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REPORT

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Surrey Board of Trade Surrey Labour Market Intelligence Report

July 2023 (including results of Statistics Canada's August 2023 Labour Force Survey)

The Surrey Board of Trade (SBOT) continues to provide the only Surrey-specific labour market data on a regular basis! This summary report compares employment changes in Surrey from during the middle of the COVID-19 pandemic (July 2021) and through to July 2023 to show the local employment impacts of the pandemic and other factors. This report is prepared by Human Capital Strategies in conjunction with the Surrey Board of Trade.

This is the fourth of six SBOT Labour Market Intelligence (LMI) Reports in 2023. Note that in these bi-monthly reports, "COVID-19" has been removed from headings as we are no longer comparing current employment with a pre-COVID baseline in February 2020. Surrey employment levels in 2021 are now a new benchmark or baseline with which we are comparing current levels (see Footnote 5 at the end for Methodology).

In previous reports until the end of 2022, the Labour Force Data provided by Statistics Canada was based on population counts from the 2016 Census of Population. As of the February 2023 report, the estimates have been adjusted to reflect the population counts from the 2021 Census. As a result, you will see some minor changes in numbers from Labour Market Intelligence Reports published in 2023. All of the numbers for 2021 and beyond provided in this report have been updated based on the revised labour force data from Statistics Canada.

Highlights

Over the last 12 months, Surrey employment grew by an estimated 6,615 jobs or 2.0% since July 2022. While still significant, this growth was smaller than the growth in the previous 12 months (July 2021-July 2022) which was more than 7,900 jobs or 2.5% as part of the COVID-19 recovery since 2020. Importantly, this contrasts with less job growth at the national and provincial levels.

Surrey experienced employment growth in both goods-producing and service-producing sectors – those with the greatest job growth to July 2023 are estimated to be:

1. More than three-quarters (77%) of Surrey's gross employment growth over the last 12 months came from the wholesale and retail trade employment with an increase of 9.5% or over 5,100 jobs in Surrey;
2. Health care employment, perhaps with all-out recruitment and hiring efforts, rose by 7.4% or almost 2,900 jobs since July 2022;
3. Employment in finance, insurance and real estate also increased a further sizeable 14.4% or 2,164 jobs;
4. Education sector employment jumped another 13.7% since July 2022 for almost 3,000 more jobs – perhaps resulting from a continued, sustained attendance at school throughout the year; and,
5. While smaller in absolute growth in jobs (1,847), Surrey's resource sector (i.e., agriculture, forestry, fishing, mining, quarrying, oil and gas) expanded by an impressive 51.2% over the last 12 months – leading the way in Surrey growth on a percentage basis.

The sectors with the most negative employment change in Surrey over the last 12 months are estimated to be: business, building and other support services; transportation and warehousing; manufacturing; and, construction.

As of July 2023, the growth in employment by broad occupational category in Surrey since July 2022 also reflects a heavy service-producing emphasis:

1. Management jobs grew by 25.0% or almost 4,164 jobs over the last 12 months;
2. Sales and service jobs grew by 4.2% or almost 3,400 positions in Surrey;
3. Education, law and social, community and government services contributed almost 2,000 new jobs for a 6.8% increase; and,
4. Art, culture, recreation and sport employment jumped by 23.8%, creating over 1,663 jobs.

While a relatively small growth of 834 jobs since July 2022, employment in natural resources, including agriculture, in Surrey experienced a very significant 22.5% increase.

Over the last two years since July 2021, art, culture, recreation and sport (66.2% or 3,802 jobs), management (34.8% or 5,568 jobs) and education, law and social, community and government services (12.7% or 3,360 jobs) occupational categories experienced the highest growth (percentage-wise) in Surrey – the latter two perhaps due to COVID recovery.

Over the same two-year period, the biggest decreases in occupational employment were in:

- Manufacturing and utilities positions decreased by 23.1% or -3,762 jobs;
- Natural and applied sciences positions dropped by 19.1% or over -4,434 jobs; and,
- Employment in trades, transport and equipment operators declined by 8.5% or almost -5,000 jobs.

Again, the labour market in Surrey over the last few years has been a tale of two themes:

- One of sustained growth in job among key goods-producing sectors in natural resources and inconsistently in some like construction. Unfortunately, manufacturing employment has lagged over the last several months.
- The other is significant recoveries in large service industries such as wholesale and retail, transportation and warehousing, and finance, insurance, real estate, rental and leasing; and in COVID-impacted ones like leisure and arts/culture services, educational services and “other services.”

