

Surrey Business Leadership Perspective on the BC Labour Force Survey - September 2020

For August 2020 Labour Force Statistics

Data from Statistics Canada's Monthly Labour Market Survey has become a key indicator of the employment impacts and recovery from the COVID-19 pandemic. Changes in employment and unemployment, unemployment rates, industry trends, changes in occupational employment, regional and demographic variations and comparison with national trends is important information to drive future decisions for policy-makers, community leaders, business organizations, educators, service providers, marketers, consumers and job-seekers.

The 'Surrey Business Leadership Perspective on the BC Labour Force Survey' is brought to you by the Surrey Board of Trade, in conjunction with Human Capital Strategies, as part of our role to inform businesses and policy-makers and track economic recovery from the pandemic.



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Overall – Canada



246,000 jobs

- Employment recovery is continuing across the country. All provinces except New Brunswick (slight drop in employment but not in unemployment rate) saw gains in employment and reduced unemployment rates since July 2020 and earlier.
- Canada gained almost 246,000 jobs between July and August 2020, a 1.4% increase in employment. The back to work trend has increased employment by more than 1.9 million jobs for a 11.8% increase since April.
- The unemployment rate dropped to 10.2% in August from 10.9% in July, however it remains much higher than the 5.6% in February 2020.
- Employment in Canada still has almost 1.1 million less jobs in August than in February 2020, a 5.7% decline due to the pandemic.

Overall – BC



15,300 jobs

- Employment in the province increased by over 15,300 jobs or 0.6% between July and August 2020. This means BC has had an increase in employment of almost 247,000 jobs since the BC recovery started in April.
- BC's unemployment rate dropped to 10.7% in August from 11.1% in July, however it remains more than double the rate of 5% in February 2020.
- Employment is still down by almost 150,000 jobs between February and August 2020, a 5.9% deficit.

“ **[BC's unemployment] remains more than double the rate of 5% in February 2020.** ”

Goods - Producing Industries



20,700 jobs

- While BC's employment in the goods sector is 10,300 less than in February, it has seen an increase of 36,100 jobs since April including growth of 20,700 jobs in August, a 4.6% increase. Goods-producing growth impressively outpaced service-producing industries in August unlike the national trend.
- All goods-producing industries increased in jobs since July, with the biggest increases in agriculture in August at 6,600 jobs for a 27% increase, and with manufacturing growing by 6,000 jobs.
- Excluding construction in BC, the goods-producing sector employment is 14,300 or 6% higher than in February of this year, gaining all job losses from the pandemic and then some. However, construction employment in BC remains 24,600 or 10.2% lower in August than in February. Agriculture, natural resources, utilities and manufacturing are in growth mode in this pandemic.

Service - Producing Industries

- Employment in the service sector in BC was a different story. A combination of industries with growth and some with contraction means services lost 5,400 jobs in August for a slight 0.3% reduction. While it has grown by over 210,900 jobs since April, today services still have 139,300 less jobs than in February 2020 (-6.8%).
- The biggest employment gains in August were mostly those previously hard hit by the pandemic:
- **Accommodation & Food Services**
 - up 6,000 (3.7%) in August, and a ‘job machine’ since April, up almost 98,000 or 118%; but it is still short of February employment by 14,400 or -7.4%.
- **Other Services**
 - up 7,900 (2.8%) in the last month, and up almost 33,800 jobs (13.4%) since April; however, it still has 56,400 less jobs now than in February 2020, a 16.4% shortfall in recovery.
- **Health Care & Social Assistance**
 - Employment rose by 5,100 or 1.4% in August, is up since April by almost 19,000 jobs (+6.6%) but is slightly down from February by 6,200 jobs or -2.0%.
- **Retail & Wholesale Trade**
 - After continuous growth in jobs since April, retail and wholesale trade lost 10,400 jobs in August for a 2.7% drop. While its employment has risen almost 42,000 or 12.7% since April, this industry’s jobs are now still almost 34,000 or 8.4% lower than in February.
- **Scientific & Technical Services**
 - Dropped almost 11,000 jobs for a 4.6% drop. However, its current employment is 5,500 or 2.5% higher than in February.
- **Finance, Educational Services & Public Administration**
 - All experienced very small employment decreases since July (a combined loss of 3,100 jobs).
- **Transportation & Warehousing**
 - Saw a small uptick of 500 jobs (0.4%) but is still down by 12,000 jobs (-8.7%) since February.

