

INDICATORS

CPABC's *BC Check-Up* uses the selected economic indicators to evaluate BC as a place to **WORK**.



Overall Employment
Did BC's labour market expand or shrink?



Unemployment and Job Vacancy Rate
What percentage of BC's labour force is unemployed, and how many unfilled jobs exist?



Type of Employment
How have part-time and full-time positions changed?



Labour Compensation
What is the average wage of a BC worker? What is the gap between female and male wages?



Industry Changes
How have the service and goods sector changed?

PROVINCIAL SUMMARY

Employment strong, but growth has stalled

As of September 2022, there were 2.75 million residents employed in BC. Since September 2021, the workforce grew in **10 of 12 months for a net gain of over 70,000 jobs**. However, BC's job growth has slowed since mid-2022 due to economic challenges such as rising inflation and interest rates. Overall, since September 2019, **population growth (+4.2%) has slightly outpaced employment growth (+3.7%)**.

Full-time positions drove the province's employment growth over the past year, **up by 4.9%** compared to September 2021. **However, part-time employment declined 5.1%** over the same period.

Province faces a labour shortage, participation rates down

Over the past two years, **BC's labour market has experienced record labour shortages**. The most recent data pegs BC's unemployment rate at 4.3% (September 2022), while the job vacancy rate – the proportion of unfilled, open jobs – was 6.1% (August 2022). One clear sign of the shortage of labour was that in August 2022 **there were more open, unfilled positions (153,925) than there were unemployed residents searching for work (137,400)**.

A decline in the ratio of residents actively participating in BC's labour market is partly responsible for these challenges. BC's labour participation rate was 64.8% in September 2022, a decline from 65.5% in September 2019. To contextualize this decline, if BC's participation rate was 65.5% in September 2022, **an additional 31,000 residents would be working or looking for work**.

Both goods and service sector employment increased, but varies by industry

The service sector workforce reached 2.25 million jobs in September 2022, up by 2.7% compared to September 2021. While most industries expanded, hospitality continued to struggle, with employment down 0.8% from September 2021 and 8.8% from September 2019 levels. **Goods sector employment grew to 497,700 in September 2022, up 2.5% compared to September 2021**.

Compared to pre-pandemic levels, **the service sector has driven employment growth**, increasing 4.7% since September 2019. Conversely, **employment in the goods sector declined by 0.3% over that period**, primarily due to employment in the sector's largest industry, construction, remaining down 2.4%.

Labour compensation on the rise, gender pay gap remains significant

With rising prices and a tight labour market, **employers raised wages significantly over the past year**. The average service sector weekly wage in September 2022 was \$1,123, an increase of 5.3% compared to the average in 2021. Over the same period the average weekly wage in the goods sector was \$1,413, up 8.9%.

Female workers continue to make less than their male counterparts, with the hourly wage for a female worker in BC at \$25.00 in 2021 compared to \$30.00 for a male. This translates to a **gender pay gap of 0.83**, which is wider (or less equal) than the 0.87 gap for Canada as a whole.

According to CPAs, economic outlook worsening as labour issues increasing challenges for business success

To better understand the economic landscape, CPABC regularly surveys its members for their views. CPAs, who are on the front line of business in BC and see the opportunities and challenges firsthand, remain optimistic about the economy, but that optimism has waned. When asked about the **overall state of the provincial economy, 73% believed it was in "average" or "good" shape in August 2022**, down by four percentage points from August 2021. There is growing concern about both **the shortage of labour and rising labour compensation costs**, with 87% (+9ppt from August 2021) and 83% (+13ppt) of respondents rating each as a challenge for business success, respectively.

Going forward, it will be important to ensure that policies are put in place to increase labour participation, attract more labour from outside the province, and provide more skills training, with a particular focus on industries facing the greatest scarcity of labour.

PROVINCIAL SUMMARY



OVERALL EMPLOYMENT

Employment in BC increased in 10 of the past 12 months, adding over 70,000 jobs. While the provincial workforce is up 3.7% compared to September 2019, that lags population growth of 4.2% over the same period.

