



labour data

BCGEU Research and Campaigns

October 2010

A summary of labour-related statistics compiled by RCC from various sources, including Statistics Canada, BC Stats, the Ministry of Labour, and the B.C. Labour Relations Board.

EMPLOYMENT

B.C.'s unemployment rate rose by 0.2 percentage points in September, up to 7.5%.¹ The province's jobless rate has hovered between 7.3% and 7.9% since February. It remains below the national average (8.0%), but is the highest among western provinces (5.4% in Manitoba, 5.5% in Saskatchewan, 6.2% in Alberta).

Unemployment rate (%) – September 2010

| British Columbia | | | | Canada |
|------------------|-------|-----|-------------------|---------|
| Overall | Women | Men | Youth (15-24 yrs) | Overall |
| 7.5 | 6.6 | 8.3 | 14.4 | 8.0 |

The reason for the rise in joblessness in B.C. was the same as it was back in June. The increase in the rate of unemployment was the result of more people looking for work – the province's labour force expanded (0.2%) without a similar growth in jobs (-0.01%). A fall in the number of full-time jobs (-3,400) accounted for the 300 total jobs lost in B.C. in September.

> SECOND QUARTER OF 2010

Overall during the second quarter of 2010:

- The unemployment rate decreased by 0.4 percentage points and the number of unemployed British Columbians fell 4.5%.
- The number of people employed in B.C. rose 0.5%, but full-time employment increased just 0.2%, leaving much of the recorded job growth in part-time employment (+1.7%).

Full-time employment increased by 3,000 jobs between the first and second quarters, while the number of people working part-time jumped by more than three times that number (+10,000 jobs). As a percentage of total employment, part-time jobs account for over 22% of all jobs in B.C.

After falling in the two previous quarters, the number of people receiving regular EI benefits increased by 0.8% in the second quarter.

¹ Employment data is seasonally adjusted, unless otherwise indicated.

➤ **REGIONAL UNEMPLOYMENT RATES** (3-month moving average, unadjusted):

The unemployment rate in Vancouver was the same in September as it was in June (7.6%). It had risen slightly in July (7.7%) and August (7.8%). Victoria's jobless rate declined to 5.3% in September, its lowest level this year.

Across the province:

- The unemployment rate remained the highest in the North Coast & Nechako region (10.4% in September, down from 10.8% in August).
- The unemployment rate remained the lowest in the Vancouver Island/Coast region (6.3%, down from 6.4%).
- The unemployment rate fell to 7.7% in the Mainland/Southwest region (from 7.9%), and rose to 7.6% in the Northeast (from 6.8%) and 8.5% in the Thompson/Okanagan region (from 7.9%).

Compared to the same time last year, the unemployment rate in the Cariboo has shown the most improvement (down from 12.4% to 8.2%). During the same period, the jobless rate in the Kootenay region has risen from 8.8% to 10.2%.

INFLATION

Inflation in B.C. in September was at 1.6%.² Energy prices kept climbing (+4.5%), accounting for some of the increase in the overall price level.

CPI – Consumer Price Index (% change, September 2009 to September 2010, all items)

| Canada | British Columbia | Vancouver | Victoria |
|--------|------------------|-----------|----------|
| 1.9 | 1.6 | 1.9 | 1.2 |

Consumer prices were up across the country in September. At the national level, inflation was at 1.9%, the highest it has been since January.

WAGES

The latest BC Stats data (September 2010) put the average hourly wage in B.C. at \$23.02, an increase of 2.9% over the last year.³ For the same time period, Statistics Canada put the national average hourly wage at \$22.72, a 2.3% increase over last year.

According to Statistics Canada (September 2010), on average, men in B.C. earn \$4.35 per hour more than women, and unionized employees average \$5.82 more per hour than non-union employees.

In its latest quarterly information, the BC Bargaining Database reports that the average first-year increase for contract settlements in B.C. in the second quarter of 2010 was 0.33% (0.16% for public sector, 1.14% for private sector). The all-industry average first-year increase for the latest 12 months (third quarter 2009 to second quarter 2010) was 1.13%. Note that these numbers reflect the wage increase negotiated for the first year of the contract, regardless of the effective date of the increase.

² Inflation data is not seasonally adjusted.

³ Wage data is unadjusted.

CERTIFICATIONS

The B.C. Labour Relations Board reports six certifications granted in B.C. in September, covering 82 employees, all in the private sector. As in the first quarter of 2010, almost half of the certification applications granted during the second quarter (16 out of 39, covering 918 employees) were in health and social services.