Occupations



- Employment growth and changes in unemployment rates was mixed in occupational categories in BC.
- July unemployment rates ranged from a low of 1.7% for health occupations to a high of 20.5% for Arts, Culture, Recreation, & Sport (ACRS) jobs. No surprise given large groups and events involving these occupations.
- The biggest gains in jobs over the last month were in positions in management (24,100 or 10.9%), natural resources and agriculture (9,700 or 17.5%), natural and applied sciences (8,400 or 4.1%); and sales and service (2,700 or 0.5%).
- The biggest employment losses in August were in several occupational categories:
- Manufacturing & Utilities positions (almost a drop of 15,000 or 15.8%); Business, Finance & Administration (-8,100 or -2.0%); Education, Law, Social, Community & Government (ELSCG) (-8,000 or -3.6%); Arts, culture, recreation and sport (ACRS) (-4,200 or -4.8%); and Health (-4,100 or -2.0%).
- Occupations with biggest gains in July: Sales & Service grew by over 44,000 jobs (+8.4%); Business, Finance, & Administration by over 32,000 (+10.1%); 14,800 (+20.2%) in ACRS positions; and 6,700 (+8.2%) in Manufacturing.
- Biggest changes in unemployment rates in August by occupation were:
 - ELSCG rate increased from 8.0% to 15.2%.
 - Manufacturing & Utilities unemployment rate increased from 5.5% to 7.9%.
 - ACRS increased its unemployment rate to 22.4%.
 - Natural Resources & Agriculture's rate dropped to 5.7% in August from 10.4% in July.
- Management, Health, Sales, & Service occupations have appreciable but smaller decreases in the unemployment rate in August.
- With the exception of two occupational categories, all others have higher unemployment rates in August than in February.
- Health's rate is the same at a very low 0.5% and natural resources and agriculture has a lower rate that is three times less than in February (5.7% today versus 16.7% in February).
- ACRS positions have a rate almost 5 times higher now than in February (22.4% vs. 4.9%).
- Sales service, trades, transport and equipment operators (TTEO) and business, finance and administration all more than doubled their unemployment rates over the last six months.
- Occupations are at different stages of recovery to pre-pandemic employment levels.
- Those positions still well below February employment levels are sales and service (-85,900 or -13.1%), ELSCG (-48,900 or -18.6%) and TTEO (-33,100 or -9.0%).
- Those occupations with more jobs now than in February are natural resources and agriculture (up 22,800 or 53.9%), health (up 16,800 or 9.2%), manufacturing and utilities (up 14,900 or 23.1%) and natural and applied sciences (up 13,400 or 6.8%).

Regions

- All metropolitan and development regions in BC saw employment gains in August 2020. Except for a very small drop of 700 jobs in Kelowna. Unemployment rates decreased in all areas since July, except for very small increases in Abbotsford-Mission and Cariboo region.
- Employment increased in Vancouver by 38,800 jobs in August and in the broader Mainland region by 46,200. However, the Mainland employment level is still 147,000 (almost -9.0%) less than in February 2020. With this further recovery, Vancouver Island/Coast, Thompson/Okanagan, Kootenay and Cariboo regions all have higher employment levels now compared to February 2020.
- Lowest metro area and regional unemployment rates were in Northeast (7.0%) and Abbotsford-Mission and Kelowna both at 8.6%.
- In addition to the Mainland recovery, biggest job gains in July were in Vancouver Island/Coast (+18,300) and Thompson/Okanagan (over +12,000). More modest gains were seen in the smaller other regions.

Age, Gender, & Other

- The youth (15-24) unemployment rate in BC dropped to 22.2% in August from 23.3% in July, with the female youth unemployment rate dropping to 19.7% from 25% over the last month and the male youth rate climbing to 24.5% from 21.7%.
- These rates are 244% above the February rate for all youth and over 3 times for female youth (from 6.2% in February to 19.7% in August); and more than double for male youth.
- The unemployment rate for older cohorts in BC in August was 9.4% (8.1-8.5% for men and 10.3-10.7% for women).
- Overall, over 41,000 less youth are employed in BC now compared to February (-20,200 for men and -20,900 for women); and there 53,300 more unemployed youth (29,900 men and 23,400 women).
- Of the almost 150,000 jobs lost since February in BC, 51.3% were filled by men and 48.7% by women.
- All age and gender categories have shown increasing participation rates in recent months (women at 59.5% and men at 68.6% in August).
- In terms of part-time work in BC, it remained similar in August (22.6%) to July (22.7%). Men's proportion dropped from 16.2% to 14.8% over the last month, while women's proportion increased from 29.9% to 31.2%.
- Of the over 15,000 new jobs in BC in August, women gained 23,300 while men lost over 8,000. However, 93% (21,600) of the increased employment for women was in part-time work while 143% (+11,500) of men's employment change was in full-time work.
- In terms of class of worker, the biggest impact since February employment has been on the self-employed losing 10,600 jobs in the last month for 2.3% drop. Private sector employment outpaced public sector jobs since July, gaining 22,300 or 1.5% vs. 3,500 or 0.8%. However, private sector employment is now still 145,900 or 9.0% below February levels.

Summary

- Economic activity in Canada and BC continues to produce increases in employment and slightly reduced unemployment rates since April and continues in August, although slightly less than in July growth.
- In terms of job losses, BC's economy is still in a job-deficit from impacts of the pandemic (almost 150,000 jobs lost and not yet recovered) and the recovery is variable across industries and occupations:
 - Goods-producing industries – while smaller in employment than services – are now leading recovery (agriculture, manufacturing, natural resources and utilities, with construction lagging)
 - While accommodation and food services, health and other services continue to recover employment, retail and wholesale trade and professional, scientific and technical services each shed over 10,000 jobs in August after 3 successive month of job recovery.
 - Based on industry patterns, recovery is proving relatively challenging in ACRS, ESLCG, sales and service and TTEO occupations.
- BC continues to be well-positioned fiscally and economically to move through the pandemic. Continued employment recovery will depend on planning for a new normal, safe work and consumer practices and mitigation of coronavirus outbreaks including new measures in light of school openings and the flu and cold season (e.g. testing, tracking/tracing, quarantining, treatments, etc.). Employers and employees will have an important role in this.
- The August 2020 LFS data provides continued positive momentum for BC's jobs recovery. Longer term recovery will require effective public policies and support, smart business practices, economic and business resilience and a shared blueprint for economic recovery among governments, businesses, workers and public sector service providers.