2.75 M* TOTAL JOBS **↑ 2.6%**

65.7% ♂ **↑ 0.4ppt** | 58.5% ♀ **↑ 0.8ppt**

ARE CURRENTLY WORKING



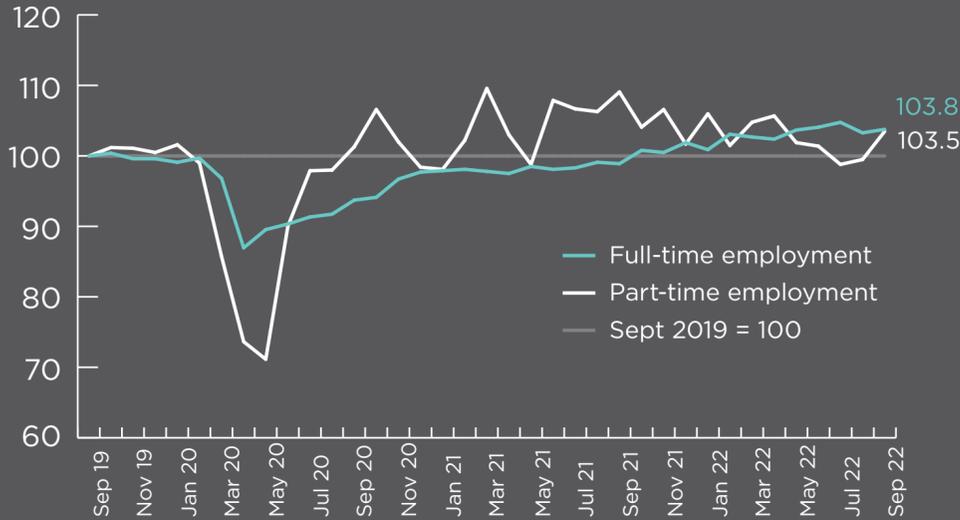
UNEMPLOYMENT VS JOB VACANCY RATE

BC's labour market is tight, with an unemployment rate of 4.3% and a job vacancy rate of 6.1%. In August 2022, there were more open, unfilled positions (153,925) than unemployed residents (137,400).



TYPE OF EMPLOYMENT

Since April 2020, BC's employment recovery has led the country. By September 2022, full-time employment was up by 3.8% compared to September 2019, with part-time jobs up 3.5%. However, part-time employment was down over the past year.



*Note: All numbers based on September 2022 data, and changes are relative to September 2021.

PROVINCIAL SUMMARY



INDUSTRY CHANGES

Goods Sector

Over the past year, the goods sector saw strong job growth; although, overall employment remains down compared to 2019 levels.



↑2.5% TO 497,700 jobs

	TOTAL JOBS (% CHANGED)	
UTILITIES	16,700	(↑12.8%)
NATURAL RESOURCES*	47,800	(↓7.4%)
AGRICULTURE	28,500	(↑38.3%)
MANUFACTURING	166,000	(↓9.0%)
CONSTRUCTION	238,500	(↑10.3%)

Service Sector

The service sector has continued to expand in 2022. However, some industries, such as hospitality, struggle to recoup losses.



↑2.7% TO 2.25 million jobs

	TOTAL JOBS (% CHANGED)	
WHOLESALE AND RETAIL TRADE	415,200	(↑3.7%)
HEALTH CARE	378,800	(↑4.5%)
PROFESSIONAL SERVICES	272,700	(↑6.8%)
EDUCATION	208,900	(↑7.5%)
HOSPITALITY*	181,200	(↓0.8%)



LABOUR COMPENSATION

With rising prices and a tight labour market, employers raised wages considerably over the past year.

AVERAGE WEEKLY WAGE*

GOODS SECTOR
\$1,413 (↑8.9%)

SERVICE SECTOR
\$1,123 (↑5.3%)



GENDER PAY GAP

The median hourly wage for a female worker in BC was \$25.00 in 2021, compared to \$30.00 for a male. This 83% gap was slightly better than in 2020 but remains less equal than the 87% gap for Canada as a whole.

MEDIAN PAY GAP 2021
83%
(↑1ppt from 2020)

*Note: Unless indicated otherwise, numbers based on September 2022 data, and changes are relative to September 2021. Natural resources includes forestry, fishing, mining, quarrying, oil and gas. Hospitality encompasses accommodation and food services. Change in average weekly wage is relative to the average weekly wage in 2021.

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CARIBOO



OVERALL EMPLOYMENT*

The Cariboo added 3,100 jobs over the past year, all of which were full-time positions. Since September 2019, total employment remains down by 0.2% compared to population growth of 3.5%.

TOTAL EMPLOYMENT
↑3.6% to 89,000 jobs

EMPLOYMENT TYPE
14,700 PART-TIME (↓19.7%)
74,300 FULL-TIME (↑9.9%)



SECTORAL EMPLOYMENT

Service Sector employment was up the past year, primarily due to job gains in the health and wholesale/retail industries.

