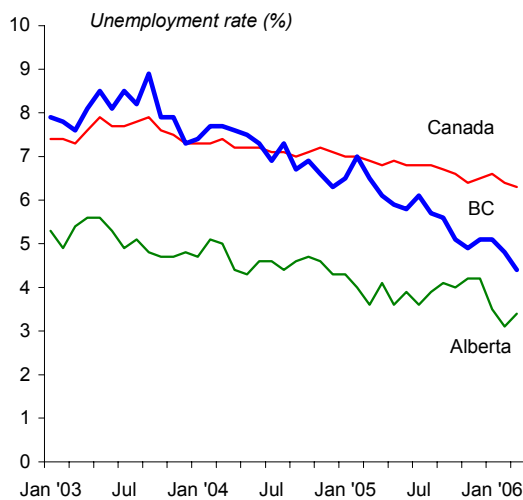


Labour Force Statistics ♦ March 2006

HIGHLIGHTS

All labour force statistics are seasonally adjusted, unless otherwise indicated

BC's jobless rate drops to a new low



British Columbia's unemployment rate continued to fall in March, dropping 0.4 percentage points to a new thirty-year-low of 4.4%. Among the regions, only Alberta (3.4%) and Manitoba (4.2%) had a lower incidence of unemployment in March. BC was not the only jurisdiction setting new records. Canada's unemployment rate (6.3%) was also at a thirty-year low.

The improvement in the unemployment rate came as the province recorded the strongest job growth (+0.6%) since November. The labour force expanded by 5,700 people (+0.2%), but with a net gain of 13,100 jobs, there were more than enough positions available for them to fill.

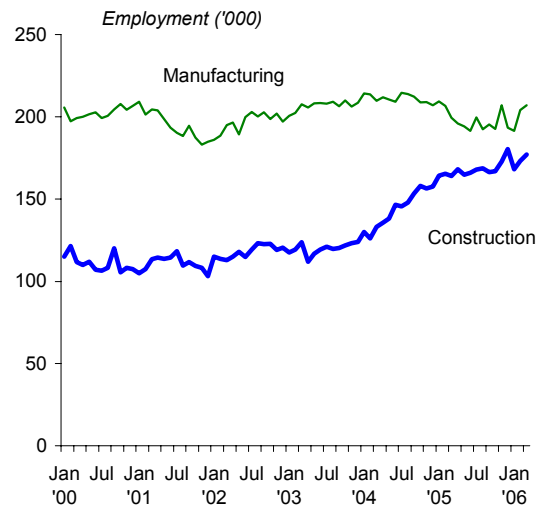
Historically, four percent has been pegged as the natural rate of unemployment—the rate at which the labour market is in balance (there is

neither an excess supply of, or demand for, labour). A further decline in the jobless rate could mean that employers in the province will begin to face labour shortages as the supply of workers can't keep up with the demand.

The goods and service sectors both took on more workers

Employment in goods-producing industries expanded 1.5% in March, as most industries in the sector took on more staff. The most notable gain was in the construction industry (+2.3%), where employment climbed to 177,200. BC's hot housing market, together with generally robust economic conditions and increased spending on infrastructure projects as the province prepares to host the 2010 Olympics, have all contributed to an ongoing demand for construction workers in the province.

Construction workers in demand



Selected Statistics	Mar-06	Feb-06	Mar-05
BC Unemployment Rate (%)	4.4	4.8	6.5
Canadian Unemployment Rate (%)	6.3	6.4	6.9
BC Employment ('000)	2,189	2,176	2,105
BC Labour Force Participation Rate (%)	65.6	65.5	65.6
March % change in employment relative to:	-	0.6	4.0
March % change in labour force relative to:	-	0.2	1.8

Although there are still more workers in manufacturing, the construction industry is not far behind. Eight out of ten jobs in the goods sector are in manufacturing or construction.

Employment in the service sector advanced 0.4%, regaining most of the ground lost in February. Information, culture & recreation (+6.4%), health care & social assistance (+5.2%) and miscellaneous services (+4.6%) took on more workers, but there were job losses in a number of industries. Accommodation & food services (-7.4%) and professional, scientific & technical services (-3.2%) pared down their workforce by a total of 18,500 people in March.

There were more full-time (+1.0%), but fewer part-time (-0.8%) jobs in March. Private sector employment slipped back 0.3%, but the number of public sector jobs was up 2.5%, and self-employment rose 1.9%. The jobless rate for young people aged 15-24 was 7.5%; among those 25 and older, only 3.8% were unable to find work.

Unemployment rates down in every region, but for different reasons

Compared to the same month last year, unemployment rates were down in every region of the province. Jobless rates ranged from 2.8%¹ (3-month moving average) in Northeast to 9.1% in North Coast/Nechako. Kootenay (6.5%) had the second-highest unemployment rate in the province. Unemployment rates fell in all parts of the province, but for different reasons.

¹ BC Stats estimate, calculated using data supplied by Statistics Canada

There were fewer jobs in Kootenay, North Coast/Nechako and Northeast, but the labour force in these regions also shrank. In most other regions, job gains outpaced labour force growth. Mainland/Southwest was an exception to this rule: there were 1.6% more jobs, but fewer (-0.3%) people were available to work. As a result, the jobless rate fell 1.7 percentage points during the twelve month period ending in March.

Vancouver Island/Coast saw the strongest job growth (+9.9%) and the biggest increase in the labour force (+6.1%) during this period. The tight labour market conditions were mainly concentrated in the Victoria area. The jobless rate in the rest of the region was significantly higher than in Victoria.

Victoria's jobless rate inched up to 3.9% (*seasonally adjusted*) in March, but was still one of the lowest rates in the country. In Vancouver, the unemployment rate was 4.3%, and the rate in Abbotsford was 4.8%.

The Nation

Canada's unemployment rate dipped to 6.3% as employment gains (+0.3%) were in step with labour force growth (+0.3%). BC (+0.6%), Ontario (+0.5%), Nova Scotia (+0.5%) and Alberta (+0.4%) all posted strong job growth, which offset weak increases or declines in most other regions.