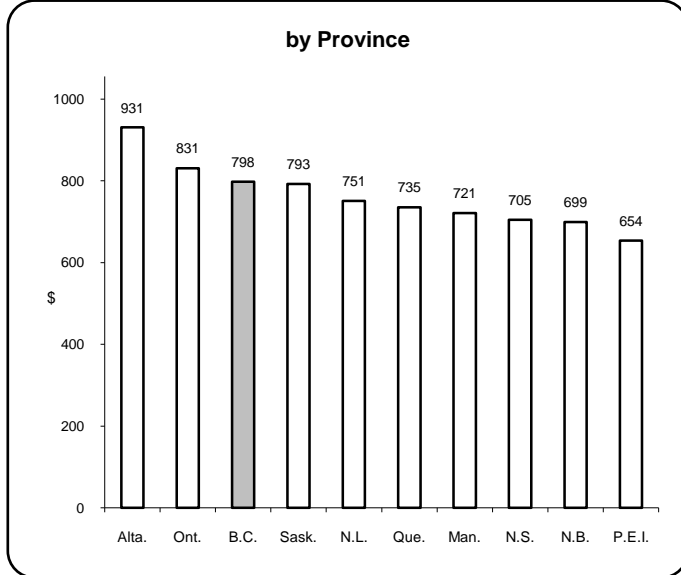
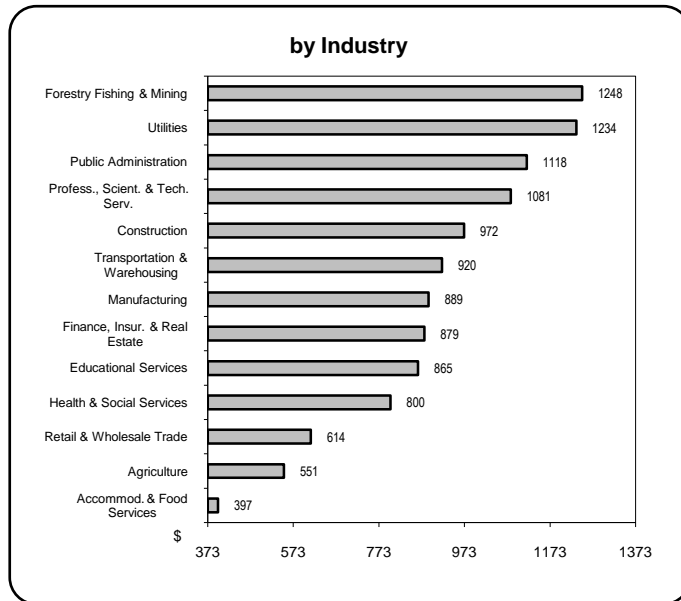
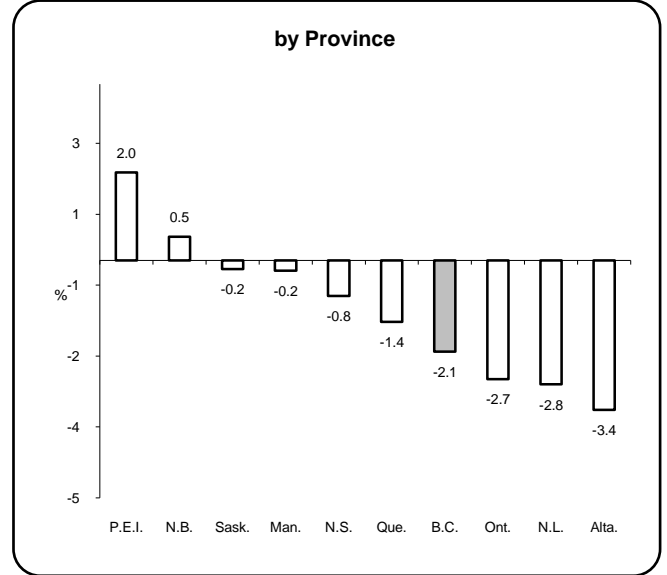