SERVICE SECTOR	68,300	(↑10.3%)
WHOLESALE AND RETAIL TRADE	17,700	(↑29.2%)
HEALTH CARE	16,900	(↑21.6%)
PUBLIC ADMINISTRATION	5,500	(↓8.3%)



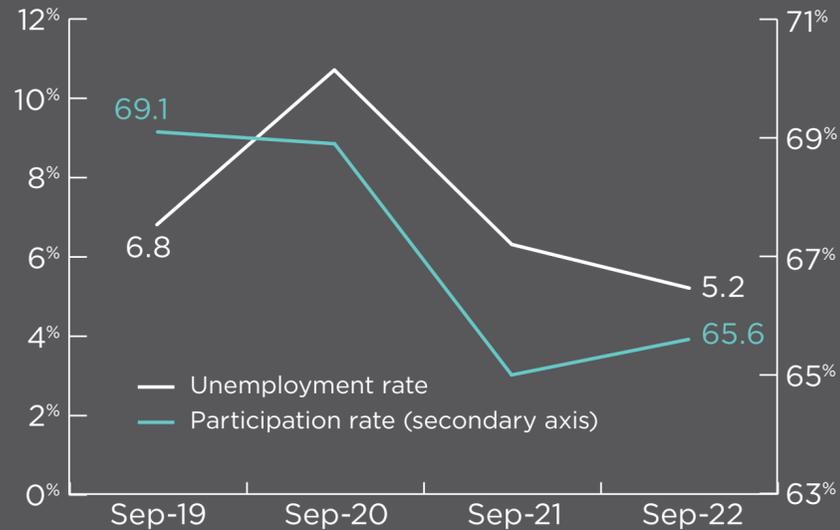
Goods Sector employment in the Cariboo fell by 13.8% over the past year, primarily due to a large decline in the region's largest goods industry: manufacturing.

GOODS SECTOR	20,700	(↓13.8%)
MANUFACTURING	7,700	(↓25.2%)
NATURAL RESOURCES	6,600	(↑4.8%)
CONSTRUCTION	5,300	(↓10.2%)



UNEMPLOYMENT RATE

Recent job growth helped lower the region's unemployment rate to 5.2% in September 2022. However, the participation rate remains below 2019 levels, which means fewer residents are looking for work.



Note: Unless indicated otherwise, numbers are based on September 2022 data, which reflects a three-month moving average (June-September). Changes are compared to the same period last year. Natural resources includes forestry, fishing, mining, quarrying, oil and gas.



KOOTENAY



OVERALL EMPLOYMENT*

The Kootenays' workforce fell slightly over the past year as part-time job losses outweighed full-time gains. Employment was up 2.7% since September 2019, slightly below population growth.

TOTAL EMPLOYMENT
↓0.5% to 79,100 jobs

EMPLOYMENT TYPE
14,600 PART-TIME (↑0.7%)
64,600 FULL-TIME (↓0.6%)



SECTORAL EMPLOYMENT

Service Sector employment was responsible for the region's job growth, with employment in public administration up by over 50%.

SERVICE SECTOR	58,900	(↑9.7%)
WHOLESALE AND RETAIL TRADE	12,000	(↑10.1%)
HEALTH CARE	8,700	(↓23.0%)
PUBLIC ADMINISTRATION	5,100	(↑54.5%)



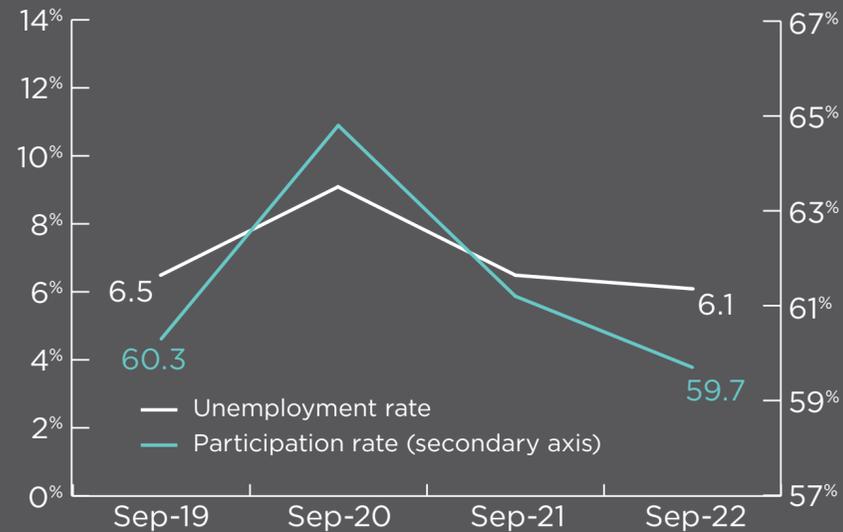
Goods Sector employment in the Kootenays declined by 21.3% over the past year as natural resource and construction jobs declined significantly.

