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## Labour Force Statistics ♦ May 1999

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### HIGHLIGHTS

- **The B.C. labour force participation rate fell to 64.9 per cent in May from 65.8 per cent in April.** This reflected lower employment levels accompanied by a relatively larger decrease in unemployed persons which pushed the unemployment rate down to 8.4 per cent in May from 8.8 per cent in April.
- **Most of the employment decrease appears to have been in the Metro Vancouver region.** Both actual and seasonally adjusted three month moving average employment levels for Metro Vancouver fell in May by 4,000 and 12,000 respectively.
- **Actual average B.C. employment levels for May 1999 compared to May 1998 were up 26,400.** The actual B.C. unemployment rate of 8.4 per cent in May 1999 compares to 9.6 per cent in May 1998.
- **Seasonally adjusted employment in May for Canada rose only in Ontario, Manitoba and Newfoundland, with declines in all other provinces.** B.C., Alberta, Saskatchewan, Quebec, New Brunswick and PEI all had lower seasonally adjusted employment levels in May than seen in February 1999 when Canada's total was the highest this year.

<b>Selected Statistics (SA)*</b>	<b>May 1999</b>	<b>Apr 1999</b>	<b>May 1998</b>
B.C. Unemployment Rate	8.4%	8.8%	9.7%
Canada Unemployment Rate	8.1%	8.3%	8.4%
B.C. Help Wanted Index (1996=100)	121.0	121.0	121.0
B.C. Employment - Monthly Change	-0.9%	-0.6%	--
B.C. Labour Force - Monthly Change	-1.3%	-0.2%	--
B.C. Participation Rate	64.9%	65.8%	64.8%

\* Unless otherwise indicated, all labour force variables are seasonally adjusted.

*Labour Force Statistics is a joint compilation and review by BC STATS of the Ministry of Finance and Corporate Relations and the Research, Evaluation and Accountability Branch of the Ministry of Advanced Education, Training and Technology of the results of the monthly Labour Force Survey conducted by Statistics Canada. For more information, call BC STATS (250) 387-0327 or R,E&A (250) 952-6111.*

## B.C. Labour Market Update for Youth Aged 15 to 24

**Introduction . . .** This article takes a look at some of the changing labour market characteristics of B.C. youth aged 15 to 24 during the 1990's. This diverse group of young persons are mainly involved in either the labour force (employed or actively looking for work/temporarily laid off) or schooling, and in some cases both. A small portion of youth aged 15 to 24 (6 per cent) are not engaged in either the labour force or education/training. Data from Statistics Canada's Labour Force Survey during the main schooling months of January to April and September to December is chiefly examined. This allows one to differentiate the labour market activities of student youth from non-student youth during the school year. Changes in the labour force activity for returning students during the summer months will be examined in a future article.

It should be noted that a significant portion of youth aged 15 to 19 are of secondary school age, while the older portion of this cohort includes both those engaged in initial post-secondary education and/or participation in the labour market. Older youth aged 20 to 24 are mainly involved in the labour force or post-secondary education and training.

**Labour Force Participation . . .** Figure 1a shows the annual labour force participation rate for youth aged 15 to 19 and 20 to 24, compared to a "core adult group" aged 25 to 54. The gap between core adult and youth participation in the labour force increased between 1990 and 1998. The labour force participation rate for those aged 15 to 19 fell by 13.2 percentage points compared to a drop of 7.8 percentage points for those aged 20 to 24, while the core adult group saw little change in their rate.

The fall in overall youth labour force participation during the 1990's occurred in part due a drop in the labour force participation of students. Figure 1b shows labour force participation of youth by student and non-student categories for the 8 months each year that students are normally in school.

Another key reason was an increased proportion of youth engaged in school, which combined with the fact that students have lower labour force participation, pulled down the overall rate. For example, about 36 per cent of the drop in youth labour force participation was due to higher full-time schooling participation.