Earnings & Employment Trends ♦ October 2009

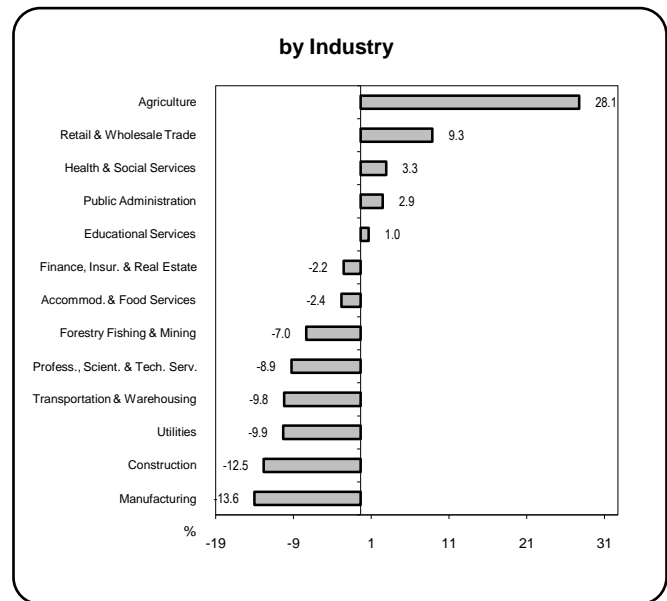
Average Weekly Wage Rate* - October 2009



Employment Growth* - October 2009



* Latest 12 month average



* Month over same month previous year (unadjusted)

Prepared by: BC Stats

Source: Statistics Canada Labour Force Survey

Feature Article: Unionized Employees in British Columbia's Labour Market

Unionized Employees in British Columbia's Labour Market

Introduction

When unions go to the bargaining table or take job action, they often make media headlines. Collective bargaining influences wages, hours of work, and working conditions in many B.C. industries. Job action can affect many sectors of the economy, especially when the goods and/or services provided by unionized employees are used as inputs in the production of other goods and services.

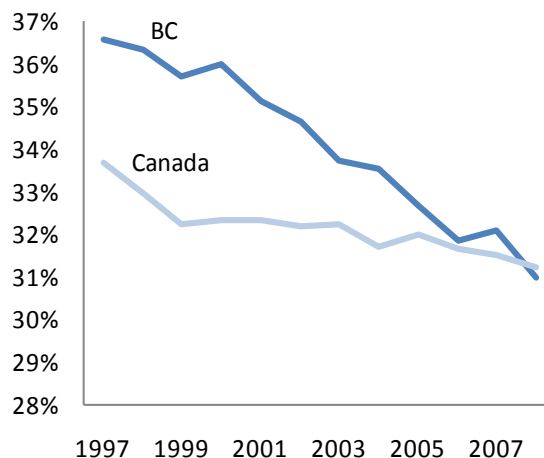
Because collective agreements play an important role in B.C.'s labour market, it is important to form an understanding of the workers covered by collective agreements and the industries in which these employees work.

How many B.C. employees are covered by a collective agreement?

In 2008, more than half a million employees in British Columbia were part of a union or covered by a collective agreement or union contract. Overall, 31% of B.C. employees were unionized in 2008—the same proportion as the national average.¹ Since 1997, however, the percentage of B.C. employees who are unionized has fallen steadily, from a high of 37% in 1997 to a low of 31% in 2008. Although unionization rates also fell in other provinces during this time period, the rate for B.C. has fallen faster than the national average.

¹ In this article, *unionized* refers to employees who were members of a union, or who were not members of a union, but were covered by a collective agreement or union contract.