One note of concern is that job growth has leveled off in knowledge-based sectors like professional, scientific and technical services, information, healthcare and social services and business and building services. These sectors will need to expand labour market demand to generate the future tech-based economy Surrey needs.

While Surrey had higher growth than BC and Canada over the last year, factors such as inflation concerns, interest rates, housing costs and availability, talent shortages, supply chain issues (including labour instability), government regulation (particularly related to resource sectors) and other trends continue to combine to prevent a more robust recovery since the worst of the pandemic. Uncertainty, talent, increased costs, supply bottlenecks, lagging productivity and competitiveness will need to be addressed across Surrey and BC.

COVID-19 Employer, Labour Force and Workforce Impacts in July 2023

Surrey Employer Employment Impacts: Estimates extrapolated from Statistics Canada’s 2016 Census and 2023 Statistics Canada Labour Force Survey (August 2023).

Surrey and Metro Vancouver Changes: Labour Force Per Census 2016 and 2021¹²

Over the last 12 months, Surrey employment grew by an estimated more than 6,600 jobs or 2.0% since July 2022. While still significant, this growth was a little smaller than the growth in the previous 12 months (July 2021-July 2022) which was more than 7,900 jobs or 2.5% as part of the COVID-19 recovery since 2021. Importantly, this contrasts with less job growth at the national and provincial levels.

Surrey’s recent labour market growth has been significant when compared to the broader Metro Vancouver Region (Regional District, which includes Surrey). Between 2016 and 2021, the Metro Vancouver area saw a labour force growth of 112,700 or 8.3% over this 5-year period.

Surrey’s labour force grew to 308,190 in 2021 or a healthy 12.2%, from 274,690 in 2016 - an almost 2.5% average annual growth. As a result, Surrey’s labour force in 2021 as a percentage of Metro Vancouver’s grew to 21.0% from just above 20.0% in 2016. Interestingly, Surrey’s labour force as a proportion of Metro Vancouver’s in 2021 was relatively higher in blue collar occupations such as 30.1% in trades, transport and equipment operators, 26.9% in natural resource occupations, and 34.2% in occupations in manufacturing and utilities. The

¹ Statistics Canada. 2023. (table). *Census Profile*. 2021 Census of Population. Statistics Canada Catalogue no. 98-316-X2021001. Ottawa. Released February 8, 2023.

² Statistics Canada, Table 14-10-0379-01.

Surrey labour force was proportionately lower than Metro Vancouver's in occupations in art, culture, recreation and sport (9.9%), in senior management positions (12.0%), in natural and applied sciences (13.9%), and in education, law, social, community and government services (16.8%).

Surrey Employment Impacts BY INDUSTRY – July 2021 to July 2023

Employment in Surrey in July 2023 was an estimated 2.0% or just over 6,600 more jobs above employment in July 2022; and over 14,500 or 4.6% more than in July 2021. The largest industry employment sectors in Surrey in July 2023 were a combination of knowledge-based services and goods-producing sectors:

1. Wholesale and retail trade (58,688 or 17.7% of total jobs in Surrey);
2. Health care and social assistance (increased to 42,238 or 12.7% of total jobs in Surrey);
3. Construction (30,271 or 9.1% of total jobs in Surrey);
4. Transportation and warehousing (29,037 or 8.7% of total jobs in Surrey); and,
5. Professional, scientific and technical services (25,100 or 7.6% of total jobs in Surrey).

Table 1 shows employment for July 2021, July 2022 and July 2023 in Surrey, by industry sector.

Table 1: Estimated Employment by Industry in Surrey³ – July 2021 through July 2023
Adapted from Table 14-10-0379-01, Statistics Canada⁴