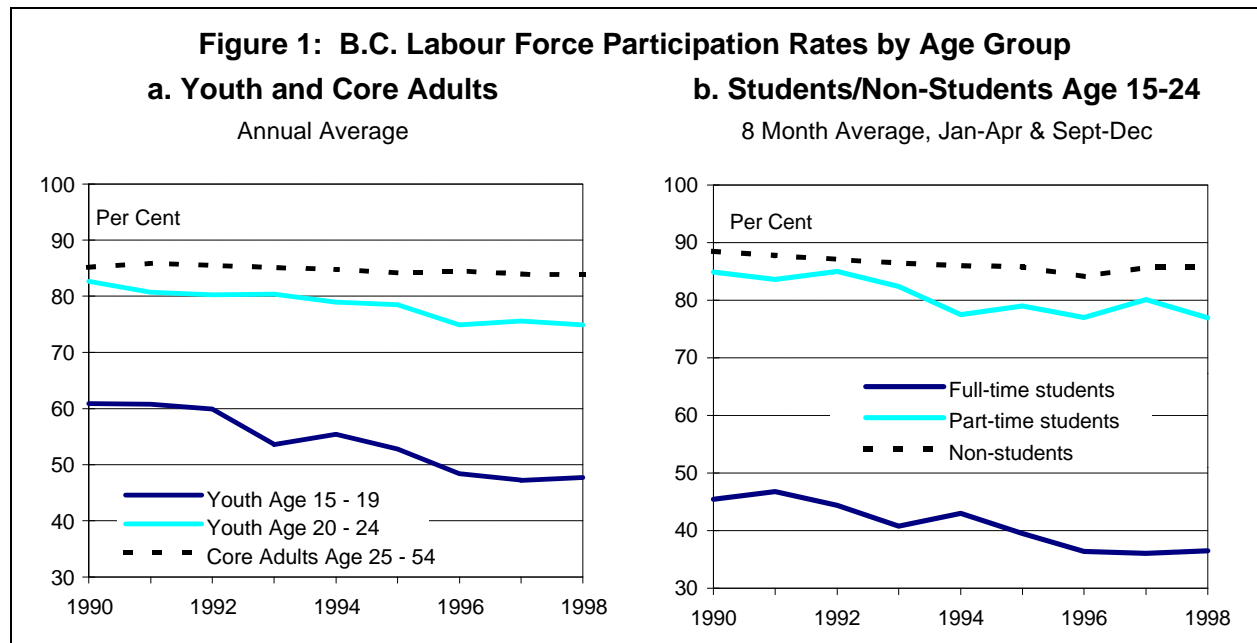
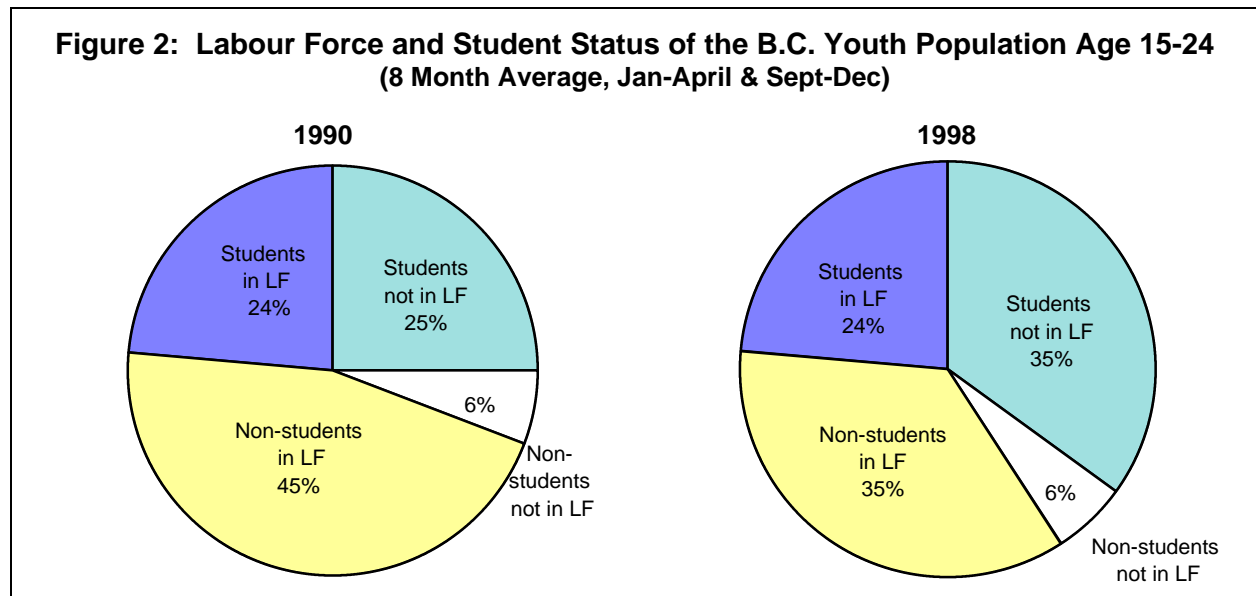


