

## Labour Force Statistics ♦ May 2006

### HIGHLIGHTS

*All labour force statistics are seasonally adjusted, unless otherwise indicated*

#### **Unemployment rate edges up to 4.7% but remains among the lowest in the country**

British Columbia's unemployment rate edged up 0.2 percentage points in May, rising to 4.7%. The increase in the jobless rate came as labour force growth (+0.3%) continued while the number of jobs was unchanged from April. BC and Saskatchewan were the only regions where the jobless rate increased in May.

After recording the second-lowest unemployment rate in the country in April, BC's ranking slipped to third among the provinces. Both Alberta (3.4%) and Manitoba (4.2%) posted lower unemployment rates in May. However residents of BC and all three Prairie provinces continued to benefit from robust labour market conditions, with jobless rates that were well below the national average (6.1%) in May.

#### **Job growth stalls in both goods and service sectors**

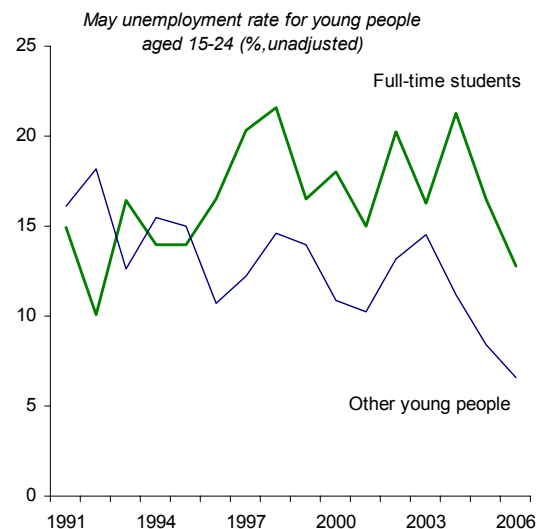
In BC, job growth stalled in both the goods and service sectors, with employment virtually unchanged from the April level. Manufacturing, the biggest employer in the goods sector, increased the size of its workforce 0.3%, but construction, the other big employer on the goods side, cut back 1.9%, offsetting these gains. The number of people employed in forestry, fishing & mining rose 3.1% after dropping off 2.0% in the previous month.

In the service sector, most industries shed jobs, but there were two notable exceptions. The number of people working in health care & social assistance rose 5.9%, marking the second strong advance in three months. Employment remained volatile in the finance, insurance &

real estate industry, bouncing up 2.2% after posting a similar decline in the previous month. The number of jobs in accommodation & food services inched up 0.2%, but other service sector industries posted declines.

Public sector employment climbed 0.9%, partly due to the big increase in the number of workers in health & related industries. Job growth in the private sector was much weaker (+0.2%), and self-employment continued to drop off (-1.4%). There were more full-time jobs (+0.2%) but the number of part-time workers (-0.5%) declined for a third straight month.

#### **Students looking for summer jobs more likely to find work than in the past**



Young people looking for work continued to face relatively favourable job market conditions. The unemployment rate for those aged 15-24 increased to 8.3%, but this is still well below levels seen in recent years. For those

aged 25 and older, the jobless rate remained very low, at 4.0%. Overall, men aged fifteen and over were slightly less likely to be unemployed (4.6%) than were women (4.9%).

The jobless rate for students aged 15 to 24 was 12.8% (*unadjusted for seasonality*), nearly double the 6.6% rate for young people in this age group who were not going to school.

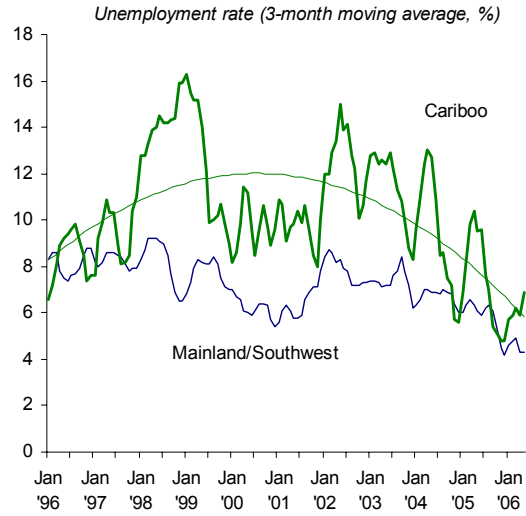
**Jobless rates trending down in most regions despite declining employment**

Employment continued to fall in three regions (Kootenay, North Coast/Nechako and Northeast), but the declines were accompanied by even bigger decreases in the regional labour force, suggesting that some migration may be occurring away from these areas to other parts of the province or to the rest of Canada.

Jobless rates ranged from 4.1% (*3-month-moving average*) in Northeast<sup>1</sup> to 6.9% in Cariboo, where rates have traditionally been well above the average for the province. The incidence of unemployment in this region has been declining since the beginning of the decade, and is currently only slightly higher than in Mainland/Southwest, which usually has a lower-than-average unemployment rate. North Coast/Nechako and Kootenay, other regions where there tends to be a relatively high jobless rate, show a similar long-run decline in the incidence of unemployment.

<sup>1</sup> BC Stats estimate using data supplied by Statistics Canada

**Jobless rate in Cariboo continues to trend down**



Victoria’s unemployment rate jumped to 5.5% in May, up from just 4.0% in the previous month. Abbotsford saw a similarly large jump (from 5.5% to 7.1%) in May, but Vancouver’s rate edged up just 0.2 percentage points to 4.3%.

**The Nation**

Canada’s unemployment rate fell 0.3 percentage points, dropping to 6.1% in May as employment growth (+0.6%) outpaced the expansion of the labour force (+0.3%). Alberta saw the biggest increase in both employment (+1.7%) and the size of the labour force (+1.6%) last month.

Selected Statistics	May-06	Apr-06	May-05
BC Unemployment Rate (%)	4.7	4.5	5.9
Canadian Unemployment Rate (%)	6.1	6.4	6.9
BC Employment ('000)	2,194	2,193	2,131
BC Labour Force Participation Rate (%)	65.7	65.6	65.8
May % change in employment relative to:	-	0.0	3.0
May % change in labour force relative to:	-	0.3	1.7