GOODS SECTOR	20,300	(↓21.3%)
NATURAL RESOURCES	7,300	(↓15.1%)
MANUFACTURING	6,300	(↑16.7%)
CONSTRUCTION	5,400	(↓43.8%)



UNEMPLOYMENT RATE

Despite the job loss over the past year, the unemployment rate declined due to the participation rate falling, meaning less residents were looking for work.



Note: Unless indicated otherwise, numbers are based on September 2022 data, which reflects a three-month moving average (June-September). Changes are compared to the same period last year. Natural resources includes forestry, fishing, mining, quarrying, oil and gas.



NORTHEAST BC



OVERALL EMPLOYMENT*

Northeast BC's workforce grew by 5.5% over the past year, with the entire increase concentrated amongst full-time positions. Despite the more recent gain, September 2022 employment was 2.6% lower than in September 2019.

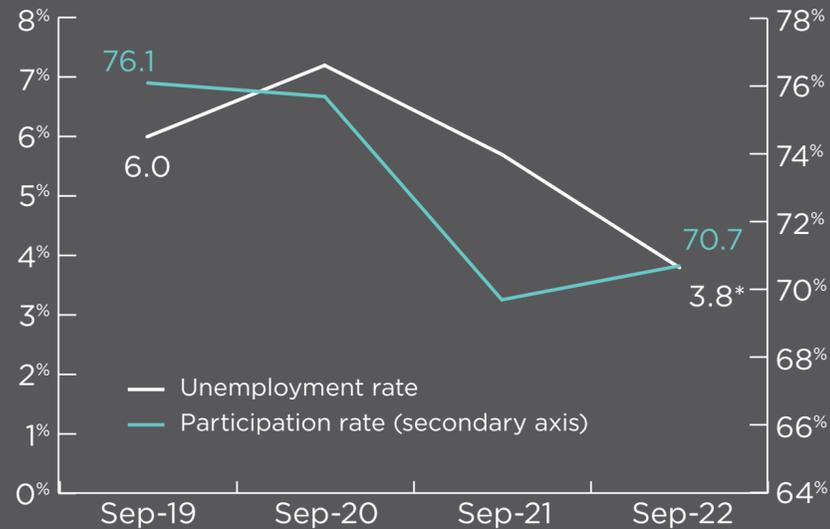
TOTAL EMPLOYMENT
↑5.5% to 38,200 jobs

EMPLOYMENT TYPE
5,200 PART-TIME (↓16.1%)
33,000 FULL-TIME (↑10.0%)



UNEMPLOYMENT RATE

The region's unemployment rate declined to 3.8%.* However, the region has also seen its participation rate fall compared to 2019, with 2,500 residents leaving the labour force.



SECTORAL EMPLOYMENT

Service Sector employment declined slightly over the past year due to job losses in the wholesale/retail trade industry.

SERVICE SECTOR	24,000	(↓0.8%)
WHOLESALE AND RETAIL TRADE	4,700	(↓9.6%)
HEALTH CARE	3,800	(↑5.6%)
HOSPITALITY	1,900	(↓25.0%)



Goods Sector employment in Northeast BC increased by nearly a fifth over the past year, due to natural resource employment more than doubling.

GOODS SECTOR	14,100	(↑17.5%)
NATURAL RESOURCES	6,500	(↑109.7%)
CONSTRUCTION	4,600	(↓17.9%)
MANUFACTURING	2,200	(NA)



Note: Unless indicated otherwise, numbers are based on September 2022 data, which reflects a three-month moving average (June-September). Changes are compared to the same period last year. Natural resources includes forestry, fishing, mining, quarrying, oil and gas.

* In August 2022. September 2022 unemployment data unavailable for Northeast BC.



NORTHWEST BC



OVERALL EMPLOYMENT*

Northwest BC's employment increased over the past year as full-time gains outnumbered part-time losses. The employment loss was due to a contraction in the service sector workforce.

