

- Unemployment rate unchanged at 4.2% in December
- Six-month-long downturn ends as exports rise 3.9% in November
- Housing starts plunge 34.0% in December but 2007 still a good year for homebuilders

Labour Force

• **British Columbia's unemployment rate remained unchanged at 4.2% (seasonally adjusted) in December** as a slight decline in the number of people with jobs (-0.3%, or -7,000 people), was matched by a similar drop in the number who were either working or looking for work (-0.3%, or -6,900 people). Nationally, the unemployment rate was unchanged at 5.9%. Unemployment rates in all four western provinces remained well below the national average. They were lowest in Alberta (3.2%) and Saskatchewan (4.0%), while both Manitoba and BC recorded a rate of 4.2%. *Data Source: Statistics Canada*

• **BC's goods producing industries cut back 1.2% in December, as employment in the province's manufacturing industry continued to shrink, plunging 6.4%.** However, the construction industry took on 1.3% more workers in December, and even stronger gains were seen in some of the primary industries.

In the service sector, employment stalled as seven industries downsized their workforce. The number of jobs in wholesale & retail trade (-1.4%) shrank for the third time in four months. However, there was significant job growth in transportation & warehousing (+6.0%) and public administration (+5.7%).

• **Northeast continued to have the lowest jobless rate in the province, with only 1.6% (3-month moving average, unadjusted) of its labour force unemployed in December, but North Coast/Nechako's jobless rate jumped to 9.1%, more than three points higher than at the beginning of the year.** In the rest of BC, unemployment rates ranged from 3.4% in Vancouver Island/Coast to 5.9% in Kootenay. Although Thompson/Okanagan's unemployment rate

remains relatively low (4.2%), it was the only region other than Nechako to post a decline in employment in December.

Victoria's jobless rate was 2.6%. Vernon (2.9%) was the only other municipality where the unemployment rate was below the three percent mark. Vancouver's rate was 3.7%, while other municipalities recorded jobless rates ranging from 4.0% in Nanaimo to 6.4% in Kamloops.

Data Source: Statistics Canada (Note: unemployment rate for Northeast is calculated by BC Stats using data supplied by Statistics Canada)

The Economy

• **Exports of BC products increased 3.9% (seasonally adjusted) in November.** This was the first time since April that the value of BC exports has risen. International shipments of most commodities were up from October levels, with the strongest gain (+10.4%) seen in exports of industrial & consumer products. The forest sector posted a marginal 1.6% increase, similar to the gain in exports of machinery, equipment & autos, while energy exports were up 4.9%.

Shipments to the US remained weak, edging down 0.1% in November despite a modest bounce (+1.9%) from the forest sector. US-bound exports have been falling throughout the latter half of 2007. Exports to other destinations picked up significantly (+9.9%) in November, boosted by big increases in industrial & consumer (+21.7%) and energy (+15.5%) products.

Data Source: Statistics Canada & BC Stats

• **The number of housing starts in the province plunged 34.0% (seasonally adjusted) in December, following a national trend.** Canadian starts were down 19.6%, as new building activity plummeted in most provinces. Quebec (+2.7%) escaped the general malaise, but starts were down 30.5% in Ontario and fell 13.0% in Alberta.

Did you know...

Three quarters (76%) of British Columbians read at least one book last year with mysteries and thrillers (62%) being the most popular choice among readers. *Data Source: Ipsos Canada*

Nationally, the decline was attributed to winter weather conditions, together with volatility in markets for multiple-family units. In BC, starts of single-detached housing in urban areas of the province rose 15.2%, but builders of multiple-family units cut back (-53.8%), contributing to a similarly large decline in starts in the Vancouver area (-53.5%).

Data Source: CMHC

- **The value of building permits issued by BC municipalities dropped sharply (-20.0%, seasonally adjusted) in November, eroding much of the 38.2% increase in October.** Residential permits tumbled (-28.5%) while the value of non-residential permits rose (+6.5%). Victoria (+24.4%), Abbotsford (+16.9%) and Kelowna (+6.6%) all saw increases, but permits were down (-33.3%) in Vancouver following a substantial increase in October.

Nationally, permits slumped 9.9%, as eight provinces recorded declines. Non-residential permits were off 17.5%, while the value of residential projects (-5.0%) was also down.

Data Source: Statistics Canada

- **Year-to-date, the value of building permits issued in BC rose 7.3% (unadjusted) over the same period of 2006.** Planned spending increased in every region except Northeast (-17.1%). Cariboo (+54.8%) Nechako (+36.2%) and North Coast (+31.2%) posted the biggest increases.