Figure 2 shows a comparison between 1990 and 1998 of the B.C. youth population in terms of student and labour force status. Over this period the youth population overall increased by 66,800. In 1990, approximately 49 per cent of youth aged 15 to 24 were students, compared to 59 per cent in 1998. Most of this was due to increased rates of participation in post-secondary education and training by youth (mainly for those aged 18 to 24).

Looking at students, the major change was the absolute and proportional increases in the number of students not in the labour force. The absolute number of students in the labour force grew at the same pace of overall youth population growth resulting in no change in their overall proportion.

For the non-student group, the key change was the absolute and proportional declines for those participating in the labour force.



**Unemployment Rates . . .** Figure 3 shows a comparison of unemployment rates of student youth, non-student youth, and core adults age 25-54. All youth, whether attending school or not, continue to experience higher unemployment rates than core adults ages 25-54.

Since 1990, non-student youth in B.C. have continued to see an unemployment rate above 15 per cent with little change over the decade. Their unemployment rate has virtually been the same as that experienced by non-student youth in Canada overall. While non-student youth in B.C. have had a similar labour force participation rate compared to core age adults, a much larger percentage of them are unemployed. Amongst non-students, older youth aged 20 to 24 have continued to see unemployment rates some 10 percentage points

below their younger counterparts aged 15 to 19, reflecting their higher levels of education and training as well as work experience.

Student youth, who historically have had lower unemployment rates than non-student youth, have seen a marked increase in unemployment rates since 1994. Unemployment rates since 1996 for part-time students, and since 1997 for full-time students, have risen above the unemployment rate of non-student youth.

Nearly all of the increase in student unemployment rates during the school year have been accounted for by those aged 15 to 19. This pattern has also occurred in examining data for Canada overall. It may be that higher post-secondary participation rates for older youths aged 20 to 24 has increased the competition for part-time jobs suitable to student schedules that

are also being sought by the younger, mainly secondary school age students. Also, while employment overall has climbed considerably since 1990, much of the strongest areas of growth have been in occupations requiring higher education and skills. Younger students are still mainly in the process of acquiring such education and skills. The rise in unemployment

rates for student youth aged 15 to 19 may also explain why the labour force participation rate of younger students has fallen. In such an environment many such younger student youth may have simply shifted to concentrating on their studies and are no longer actively seeking part-time work.