North American Industry Classification System (NAICS)	Employment July 2021	Employment July 2022	Employment July 2023	Change July 2022 to July 2023	
				Jobs	%
Total Employed (all industries)	317,898	325,815	332,430	6,615	2.0%
Agriculture, Forestry, Fishing, Mining, Quarrying, Oil & Gas	3,463	3,607	5,454	1,847	51.2%
Utilities	1,914	2,024	1,766	-258	-12.7%
Construction	28,861	32,266	30,271	-1,995	-6.2%
Manufacturing	28,385	28,357	26,319	-2,038	-7.2%
Wholesale & Retail Trade	51,040	53,582	58,688	5,106	9.5%
Transportation & Warehousing	32,038	31,934	29,037	-2,897	-9.1%
Finance, Insurance, Real Estate, Rental & Leasing	15,740	15,033	17,196	2,164	14.4%
Professional, Scientific & Technical Services	24,890	25,191	25,100	-92	-0.4%
Business, Building & Other Support Services	17,418	15,624	11,361	-4,264	-27.3%
Educational Services	14,989	16,771	19,065	2,294	13.7%
Health Care & Social Assistance	40,811	39,341	42,238	2,897	7.4%
Information, Culture & Recreation	11,716	14,048	12,944	-1,104	-7.9%
Accommodation & Food Services	18,840	22,653	22,263	-390	-1.7%
Other Services (except Public Administration)	13,986	10,458	12,075	1,617	15.5%
Public Administration	12,608	12,431	12,923	493	4.0%

Reference: Statistics Canada, Table 14-10-0379-01

³ Estimates based on Surrey share of Metro Vancouver (Census Metropolitan Area) by Industry in 2021.

⁴ Employment by Industry, three month moving average, unadjusted for seasonality.

The sectors with the most negative employment change in Surrey over the last 12 months are estimated to be:

1. Employment in business, building and other support services⁵ declined by a huge 27.3% or -4,264 jobs.
2. Surrey's transportation and warehousing sector lost almost -2,900 jobs or 9.1% of employment;
3. Manufacturing employment in Surrey dropped by 7.2% over the last 12 months (or -2,038 jobs); and,
4. Construction job growth reversed in Surrey over the last 12 months, dropping almost -2,000 jobs or 6.2%.

Over the last 12 months, Surrey experienced employment growth in both goods-producing and service-producing sectors – those with the greatest job growth to July 2023 are estimated to be:

1. Most than three-quarters (77%) of Surrey's gross employment growth over the last 12 months came from the wholesale and retail trade employment with an increase of 9.5% or over 5,100 jobs in Surrey;
2. Healthcare employment, perhaps with all-out recruitment and hiring efforts, rose by 7.4% or almost 2,900 jobs since July 2022;
3. Employment in finance, insurance and real estate also increased a further sizeable 14.4% or 2,164 jobs during this period;
4. Education sector employment jumped another 13.7% since July 2022 for almost 3,000 more jobs – perhaps resulting from a continued, sustained attendance at school throughout the year; and,
5. While smaller in absolute growth in jobs (1,847), Surrey's resource sector (i.e., agriculture, forestry, fishing, mining, quarrying, oil and gas) expanded by an impressive 51.2% over the last 12 months – leading the way in Surrey growth on a percentage basis.

Surrey Employment Impacts BY OCCUPATION – July 2021 to July 2023

Table 2 shows employment trends by occupation in Surrey over the last 12 months. The five largest employment sectors by occupation in Surrey in July 2023 accounted for 242,240 jobs or almost three-quarters (72.9%) of the total complement:

1. Sales and services (82,558);
2. Trades, transport and equipment operators (53,999);
3. Business, finance and administration (50,058);
4. Education, law and social, community and government services (ELSCGS) (29,770); and,
5. Health care (25,855).

As of July 2023, the growth in employment by broad occupational category in Surrey since July 2022 reflects a very heavy service-producing emphasis:

1. Driven by Surrey's service-producing sectors, management jobs grew by 22.8% or almost 4,000 jobs over the last 12 months;
2. Business, finance and administration occupations increased employment by 5.9% or over 2,800 jobs;
3. Art, culture, recreation and sport (ACRS) employment added over 2,100 jobs for a 28.5 % increase over the last 12 months; and,
4. Education, law and social, community and government services added over 2,000 new jobs for a 7.3% increase.

While a relatively small growth of 834 jobs since July 2022, employment in natural resources, including agriculture, in Surrey experienced a very significant 22.5% increase.

⁵ Examples: Administrative facilities and call centres; janitorial, landscaping and carpentry services for buildings; and waste and remediation services, such as garbage collection and recycling.