Data Source: Statistics Canada & BC Stats

Room Revenues

- **BC room revenues continued on an upward trend in September (+0.6%), marking the first back-to-back increase in 2007.** Revenue gains in Vancouver Island/Coast (+3.8%) and Mainland/Southwest (+1.2%) pushed the BC growth rate into positive territory. In addition, Nechako (+1.0%) posted an increase for the third straight month. However, most regions experienced declines, including Northeast (-6.8%), Cariboo (-4.0%), North Coast (-3.5%), Kootenay (-1.3%) and Thompson/Okanagan (-1.1%).

Data Source: BC Stats

2007 in Review

- **British Columbia's unemployment rate fell to 4.2% (annual average) in 2007, as employment increased 3.2% during the year, propelled by**

strong growth in both the private (+3.5%) and public (+2.7%) sectors. Full-time employment jumped 3.3%, while the number of part-time workers was up 2.8%. The goods industries took on 6.9% more workers, while employment in the service sector expanded a more modest 2.3% during 2007.

Data Source: Statistics Canada

- **Housing starts in the province rose 5.8% during 2007 as BC homebuilders continued on a steady upward track.** 2007 marked the seventh straight year in which housing starts in the province have risen—the longest continuous upturn in at least two decades.

Data Source: CMHC

Education

- **Roughly 40% of Canadians aged 22 to 24 as of December 2003 entered a postsecondary program immediately following graduation from high school, while about 30% delayed their postsecondary studies and a similar number had a high school education or less.** Holders of a university degree (87.5%) or college diploma or certificate (86.2%) who had taken a break of at least four months before continuing their studies had the highest employment rates. Among those who started their studies immediately after high school, Canadians with a college diploma or certificate (85.1%) were more likely to be employed than university graduates (79.6%). High-school dropouts had the lowest employment rate (71.4%). Interestingly, Canadians who pursued postsecondary studies, but left before completion either with (73.3%) or without (78.9%) at least a four-month delay were less likely to be employed than those who finished high school (79.6%), but did not go on to pursue further studies. This result is consistent with the idea that individuals who left a postsecondary program had less opportunity to gain work experience than those who entered the workforce immediately after high school.

Median weekly earnings were highest for university (\$625) or college (\$552) graduates who started their studies straight out of high school and were lowest for those who quit high school at some point, but returned at a later date (\$450).

Data Source: Statistics Canada

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Children in BC Families

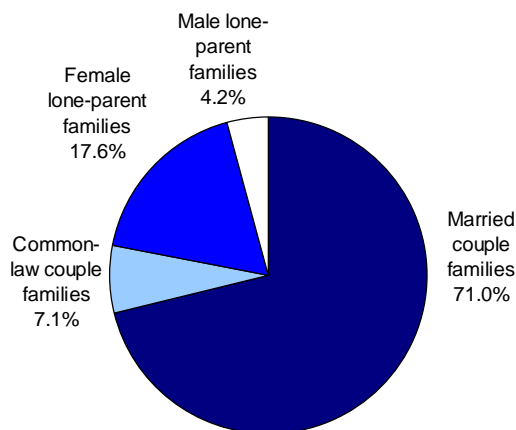
Overall Number of Children in BC Families

In 2006, there were just over 1.2 million children living in BC families. Census estimates show that the overall number of children in BC families increased by only 1.2% between 2001 and 2006, even though BC's total population grew by 5.3% over the same period. The slow growth in the total number of children in BC families may be associated with a number of factors, including the aging of Generation Y (baby boom echo), a decline in the number of couples deciding to have children, and a decline in the average number of children couples are deciding to have.

Children at Home by Family Type

Of the 1.2 million children living in BC families in 2006, 78% lived in two-parent families. This percentage has not changed since 2001. The percentage of children living in one-parent families (22%) was also the same in 2001, although the percentage living in male lone-parent families (4.2%) was slightly higher than in 2001 (3.8%).

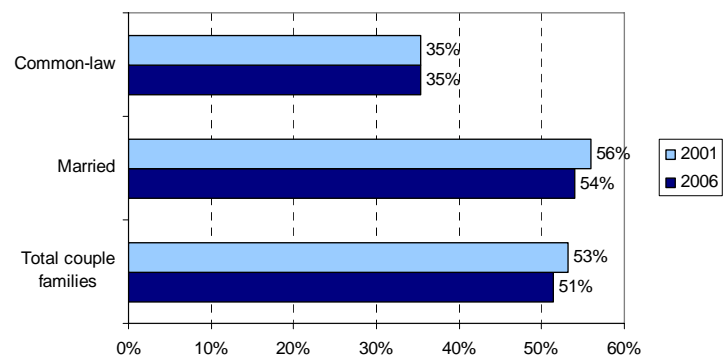
Over three-quarters of children in BC families live in two-parent households



Presence of Children at Home

Just over half of all couple families had children living at home in 2006. Married couples were more likely to have children at home than common-law couples. Compared to 2001, married couples were less likely to have children in the home, but the percentage of common-law couples with children in the home did not change between 2001 and 2006.