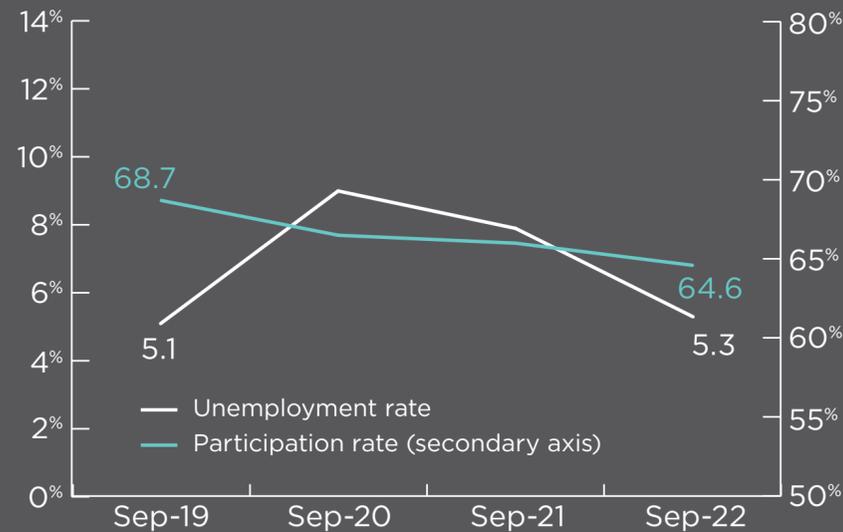
TOTAL EMPLOYMENT
↑1.4% to 42,700 jobs

EMPLOYMENT TYPE
5,700 PART-TIME (↓27.8%)
37,000 FULL-TIME (↑8.5%)



UNEMPLOYMENT RATE

The region's unemployment rate declined to 5.3% due to the job gains and a reduction in the number of residents searching for work.



SECTORAL EMPLOYMENT

Service Sector employment declined by 2,100 over the past year, primarily due to a decrease in the wholesale and retail trade workforce.

SERVICE SECTOR	30,000	(↓6.5%)
HEALTH CARE	6,500	(↑10.2%)
WHOLESALE AND RETAIL TRADE	5,800	(↓14.7%)
TRANSPORTATION AND WAREHOUSING	4,200	(↑68.0%)



Goods Sector workforce grew by 27% as both the natural resources and construction industries saw significant employment growth.

GOODS SECTOR	12,700	(↑27.0%)
CONSTRUCTION	5,100	(↑82.1%)
NATURAL RESOURCES	4,000	(↑37.9%)
MANUFACTURING	2,400	(↓20.0%)



Note: Northwest BC encompasses the North Coast & Nechako development regions. Unless indicated otherwise, numbers are based on September 2022 data, which reflects a three-month moving average (June-September). Changes are compared to the same period last year. Natural resources includes forestry, fishing, mining, quarrying, oil and gas.



SOUTHWEST BC



OVERALL EMPLOYMENT*

Southwest BC's workforce grew by 2.5% over the past year, with full-time job growth offsetting a decline in the number of part-time positions. Growth was strongest in the region's goods sector workforce.

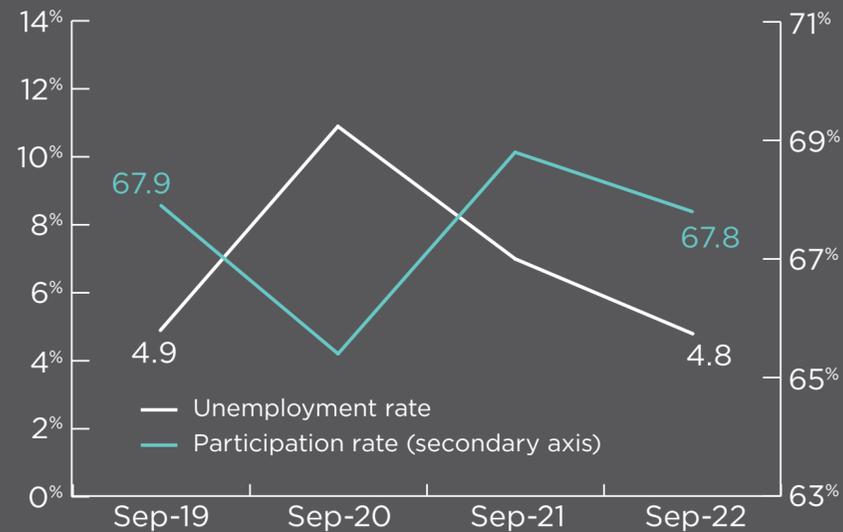
TOTAL EMPLOYMENT
↑2.5% to 1.77 million jobs

EMPLOYMENT TYPE
331,300 PART-TIME (↓8.8%)
1.44 million FULL-TIME (↑5.5%)



UNEMPLOYMENT RATE

Job growth lowered the region's unemployment rate to 4.8%. The region's participation rate was also close to pre-pandemic levels, and has faced large labour shortages.



