

Labour Force Statistics ♦ July 2005

HIGHLIGHTS

All labour force statistics are seasonally adjusted, unless otherwise indicated

Unemployment rate rises, as job growth stalls—but still low by historical standards

- **British Columbia's unemployment rate jumped to 6.2% in July.** The increase came after two months in which the rate was at a nearly 25-year low (5.7% in May and 5.8% in June). Despite the upturn, BC's unemployment rate remains low by historical standards. It has been below the national average in all but two months since July 2004—the first time since the mid-1990s that this has occurred.

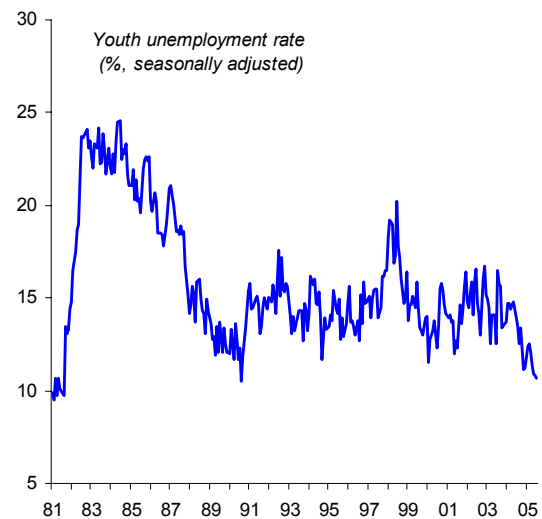
Employment growth stalled again in July, with the number of people with jobs virtually unchanged from the previous month. At the same time, the labour force expanded (+0.4%), pushing the unemployment rate up as many of the new entrants were unable to find work.

- **There were fewer jobs (-0.3%) in the service sector, which employs eight out of every ten workers in BC.** Although job losses were widespread across most service industries, some service sector employers were taking on more workers. Employment in transportation & warehousing (+7.8%) and accommodation & food services (+3.4%) increased significantly, with smaller gains seen in the education (+1.8%) and health care (+1.8%) industries. However, the number of people working in retail & wholesale trade edged down 0.2%. Other service industries cut back their workforce, with the biggest decline occurring in professional, scientific & technical services industry, where em-

ployment fell (-4.6%) for the first time this year.

- **The goods sector bounced back after two months of decline, with employment increasing 0.9% in July.** Manufacturing activity began to ramp up (+4.4%), ending a five-month-long period of job losses. There were more people working in agriculture (+6.1%), but the number of construction jobs was unchanged from June.

Youth unemployment rate continues to fall



- **The job market for students and young workers was the best it has been in years.** The youth (15-24) unemployment rate continued to fall in July, dropping to 10.7%, nearly three points lower than in the same month of 2004. Since May, the youth unemployment rate has remained at levels not seen since 1990 (when it dropped briefly in August)—and not consistently

seen since the early 1980s. The unemployment rate for workers aged 25 and over was 5.3% in July. For the second month in a row, fewer men (-0.4%) had jobs. However, the number of employed women bounced back (+0.3%) after slipping in June.

- **Self-employment remained a significant source of new jobs in the province, with the number rising 4.7%, enough to offset a drop in the number of public (-1.1%) and private (-1.2%) sector employees.** Full-time employment increased 1.4% in July, but there were fewer people with part-time work (-5.4%).

Job gains in most regions

- **Most regions saw job gains in July, with employment increasing at rates ranging from +1.8% in Mainland/Southwest (3-month-moving average) to +16.8% in North Coast/Nechako (relative to the same month last year).** However, there were fewer people with jobs in Cariboo (-2.2%), which posted a second straight year-over-year decline. The labour force shrank in both Kootenay (-0.1%) and Cariboo (-3.3%), but expanded in other parts of the province.

- **For the third month in a row, unemployment rates were below ten percent (3-month-moving average) in every region of the province.** Residents of Kootenay (4.0%) and Northeast (4.9%) experienced jobless rates that were substantially lower than the provincial average. Thompson/Okanagan (5.2%) and Vancouver Island/Coast (5.3%) also recorded below-average unemployment rates. Jobless rates were higher in Mainland/Southwest (6.1%), North Coast/Nechako (6.5%) and Cariboo (7.5%).
- **Victoria's unemployment rate was just 3.9% (seasonally adjusted), about two-thirds the provincial level.** The jobless rate in Abbotsford (5.1%) and Vancouver (6.4%) was slightly higher.

The national picture

- **The Canadian unemployment rate inched up 0.1 percentage point to 6.8% in July.** As was the case in BC, employment growth stalled (0.0%) while the number of people who were either working or looking for work increased (+0.1%). Alberta continued to experience the lowest unemployment rate (3.6%) in the country. Manitoba (4.7%) and Saskatchewan (4.7%) also posted unemployment rates that were considerably lower than the national average. BC was the only other province where the jobless rate was significantly lower than the Canadian average.

Selected Statistics	July 2005	June2005	July 2004
BC Unemployment Rate	6.2%	5.8%	7.0%
Canadian Unemployment Rate	6.8%	6.7%	7.1%
BC Employment - Change from prev. mo.	0.0%	-0.3%	2.7%
BC Labour Force - Change from prev. mo.	0.4%	-0.2%	1.8%
BC Labour Force Participation Rate	65.7%	65.5%	65.6%