The proportion of employees who are unionized has been falling steadily



Source: Statistics Canada, Labour Force Survey, 2008

In 1997, men in British Columbia were more likely to be unionized (38%) than women (34%). As the overall rate of unionization has fallen in recent years, men have been affected more than women, and in 2008, the rate of unionization among women (32%) was actually slightly higher than among men (30%). Up to age 65, unionization rates increase with age: in 2008, only 15% of B.C. youth (aged 15-24) were unionized, compared with 34% of those aged 25-54, and 41% of those aged 55-64.

Where are unionized workers employed?

Almost half (46%) of unionized workers in B.C. are employed in the private sector, with the other half (54%) employed in the public sector. The rate of unionization, however, is significantly higher in the public sector – in 2008, 75% of public sector workers were unionized, compared with only 18% of private sector employees.

The services-producing sector accounts for 82% of all unionized workers in British Columbia, and just over half of all unionized employees work in one of three services industries: educational services, health care & social assistance, or public administration.

Most of B.C.'s unionized employees are employed in the services sector

Industry	Unionized employees
Goods Sector	103,900
Manufacturing	50,400
Other goods industries	53,500
Services Sector	480,700
Health care & social assistance	120,900
Educational services	101,900
Public administration	72,600
Trade	51,900
Transportation & warehousing	51,400
Other service industries	82,000
Total	584,600

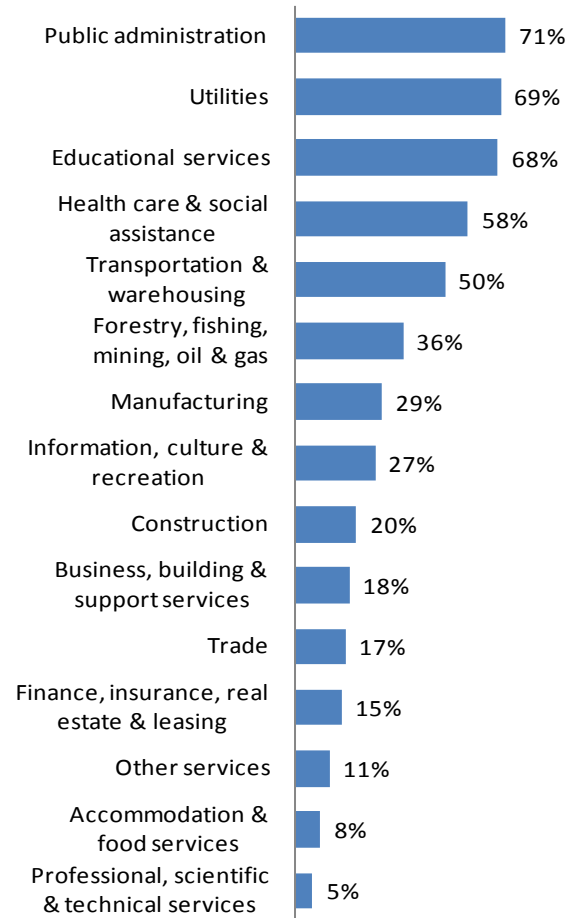
Source: Statistics Canada, Labour Force Survey, 2008

What industries are the most heavily unionized?

Workers in B.C.'s goods-producing sector are a little less likely to be unionized than workers in the services-producing sector. Overall, 27% of employees in goods industries were unionized in 2008, compared with 32% of employees in service industries. Within the goods sector, however, the utilities industry is heavily unionized: 69% of employees in this industry were unionized in 2008.

In the services sector, the most heavily unionized industries in 2008 were: public administration (71%), educational services (68%), health care & social assistance (58%), and transportation & warehousing (50%).

