

Labour Force Statistics ♦ February 2007

HIGHLIGHTS

All labour force statistics are seasonally adjusted, unless otherwise indicated

Unemployment rate falls to a new low

British Columbia's unemployment rate dropped to a new low of 4.0% in February. This was the first time since 1976 (the first year for which provincial labour force data are available) that the province's jobless rate has been this low.

The record-low unemployment rate was reached despite slower job growth in February. The number of people with jobs in BC inched up just 0.1% between January and February following strong growth (+1.4%) in January. At the same time, there were fewer people who were either working or looking for work (-0.2%). Last month's decline in the size of the labour force was the first since June 2006.

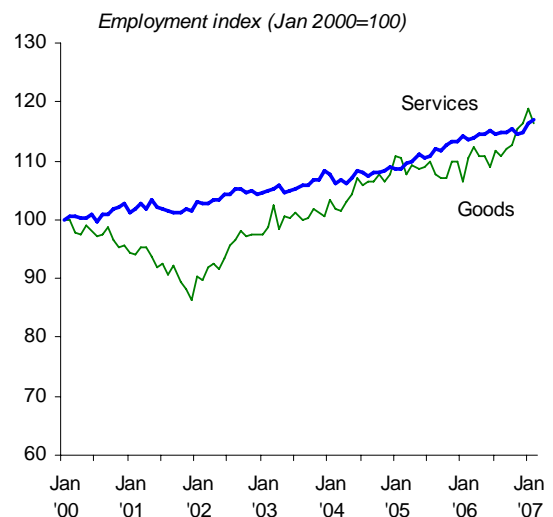
Job growth slows as goods industry sheds workers

The slow job growth was largely due to a slump in the goods sector, where the number of people with jobs fell back 1.9%, offsetting most of the gains made in the previous month. In particular, construction (-3.3%) and forestry, fishing & mining (-8.0%) saw employment fall back to December 2006 levels after surging ahead in January. Manufacturing employment stalled (-0.1%). However, the utilities industry posted strong job growth in February (+17.7%), after posting similarly large declines in the previous month.

Service-producing industries continued to take on more workers, with total employment rising 0.7%. Since four out of every five workers in BC are employed in the service sector, this was enough to counterbalance the weakness in the goods industries. Employment was up in most service industries, with a few notable ex-

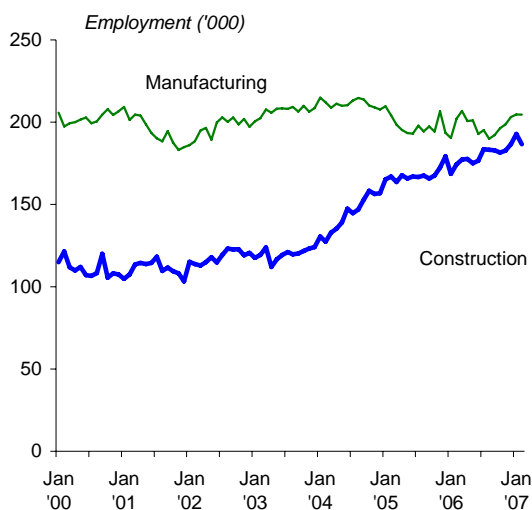
ceptions. There were 3.7% fewer jobs in accommodation & food services and employment was also down in public administration (-4.8%) and management & administrative services (-13.0%).

Over the long run, employment growth in the goods and service sectors has been similar



BC's dependence on the service sector provides some stability to the province's labour market, since service sector employment usually grows at a slower, but relatively steady pace. The goods industries, which are much more affected by external factors such as internationally-determined commodity prices, and fluctuations in world demand for resource-based products, display considerably more volatility. Employment in the goods industries dropped off sharply during the early part of this decade, but has been growing quite rapidly since 2002. As a result, both the goods and service sectors show similar rates of long-term growth since the turn of the century.

Construction industry accounts for most of the growth in the goods sector since 2000



The province’s booming construction industry has been a key factor in the long-run recovery in the goods sector. Since January 2000, the number of jobs in this industry has expanded a substantial 62%. However, employment in manufacturing is at virtually the same level as in early 2000, while the number of jobs in most other goods industries has declined. Agriculture is the only other goods industry that has taken on more workers.

Both public (+0.5%) and private sector (+0.3%) employment increased in February, but there were 1.0% fewer self-employed workers. Full-time employment continued to rise (+0.2%), even though the number of women with full-time work was down 0.2%. Nearly 80% of the province’s workers now have full-time jobs.

Part-time employment was virtually unchanged in February. The youth unemployment rate fell to 7.8%, while the jobless rate for workers aged 25 and over dropped

to 3.3%. Women aged 15 and over (4.5%) were more likely to be unemployed than men (3.7%).

Most regions continued to experience robust labour market conditions

All regions of the province posted relatively low unemployment rates, ranging from 1.9% (3-month moving average, unadjusted) in North-eastⁱ to 7.1% in North Coast/Nechako. Cariboo (-2.7%) and North Coast/Nechako (-0.2%) were the only regions where employment fell during the 12-month period ending in February. Kootenay (+12.4%) recorded the strongest job growth, with increases in other regions ranging from +0.8% in Thompson/Okanagan to +4.3% in Mainland/Southwest.

The Nation

Canada’s unemployment rate edged down to 6.1% in February, as employment inched up (+0.1%) while the size of the labour force remained unchanged. The four western provinces continued to see jobless rates that were well below the national average. Alberta had the country’s lowest unemployment rate, while BC and Saskatchewan (both at 4.0%) had a slightly higher incidence of unemployment. Manitoba’s 4.3% rate was also significantly lower than the Canadian average. Rates in other provinces ranged from 6.3% in Ontario to 14.3% in Newfoundland which, together with PEI, continues to see double-digit unemployment rates.

ⁱ BC Stats estimate using data supplied by Statistics Canada

Selected Statistics	Feb-07	Jan-07	Feb-06
BC Unemployment Rate (%)	4.0	4.3	4.7
Canadian Unemployment Rate (%)	6.1	6.2	6.3
BC Employment ('000)	2,253	2,250	2,176
BC Labour Force Participation Rate (%)	66.2	66.4	65.5
February % change in employment relative to:	-	0.1	3.5
February % change in labour force relative to:	-	-0.2	2.8