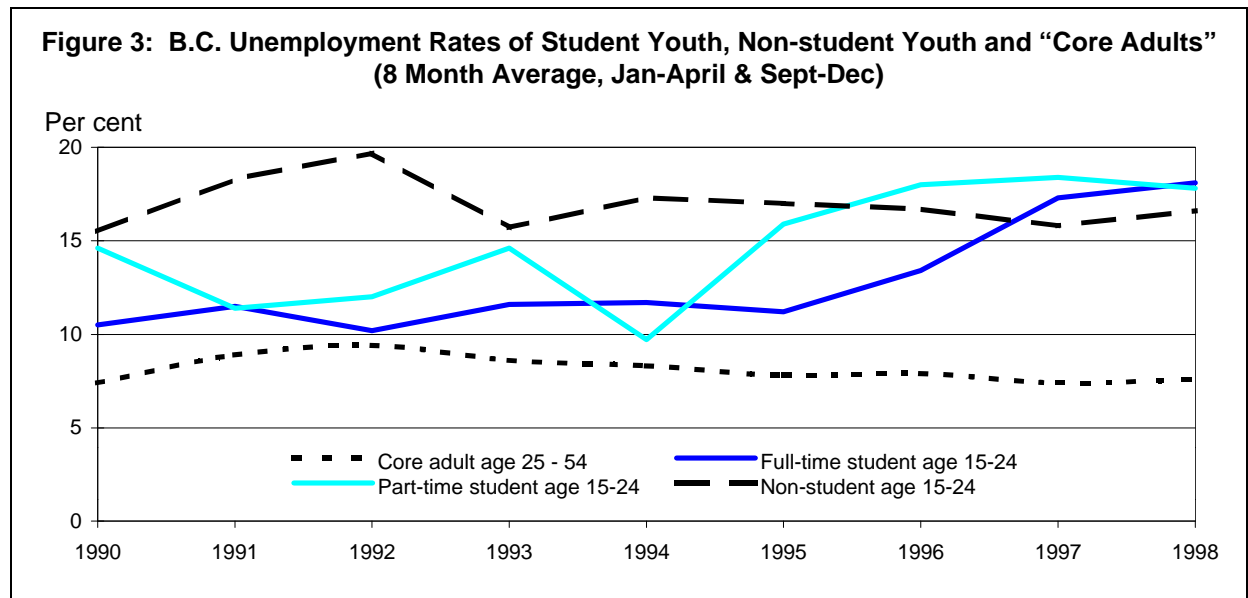


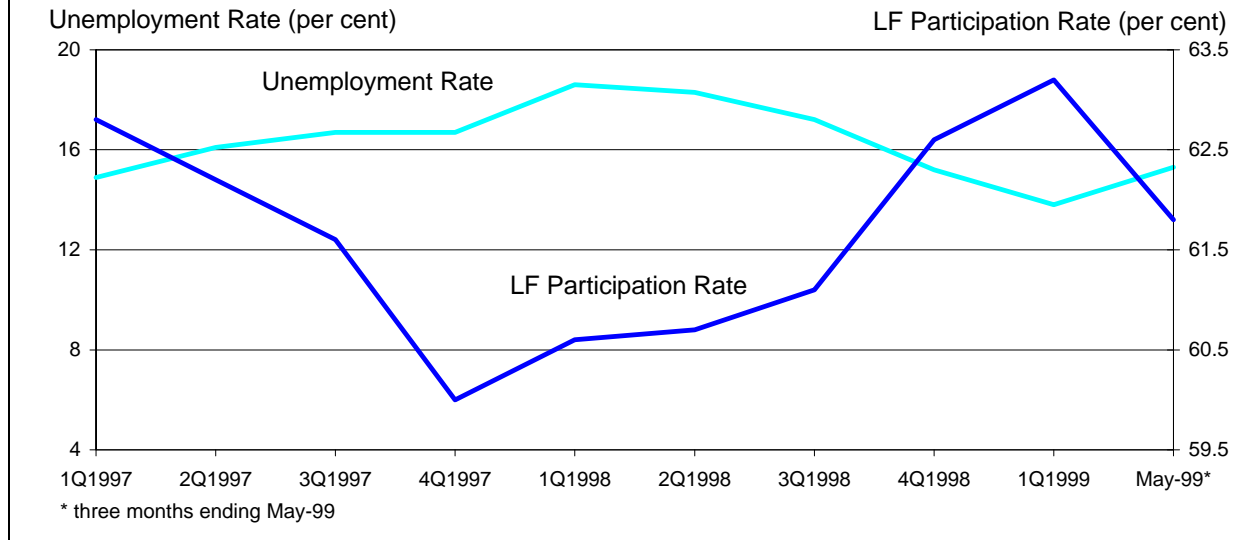
Figure 4 shows the recent quarterly B.C. seasonally adjusted unemployment rate and labour force participation rate for youth. The last data point noted “May-99” is for the latest three month average period ending in May 1999. Data broken down by student/non-students is unavailable on a seasonally adjusted basis. Generally overall youth labour market conditions have been improving since the low point seen between much of 1997 and early-1998.

The labour force participation rate for youth has been generally increasing recently, up from a relative low point of 60.0 per cent in the fourth quarter of 1997, reaching 63.2 per cent in the first quarter of 1999. For the latest average

three month period ending in May 1999, the youth labour force participation rate has slipped back to 61.8 per cent.

Youth unemployment rates have been decreasing in the past several years, from a high of 18.6 in the first quarter of 1998 to a recent low of 13.8 per cent in the first quarter of 1999. The youth unemployment rate however, like that of adults aged 25 and older, saw a slight increase in the latest average three month period. However, it continues to remain below the 16 per cent level, a threshold which it remained above from the second quarter of 1997 to the third quarter of 1998.

**Figure 4: Recent Labour Market Activity for B.C. Youth Aged 15-24  
quarterly, seasonally adjusted**



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