SECTORAL EMPLOYMENT

Service Sector employment was up slightly over the past year. Over the past three years, service sector employment increased by 4.5%.

SERVICE SECTOR	1,467,100	(↑1.6%)
WHOLESALE AND RETAIL TRADE	267,300	(↓2.5%)
HEALTH CARE	218,400	(↑0.4%)
PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES	194,100	(↑1.7%)



Goods Sector employment increased significantly over the past year, driven by a strong rebound in the region's construction workforce. Still, goods sector employment was up by just 1.9% compared to September 2019.

GOODS SECTOR	301,500	(↑7.2%)
CONSTRUCTION	147,400	(↑14.5%)
MANUFACTURING	118,700	(↓1.5%)
NATURAL RESOURCES	8,700	(↓27.5%)



Note: Unless indicated otherwise, numbers are based on September 2022 data, which reflects a three-month moving average (June-September). Changes are compared to the same period last year. Natural resources includes forestry, fishing, mining, quarrying, oil and gas.



THOMPSON-OKANAGAN



OVERALL EMPLOYMENT*

The Thompson-Okanagan's workforce increased by 4,500 over the past year, with part-time positions in the service sector accounting for the job growth.

TOTAL EMPLOYMENT

↑1.5% to 309,900 jobs

EMPLOYMENT TYPE

70,100 PART-TIME (↑10.9%)

239,900 FULL-TIME (↓0.9%)



SECTORAL EMPLOYMENT

Service Sector employment increased over the past year, led by growth in customer-facing industries such as hospitality and trade. However, both those industries remained below 2019 levels.

SERVICE SECTOR	242,800	(↑2.4%)
WHOLESALE AND RETAIL TRADE	52,100	(↑31.9%)
HEALTH CARE	44,300	(↓15.1%)
HOSPITALITY	22,200	(↑18.1%)



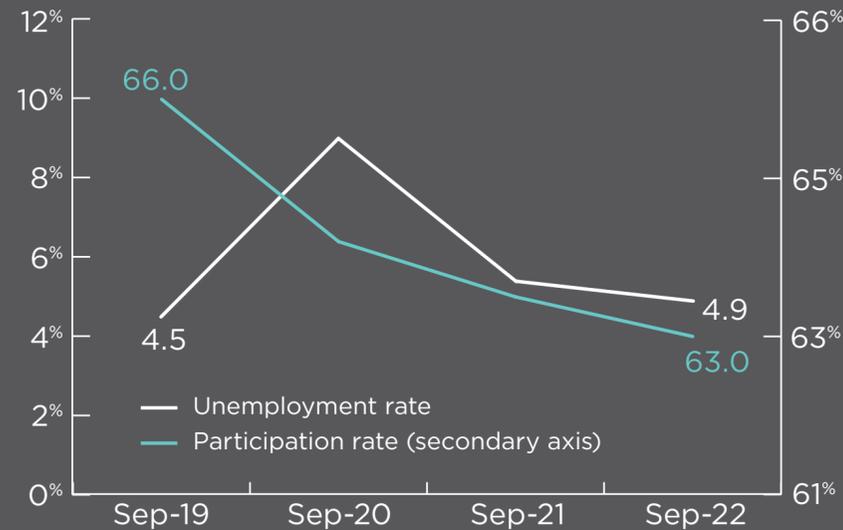
Goods Sector employment fell in September 2022 compared to September 2021 as the construction and natural resource workforces contracted.

GOODS SECTOR	67,100	(↓1.9%)
CONSTRUCTION	30,900	(↓9.9%)
MANUFACTURING	20,300	(↑9.1%)
NATURAL RESOURCES	6,400	(↓22.9%)



UNEMPLOYMENT RATE

Job growth over the past year helped lower the region's unemployment to 4.9%. However, the region's labour participation rate declined significantly over the past three years.



Note: Unless indicated otherwise, numbers are based on September 2022 data, which reflects a three-month moving average (June-September). Changes are compared to the same period last year. Natural resources includes forestry, fishing, mining, quarrying, oil and gas. However, employment was the same as in September 2019.