B.C.'s public sector industries have the highest proportion of unionized employees



Note: Data for agriculture is not available

Source: Statistics Canada, Labour Force Survey, 2008

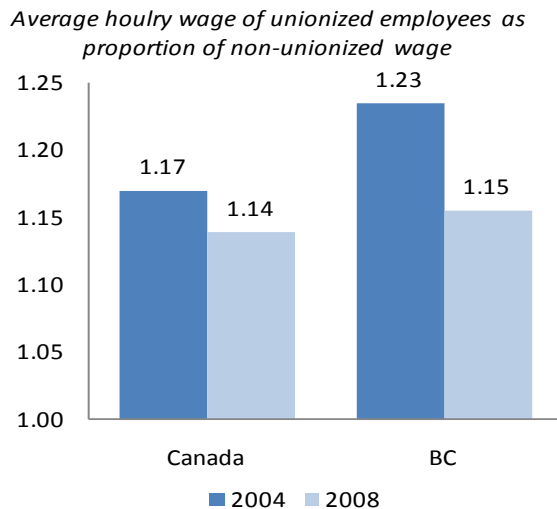
In most industries, B.C.'s unionization rates are similar to the national industry averages. However, in 2008, three B.C. industries had unionization rates that were notably higher than the national industry average: fishing, mining oil & gas (+12 percentage points), transportation & warehousing (+8 ppts), and finance, insurance, real estate & leasing (+5 ppts). In fact, the unionization rate in B.C.'s transportation and warehousing industry (50%) was among highest in the country, second only to Newfoundland and Labrador (51%).

Only one of B.C.'s industries, construction, had a unionization rate that was notably lower than the national average (-12 pts). However, the proportion of unionized employees in B.C.'s construction industry (20%) was very similar to that of the other western provinces: Alberta (20%), Saskatchewan (19%), and Manitoba (24%). The national average construction unionization rate (32%) was significantly higher as a result of the high rate in Quebec (58%).

How much do unionized employees earn?

Unionized employees (aged 25-54) in British Columbia earned, on average, 15% more than non-unionized employees in 2008.² The average hourly wage of B.C.'s unionized employees (aged 25-54) was \$25.57, compared to \$22.14 for employees not covered by union agreements.

B.C.'s unionized employees earned 15% more than non-unionized employees in 2008



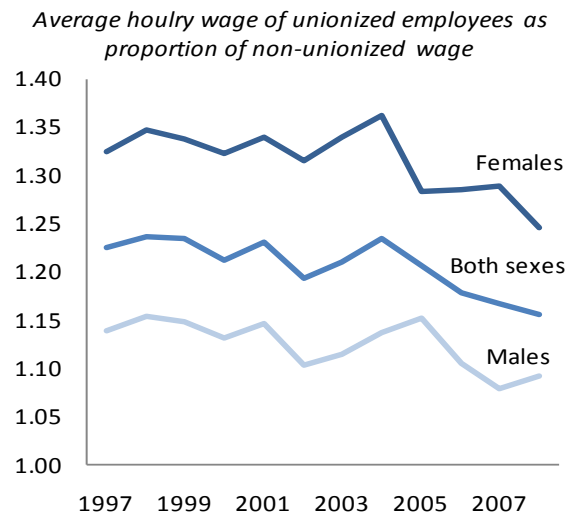
Note: Data is shown for population aged 25-54
 Source: Statistics Canada, Labour Force Survey

² Not standardized for differences in industrial composition. Youth (age 15-24) have been excluded from this discussion because they are less likely to be covered by a collective agreement and also have lower earning potential due to lack of education and experience.

A few years ago, the wage premium received by unionized employees in B.C. was higher than the national average, but as wages of non-unionized employees have risen faster than those of unionized employees, this differential has been eroded. In 2008, B.C.'s unionized employees received a wage premium only slightly higher than the national average.

The wage premium received by unionized employees is higher for B.C. women than for men; in 2008, women (aged 25-54) earned 24% more than if they were part of a union, while unionized men earned only 9% more than non-unionized men. Among both sexes, however, the gap between union and non-union wages has been shrinking in recent years.

The gap between earning of union and non-union employees is greater for women than for men



Note: Data is shown for population aged 25-54
 Source: Statistics Canada, Labour Force Survey