Table 2: Estimated Employment by Occupation in Surrey – July 2021 through July 2023
Adapted from Table 14-10-0430-01, Statistics Canada

National Occupational Classification	Employment July 2021	Employment July 2022	Employment July 2023	Change July 2022 to July 2023	
				Jobs	%
Total Employed (all occupations)	317,898	325,815	332,430	6,615	2.0%
Management	15,984	17,556	21,552	3,996	22.8%
Business, Finance & Administration	46,692	47,250	50,058	2,808	5.9%
Natural & Applied Sciences	23,185	21,031	18,751	-2,280	-10.8%
Health	27,185	25,157	25,855	698	2.8%
Education, Law & Social, Community & Government Services	26,410	27,737	29,770	2,033	7.3%
Art, Culture, Recreation & Sport	5,742	7,425	9,544	2,119	28.5%
Sales & Services	80,094	83,100	82,558	-542	-0.7%
Trades, Transport & Equipment Operators	58,996	63,150	53,999	-9,150	-14.5%
Natural Resources Agriculture & Related Production	4,465	3,712	4,546	834	22.5%
Manufacturing & Utilities	16,279	15,219	12,517	-2,702	-17.8%

Reference: Statistics Canada, Table 14-10-0430-01

Three occupational categories of positions in Surrey lost significant employment since July 2022:

- Manufacturing and utilities positions experienced another large decrease in employment over this period, declining by 17.8% or over 2,700 jobs;
- Employment among trades, transport and equipment operator positions dropped by -9,150 jobs or 14.5% over the last 12 months; and,
- Surprisingly, tech-related natural and applied sciences employment saw a 10.8% decrease for a loss of almost -2,300 jobs.

Over the last two years since July 2021, ACRS (66.2% or 3,802 jobs), management (34.8% or 5,568 jobs) and ELSCGS (12.7% or 3,360 jobs) occupational categories experienced the highest growth (percentage-wise) in Surrey – the latter two perhaps due to COVID recovery.

Over the same two-year period, the biggest decreases in occupational employment were in:

- Manufacturing and utilities positions decreased by 23.1% or 3,762 jobs;
- Natural and applied sciences positions dropped by 19.1% or over -4,434 jobs; and,
- Employment in trades, transport and equipment operators declined by 8.5% or almost -5,000 jobs.

Again, the labour market in Surrey over the last few years has been a tale of two themes.

- One of sustained growth in job among key goods-producing sectors in natural resources and inconsistently in some like construction. Unfortunately, manufacturing employment has lagged over the last several months.
- The other is significant recoveries in large service industries such as wholesale and retail, transportation and warehousing, and finance, insurance, real estate, rental and leasing; and in COVID-impacted ones like leisure and arts/culture services, educational services and “other services.”

However, it is a bit concerning that job growth has leveled off in knowledge-based sectors like professional, scientific and technical services, information, health care and social services and business and building services. These sectors will need to expand labour market demand to generate the future economy Surrey needs.

While Surrey had higher growth than BC and Canada over the last 12 months, factors such as inflation concerns, interest rates, housing costs and availability, talent shortages, supply chain issues (including labour instability), government regulation (particularly related to resource sectors) and other trends continue to combine to prevent a more robust recovery since the worst of the pandemic. Uncertainty, talent, increased costs, supply bottlenecks, lagging productivity and competitiveness will need to be addressed across Surrey and BC.

Sources:⁶

Statistics Canada. [Table 14-10-0379-01 Employment by industry, three-month moving average, unadjusted for seasonality \(x 1,000\)](#)

Statistics Canada. [Table 14-10-0381-01 Employment by occupation, three-month moving average, unadjusted for seasonality \(x 1,000\)](#)

More Information:

BC Labour Force Survey Data, Statistics Canada Labour Force Survey, July 2023 (Released August 4, 2023)

Source: BC Stats – Statistics Canada, Labour Force Survey, July 2023. Released, August 4, 2023. Retrieved from https://www2.gov.bc.ca/assets/gov/data/statistics/employment-labour-market/lfs_data_tables.pdf

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⁶ Methodology: Census Profile data, using 2021 Census data, for both Surrey (Census Subdivision) and Vancouver (Census Metropolitan Area). The Census Profile for each geographic area, provides a count of the population for the labour force aged 15 years and over, by occupation (broad category) and by industry sectors. Then we take that data and calculate the percentage of the total Vancouver Census Metropolitan Area that Surrey (as Census subdivision) accounted for. In some cases, the Labour Force Survey data combines multiple industries when providing employment data (for example, counts for the Wholesale Trade industry and the Retail Trade industry in the Census Profile are separate, but employment is reported for "Wholesale and Retail Trade". In those cases, we calculate the count for the industries that were combined by geography and then compare the two to get the proportion for Surrey of the total of Vancouver.