VANCOUVER ISLAND/COAST



OVERALL EMPLOYMENT*

Vancouver Island/Coast's workforce increased by 5.0% from September 2021 to September 2022. However, since September 2019 employment growth (+3.7%) has lagged population growth (+4.9%).

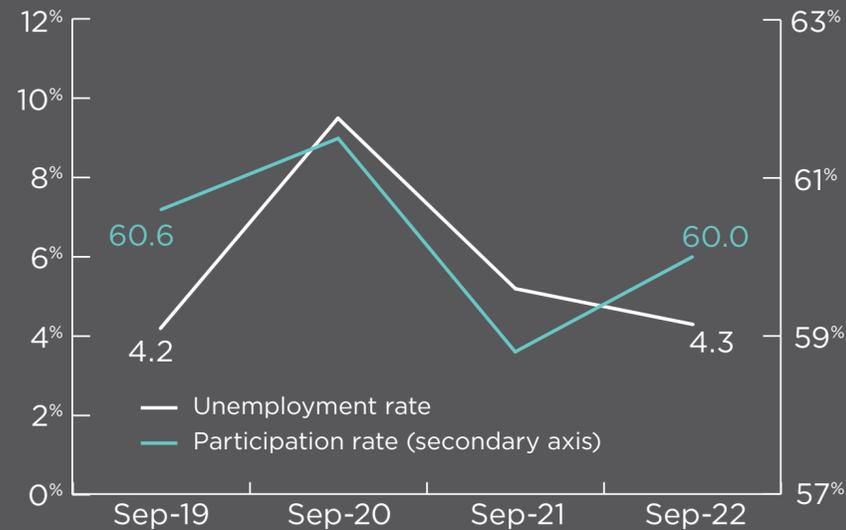
TOTAL EMPLOYMENT
↑5.0% to 439,000 jobs

EMPLOYMENT TYPE
95,100 PART-TIME (↓3.7%)
344,000 FULL-TIME (↑7.7%)



UNEMPLOYMENT RATE

The region's unemployment rate was 4.3%, close to the 2019 level. The region's participation rate remained lower than in 2019 and the region has faced a shortage of labour.



SECTORAL EMPLOYMENT

Service Sector employment gains were strongest in the region's three largest service industries compared to September 2021. Hospitality continued to struggle, with employment down 27.6% over that period.

SERVICE SECTOR	362,900	(↑3.6%)
HEALTH CARE	79,000	(↑22.7%)
WHOLESALE AND RETAIL TRADE	64,000	(↑17.6%)
PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES	40,100	(↑19.3%)



Goods Sector employment increased by 8,500 over the past year, with the construction industry's workforce growing by about a third.

GOODS SECTOR	76,200	(↑12.6%)
CONSTRUCTION	44,700	(↑33.0%)
MANUFACTURING	15,300	(↓23.5%)
NATURAL RESOURCES	8,600	(↓4.4%)



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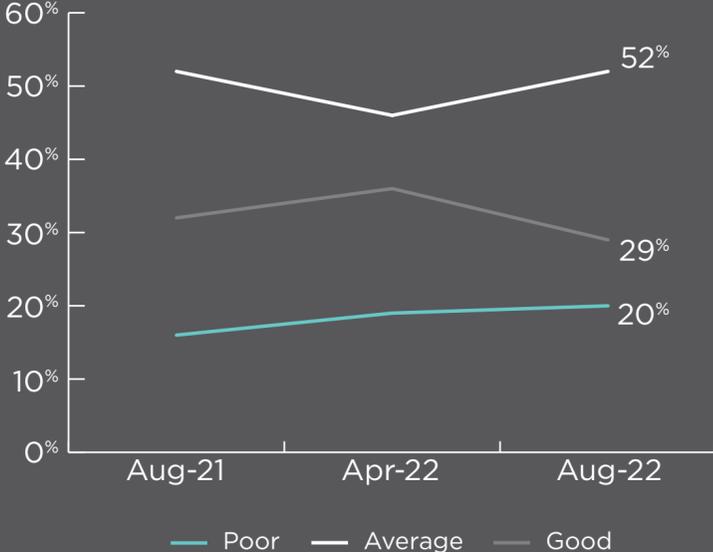
SURVEY RESULTS

Outlook on the Economy

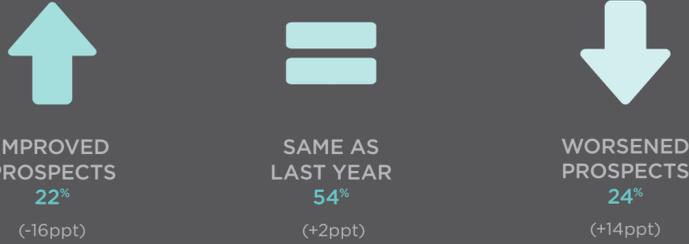
Based on results from the *BC Check-Up: Work survey*, BC CPAs indicated that...