Certification applications granted, by industry (1st Quarter 2010)

| Industry | Applications | |
|---|----------------------|----------------|
| | Applications granted | # of employees |
| Accommodation, Food & Beverage Services | 1 | 75 |
| Construction | 7 | 253 |
| Educational Services | 1 | 16 |
| Government Services | 1 | 4 |
| Health and Social Services | 16 | 918 |
| Manufacturing | 4 | 59 |
| Retail Trade | 2 | 37 |
| Transportation and Storage | 4 | 45 |
| Other Services | 3 | 12 |
| | | |
| Total | 39 | 1419 |

ECONOMIC FORECASTING

According to BC Stats (Business Indicators, September 2010), "British Columbia's labour market continued its post-recession recovery [in the second quarter of 2010], but there are signs that it may be losing some of its momentum." The province's "unemployment rate is shrinking, but many are finding part-time, rather than full-time work. Employment in the goods sector remains well below pre-recession levels and labour income growth has slowed considerably." In addition, although job growth continued during the second quarter, it was "at a rate well below that seen earlier in the year."

A similarly cautious view is taken of the broader economic picture:

On the one hand, the Canadian economy is seeing overall growth. On the other hand, that growth is significantly slower than previous quarters. What's more, indications are that the third quarter was not off to an encouraging start as GDP dipped for the first time in a year in July (-0.1%). This places the more optimistic predictions around Canada's economic performance for 2010 in jeopardy, which may put pressure on policy-makers to hold off on plans to decouple the economy from fiscal stimulus.

The international situation is also fragile, with weak growth in the US economy and a number of European countries struggling to manage debts and deficits.

Thus, BC Stats and many economists are reporting that "BC, along with the rest of the global economy, is facing a relatively uncertain economic future."

Most fall forecasts of Canadian economic growth in 2010 and 2011 have been revised downward. Scotiabank, TD and CIBC are each predicting 3.0% growth in real gross domestic product (GDP) in Canada in 2010, and lower levels of growth in 2011. For B.C., major banks and analysts are forecasting 2.5% to 3.6% growth in GDP in 2010, and 2.0% to 2.9% growth in 2011.

Economic forecasts

| | Real GDP growth (%) | | | Unemployment rate (%) | | CPI (% change) | |
|-------------------------|---------------------|------|------|-----------------------|------|----------------|------|
| | 2009e | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 |
| British Columbia | | | | | | | |
| BC government | -2.7 | 2.2 | 2.3 | 7.9 | 7.7 | 1.8 | 2.0 |
| Central 1 | -3.1 | 2.5 | 2.6 | 8.1 | 7.8 | 1.5 | 1.8 |
| Scotiabank | -2.3 | 3.4 | 2.9 | 7.4 | 7.2 | - | - |
| TD | -2.0 | 3.5 | 2.0 | 7.8 | 7.5 | 2.0 | 2.0 |
| CIBC | -2.3 | 3.5 | 2.9 | - | - | - | - |
| Global Insight | -2.3 | 3.6 | 2.9 | 7.5 | 6.9 | 1.7 | 2.0 |
| Canada | | | | | | | |
| Scotiabank | -2.5 | 3.0 | 2.3 | 8.0 | 7.8 | 1.8 | 2.1 |
| TD | -2.5 | 3.0 | 2.0 | 7.9 | 7.4 | 1.8 | 1.8 |
| CIBC | -2.5 | 3.0 | 1.9 | 8.1 | 8.1 | 1.6 | 1.9 |
| Global Insight | -2.5 | 2.9 | 2.3 | 8.0 | 7.6 | 1.8 | 1.9 |

DESPITE INTEGRATION, DISPARITIES PERSIST

Using 2006 Census data, a recent BC Stats article examines the progress of women's integration into traditionally male-dominated occupations, specifically higher-profile, higher-paying jobs. It finds increased integration almost across the board, including in high-level business and finance occupations, and among physicians, judges, chemists and manufacturing supervisors. The article also finds significant increases in women's representation in various management occupations.

Despite this integration and ascent in the workforce, however, women's employment incomes still lag behind those of men. The same 2006 Census data shows a persisting gap between men's and women's earnings. For example, younger women employed in management occupations earned only 86 cents for every dollar earned by their male counterparts in 2005. Among women aged 50 to 54 employed on a full-time, full-year basis, the ratio was 72 cents on the dollar across occupations. And women continue to be overrepresented in low-paying jobs in Canada.

Based on these numbers, the Conference Board of Canada has given Canada a "C" grade for a gender income gap (21% in September 2009) that ranks 12th out of 17 peer countries, including Denmark (9%), the United States (20%) and France (12.1%).

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