The proportion of married couples with children in the home has decreased since 2001



Number of Children at Home

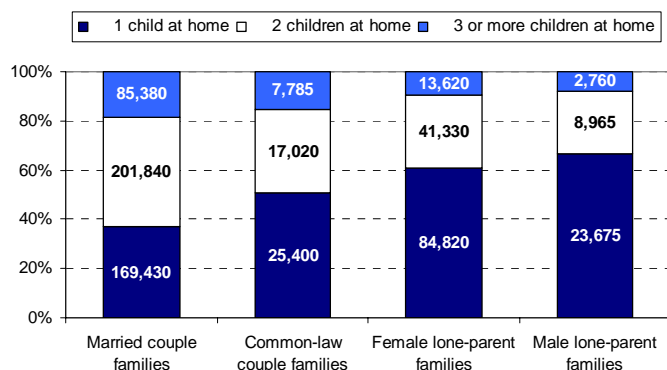
The average number of children (per census family¹) was 1.04 in 2006. When considering only families with children in the home, the average number of children per census family was 1.76, down from 1.81 in 2001. The average number of children at home varies by type of census family. Married couples with children had an average of 1.87 children in the home, while common-law couples with children had an average of 1.71 children in the home. Lone-parent families had an average of only 1.50 children in the home, but this figure was lower for male

¹ The average number of children per census family equals the total number of children in BC divided by the total number of census families in BC.

lone-parents (1.43) than for female lone-parents (1.52).

Differences in the number of children at home can also be examined by looking at the percentage of families with one, two, or three or more children in the home. Large families are becoming less common – in 2001, 18% of families with children at home had three or more children, but in 2006, this figure dropped to 16%. Just over half of all common-law couple families with children had only one child at home, while married couple families were more likely to have two children at home (44%) than only one (37%). Over 60% of lone-parent families had only one child at home.

Most families with children had only 1 or 2 children at home in 2006



Age Groups of Children at Home

There are three major factors affecting the age structure of children in BC families. First, because more couples are choosing not to have children, the number of families with young children at home is declining. For example, the number of BC families where all children were under 6 years of age decreased by 2% between 2001 and 2006. The number of BC families where all children were between 6 and 14 years of age also decreased by 2% in this time period.

Second, as the previous generation of children ages, the number of families with older children at home is increasing. For example, the number of families where all children at home were between 15 and 17 years of age increased by 12% between 2001 and 2006, and the number of families where all children at home were between 18 and 24 years of age increased by 18%.

Finally, it appears that many children are staying at home longer. The number of families in which all children were 25 years of age or older increased by 16% between 2001 and 2006. Furthermore, the percentage of all 20-29 year olds living at home increased from 40% in 2001 to 44% in 2006.

The age structure of children in BC families varies by family type. While 97% of all common-law families with children have at least one child at home under the age of 25, this figure is only 90% for married couple families with children. Lone-parent families are the most likely to have all children at home 25 years of age or older, with 22% of female lone-parent families and 19% of male lone-parent families having all children at home in this age range.

Children Living with Grandparents

Less than one percent of all children in BC families lived with their grandparent(s) with no parent present. Young adults age 20-24 and 25-29 who lived at home were more likely to live with their grandparents (1.1% and 1.4%, respectively). Just over half (53%) of all children living at home with their grandparents lived with both grandparents. Children under the age of 18 were more likely to live with both grandparents, while adult children were more likely to live with only one grandparent.

Terms and Definitions

Census family – a married couple (with or without children of either or both spouses), a couple living common-law (with or without children of either or both partners) or a lone parent of any marital status, with at least one child living in the same dwelling. A couple may be of opposite or same sex. 'Children' in a census family include grandchildren living with their grandparent(s) but with no parents present.

Children in census families – blood, step- or adopted sons and daughters (regardless of age or marital status) who are living in the same dwelling as their parent(s), as well as grandchildren in households where there are no parents present. Sons and daughters who are living with their spouse or common-law partner, or with one or more of their own children, are not considered to be members of the census family of their parent(s), even if they are living in the same dwelling. In addition, the sons or daughters who do not live in the same dwelling as their parent(s) are not considered members of the census family of their parent(s). When sons or daughters study or have a summer job elsewhere but return to live with their parent(s) during the year, these sons and daughters are considered members of the census family of their parent(s).

Source: Statistics Canada, 2006 Census Dictionary, Catalogue no. 92-566-XWE