With growing challenges, the **optimism of CPAs towards the provincial economy has fallen slightly the past year**. Still, four out of five believe the state of our economy is average or good.



For the first time since the recession in 2020, more CPAs believe their organization's prospects have worsened rather than improved, as compared to the prior year.



Rising labour shortages, labour compensation, and housing prices have consistently been identified as the **top three challenges to business success** in BC over the past year.

	August 2021	April 2022	August 2022
1	Housing prices	Ability to attract and retain skilled labour	Ability to attract and retain skilled labour
2	Ability to attract and retain skilled labour	Housing prices	Labour compensation
3	Labour compensation	Labour compensation	Housing prices

* August 2022 results, n = 655, April 2022 results, n=710; August 2021 results: n=889; April 2021 results: n= 757. July 2020 results: n = 563. Survey results may not sum to 100% due to exclusion of Don't Know/ No Opinion responses and/or rounding.

SURVEY RESULTS

On BC's Employment Trends in 2022

Based on results from the *BC Check-Up: Work survey*, BC CPAs indicated that...



More than two years after the start of the COVID-19 pandemic, many CPAs continue to work from home.

- 1 Nearly two-thirds (63%) work 1+ days remotely
- 2 A fifth (20%) work fully remote
- 3 Remote workers average 3.5 workdays at home, with the rest of the week in office

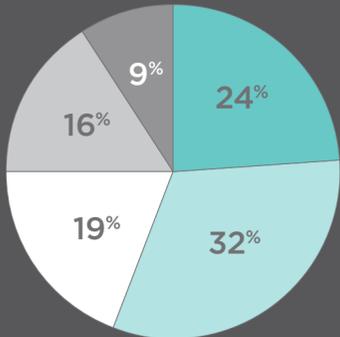


The demand for labour continues to be strong, with 43% of senior CPAs expecting their **workforce to expand over the next year**.



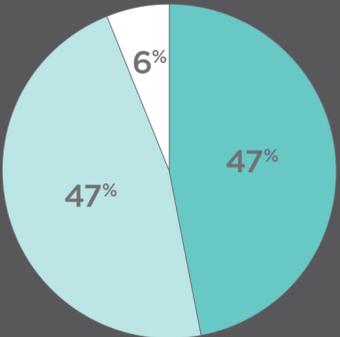
Half of senior CPAs indicate their organizations **require employees to come into the office at least part-time**.

- Must work in office full-time
- Must work in office part-time
- Employees encouraged to come as needed
- Employee discretion
- Other



With growing competition for labour, senior CPAs are seeing an **increased staff turnover rate**.

- Increased
- Stay the same
- Decreased



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BC CHECK-UP 2022 **WORK**

As leaders in analyzing and validating information, CPAs are often called upon to provide independent, fair, and objective information to assist in decision-making. It is our hope that *BC Check-Up* will make a positive public policy contribution to the province by stimulating discussion about how to make BC a better place in which to **WORK**, **INVEST**, and **LIVE**.

BC Check-Up is available online at bccheckup.com.

MEDIA CONTACT

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The report is prepared by the Chartered Professional Accountants of British Columbia. Opinions expressed in the report do not necessarily reflect those of individual chartered professional accountants.

Data is derived from Statistics Canada's Labour Force Survey and CPABC calculations. Sectoral definitions: Natural resources includes forestry, fishing, mining, quarrying, oil and gas. Health includes health care and social assistance. Professional services includes professional, scientific and technical services. Hospitality includes accommodation and food services. Financial services includes finance, insurance, real estate, rental and leasing.

SURVEY DEMOGRAPHICS Who are they? 655 CPABC members

Where are they from? Mainland/Southwest BC 67% Vancouver Island/Coast 18% Thompson-Okanagan 7% Rest of BC 6% Other 2%

CPABC commission Leger to conduct a web-based survey of CPA members regarding their impressions on the economic and employment outlook. A total of 655 surveys were completed between August 3 and 23, 2022, representing an overall response rate of 9%.