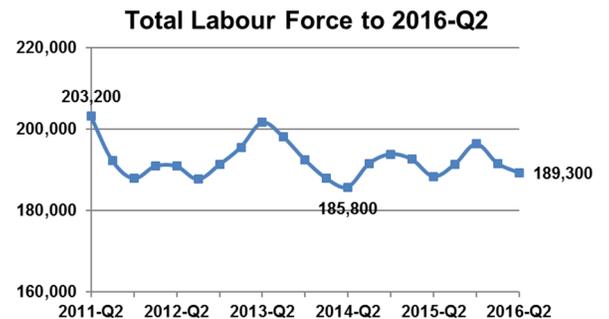


Total Labour Force (Updated July 2016)

The resident labour force in the ICET region declined for the 2nd straight quarter in 2016-Q2, to just under 190,000 people who are either employed or actively looking for work.

The regional labour force has been relatively flat in recent years, ranging from about 185,000 to 195,000 people since late 2013. If this is a “new normal” for the regional economy, it represents a smaller labour force than existed from 2006 to 2011, when the labour force was consistently over 200,000 people. The relationship between the size of the labour force and the amount of employment in the region is a chicken and egg problem. On one hand, a stronger economy would attract more workers (and more jobs), but even if there are quality economic development opportunities, the lack of local workers will limit the amount of employment growth that is possible.



Compared to the rest of BC, the ICET region is the only one that with a shrinking labour force over the last five years (although it has shown slight growth in the last year).

Total Labour Force by BC Region, 2011-Q2 to 2016-Q2

Region	Total Labour Force						Change in Last Year	Change in Last 5 Years
	2011-Q2	2012-Q2	2013-Q2	2014-Q2	2015-Q2	2016-Q2		
ICET Region	203,200	190,900	201,700	185,800	188,400	189,300	900	-13,900
Southern Interior	429,500	434,500	431,100	429,700	424,800	433,900	9,100	4,400
Northern BC	173,600	179,200	169,500	172,800	172,500	174,800	2,300	1,200
Major Metros	1,607,400	1,638,100	1,630,500	1,647,000	1,656,600	1,733,500	76,900	126,100
BC Total	2,413,700	2,442,600	2,433,000	2,435,200	2,442,300	2,531,400	89,100	117,700

Source: Statistics Canada, Labour Force Survey, Cansim 282-0122 and 282-0128. Quarterly figures are the average of the 3 months in the quarter.

Overall, the story of labour force trends in the ICET region is the story of demographics. The “labour force participation rate” measures the percentage of people age 15 or older who are in the labour force (meaning they are employed or actively looking for work). The ICET region is a clear outlier on this measure compared to the other regions of BC.

In the 2nd quarter of 2016, 53.5% of ICET region residents over age 14 are in the labour force, a full 11 percentage points less than the BC rate of 64.5%. The biggest reason for the difference is demographics – the median age in the ICET region in 2015 was 49 (according to BC Stats estimates) compared to 42 province-wide.

A more detailed examination of the regional population and labour force by different age ranges will be done once 2016 Census results are complete, but the data certainly suggests that the population of ICET region is transitioning to retirement at an accelerated rate compared to the rest of the province and the in-migration of younger, working-age adults is not happening fast enough to compensate.

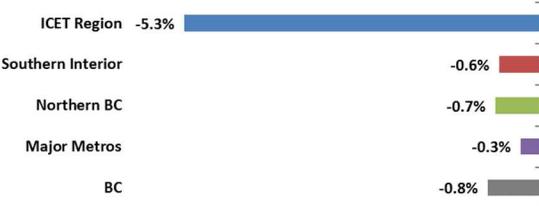
Looking at changes over the last five years, all areas of BC have seen a decline in labour force participation as populations have aged. But the decline in the ICET region is much more dramatic, down 5.3 percentage points compared to only 0.8 percentage points in BC as a whole.

The implications of this data for economic development policy include strong support for efforts to attract working-age adults, as well as efforts to retain older workers as productive members of the labour force. In addition, continuing to encourage and support a wide variety of economic development opportunities will inspire workers of all ages to move to the region and resident workers to remain.

Participation Rate by BC Region, 2016-Q2



Change in Participation Rate by BC Region, 2011-Q2 to 2016-Q2



Appendix: Geographic Areas

The four BC regions shown in this report are calculated based on Labour Force Survey releases for Economic Regions (also called Development Regions) and Census Metropolitan Areas (CMAs) and do not exactly match the boundaries of the ICET Region or any other regional trust.

ICET Region

Vancouver Island/Coast Economic Region LESS Victoria CMA

Note: This definition of the ICET region does not include the Sunshine Coast Regional District (RD) because it is part of the Mainland/Southwest Economic Region.

Southern Interior

Thompson-Okanagan and Kootenay Economic Regions, PLUS the non-metro portion of the Mainland/Southwest Economic Region (including the Sunshine Coast RD, the Squamish-Lillooet RD, and the eastern portion of the Fraser Valley RD, including Chilliwack)

Northern BC

Cariboo, North Coast, Nechako and Northeast Economic Regions

Major Metros

Victoria, Vancouver and Abbotsford-Mission CMAs (not shown on the map below)

