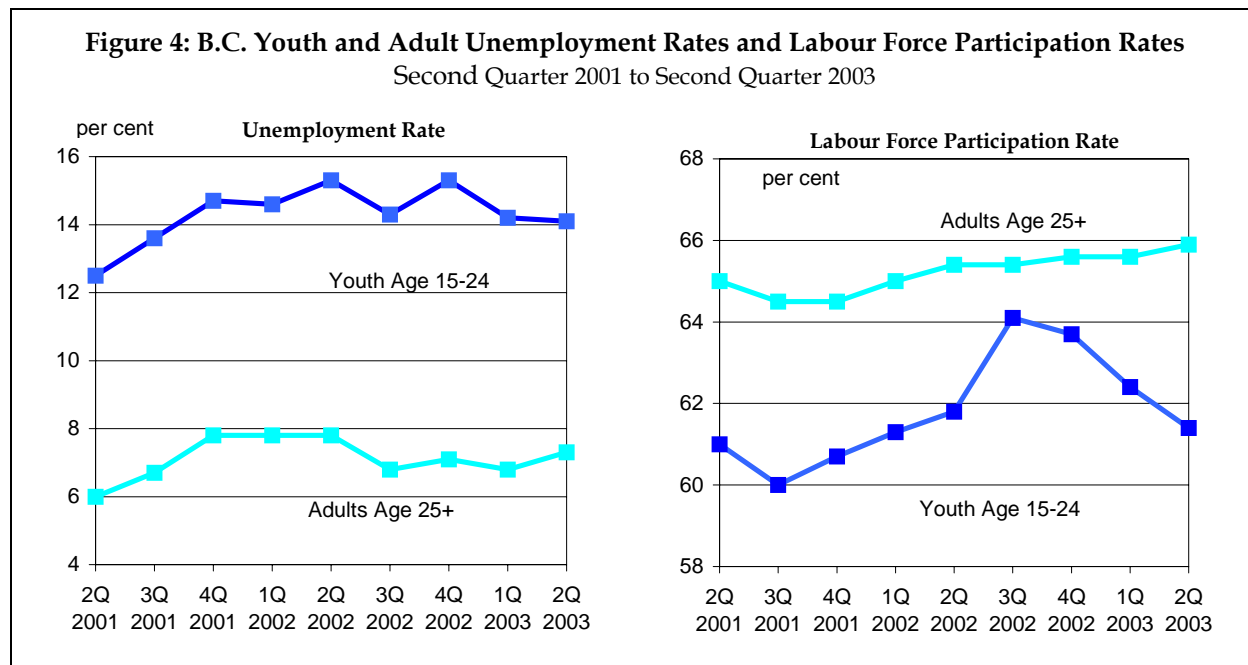
second consecutive quarter, after increasing for the previous five consecutive quarters. For the second quarter of 2003, part-time employment was 36,100 lower than for the first quarter of 2003, and 40,800 lower than for the fourth quarter of 2002. However, part-time employment for the second quarter of 2003 was 20,800 higher than for the third quarter of 2001.



Youth and Adult Unemployment and Labour Force Participation . . . The left hand graph in Figure 4 shows that the unemployment rate for adults (aged 25 years and over) rose to 7.3 per cent in the second quarter of 2003 from 6.8 per cent in the first quarter of 2003. Meanwhile, the unemployment rate for youth (aged 15 - 24 years) remained virtually unchanged at 14.1 per cent in the second quarter of 2003. Youth unemployment rates in B.C. have remained above 14.0 per cent for the past seven quarters.

The right hand graph in Figure 4 shows that the labour force participation rate for adults increased slightly to 65.9 per cent in the sec-

ond quarter of 2003, maintaining a trend that has existed for several quarters. Meanwhile, the labour force participation rate for youth decreased for the third consecutive quarter, decreasing to 61.4 per cent from a peak of 64.1 per cent in the third quarter of 2002, although it remains above the 60.0 per cent low experienced in the third quarter of 2001. The relatively high youth unemployment rate combined with the low youth labour force participation rate suggest that labour market conditions for youth are not improving.



Regional . . Figure 5 shows how labour market statistics at the regional level have changed between the second quarter of 2002 and the second quarter of 2003. The statistics presented are actuals (not seasonally adjusted), because seasonally adjusted statistics are not available on a regional basis from Statistics Canada.

Five of the seven regions experienced higher *employment* in the second quarter of 2003 than it was in the second quarter of 2002. While the Lower Mainland/South West region experienced the largest increase (35,900), the Kootenay region experienced the largest relative increase (8.9 per cent). Only the Vancouver Island/Coast and Cariboo regions experienced lower employment in the second quarter of 2003. Five of the seven regions experienced *unemployment rates* that were lower in the second quarter of 2003 than they were in the second quarter of 2002. The Northeast and North

Coast/Nechako regions experienced the largest declines in unemployment rates (declining by 4.4 and 4.1 percentage points respectively). The Kootenay and Vancouver Island/Coast regions were the only regions experiencing an increase in unemployment rates. Three interior regions of B.C. continue to experience double-digit unemployment rates.

Six of the seven regions experienced a higher proportion of the working age population who were employed (i.e. the employment/population ratio) in the second quarter of 2003 than it was in the second quarter of 2002. The only exception was the Vancouver Island/Coast region.

The regional statistics tend to suggest positive and improving economic conditions in most regions in B.C. over the past four quarters.

| Development Regions | Employment (000's) | | | Unemployment Rate | | | Employment/Pop. Ratio | | |
|------------------------|--------------------|------------------|-------------|-------------------|------------------|-----------------|-----------------------|------------------|-----------------|
| | 2nd Quarter 2002 | 2nd Quarter 2003 | % Change | 2nd Quarter 2002 | 2nd Quarter 2003 | Absolute Change | 2nd Quarter 2002 | 2nd Quarter 2003 | Absolute Change |
| Vancouver Island/Coast | 317.1 | 313.6 | -1.1% | 8.4% | 8.6% | 0.2% | 55.7% | 54.8% | -0.9% |
| Lower Mainland/S.W. | 1,214.8 | 1,250.7 | 3.0% | 8.0% | 7.3% | -0.7% | 61.5% | 62.1% | 0.6% |
| Thompson/Okanagan | 212.8 | 219.8 | 3.3% | 10.1% | 9.5% | -0.6% | 54.4% | 55.9% | 1.5% |
| Kootenay | 66.5 | 72.4 | 8.9% | 9.9% | 11.4% | 1.5% | 53.0% | 57.8% | 4.8% |
| Cariboo | 80.8 | 80.4 | -0.5% | 13.6% | 13.0% | -0.6% | 59.4% | 59.9% | 0.5% |
| North Coast/Nechako | 45.4 | 47.3 | 4.3% | 15.0% | 10.9% | -4.1% | 60.9% | 64.7% | 3.8% |
| Northeast | 32.8 | 33.2 | 1.3% | 11.6% | 7.2% | -4.4% | 68.7% | 69.7% | 1.0% |
| B.C. Total | 1,970.2 | 2017.3 | 2.4% | 8.8% | 8.2% | -0.6% | 59.3% | 60.0% | 0.7% |

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

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