

highlights

a weekly digest of recently released British Columbia statistics

Labour Force

- **British Columbia's unemployment rate decreased 0.7 of a percentage point between February and March, falling to 6.6% (seasonally adjusted).** This was the largest decrease of all the provinces, and the second consecutive month in which the rate had fallen. The decline in March occurred as an increase in the number of people employed of 22,300 (+1.1%) more than offset a rise in the province's labour force of 8,200 (+0.4%) people. Job gains were primarily seen in the health and social service sector, where there was an 8.9% increase in the number of people employed, and the construction industry, where employment rose by 8.1%.

Canada's unemployment rate edged up 0.1 of a percentage point to 7.0%, as an increase in the labour force of 0.3% offset a smaller rise (+0.2%) in the number of people employed in the country. Across the country, BC was one of only three provinces to see a decline in the unemployment rate in March. The others were Prince Edward Island (-0.4 percentage point) and Saskatchewan (-0.1 percentage point). *Source: Statistics Canada*

Migration

- **BC gained 2,529 persons from all sources as a result of net migration in the fourth quarter of 2000.** This was 1,735 less than the same quarter in 1999, reflecting weaker migration from other parts of the country.

There was a net outflow (-3,961 persons) from BC to the rest of Canada during the period, continuing the trend seen in the previous quarters of last year. However, there had been a smaller net loss (-647) in the same quarter of 1999.

The greatest net loss of people in the fourth quarter of last year was to Alberta (-3,405). This was

higher than in the same quarter of 1999 (-1,426). There was also a large net outflow to Ontario (-809), which had lost people to BC (+545) over the same quarter of 1999.

Net international migration increased by 32.0% compared to the fourth quarter of 1999, with a net inflow of 6,490 persons. The gain resulted mainly from different movements in the non-permanent resident population (such as foreign students, temporary workers etc.). Permanent immigration (8,987) to BC was slightly higher than in the same quarter of 1999. However, immigration to the rest of the country, especially Ontario, showed much stronger growth, bringing BC's share of total Canadian immigration to 15.7%.

- **Annual net migration to BC was 17,892 persons in 2000.** A net inflow of 32,015 people from international sources was partly offset by a net interprovincial outflow of 14,123 persons. Alberta was the main destination, with 11,948 more people migrating from BC to Alberta than moving in the reverse direction. There were also net outflows to Ontario (-3,509) and Atlantic Canada (-446). *Source: BC STATS*

The Economy

- **The value of building permits issued by BC municipalities picked up in February, rising 9.7% (seasonally adjusted).** This followed a decline of 1.5% the previous month. The increase was due to rises in all three components of the non-residential sector; industrial (+58.2%), commercial (+50.3%) and institutional (+4.3%). This resulted in an overall increase of 39.6% in the value of non-residential permits, and was the largest advance seen in all the provinces. The gains in BC's non-residential sector more than offset a 10.3% decline in residential permits in February. Nationally, the value of building permits fell 9.1%,

Did you know...

In 1997, the greatest number of deaths in each of Canada's provinces and territories, occurred in January. There were 27,412 deaths in BC that year, of which 2,782 or 10.1% happened in January.

as decreases were seen in all provinces except New Brunswick (+45.3), Alberta (+0.8%) and BC.

Source: Statistics Canada

- **The number of consumer bankruptcies was up 5.5% in February, compared to the same month in 2000.** There were 818 bankruptcies in the province, compared to 775 registered twelve months earlier. Across the country, the number of consumer bankruptcies decreased in 8 of the 13 provinces and territories, with an overall national decrease of 307 or 4.9% in February.

Source: Industry Canada

- **Business bankruptcies in the province were up 19.4% year-over-year compared to February 2000.** In Canada overall, however, the total number of businesses filing bankruptcy papers was unchanged from twelve months earlier. In total, 896 businesses in Canada, and 86 in BC, went bankrupt in February. *Source: Industry Canada*

Aquaculture

- **Aquaculture sales in the province rose 13.5% in 1999, increasing by \$35.7 million to \$299.4 million.** Sales in BC accounted for approximately half the national total in both 1998 (51%) and 1999 (49%). Finfish accounted for the majority of total BC sales in both years. In 1999, sales were \$286.0 million, 96% of the total. Molluscs accounted for 4% of sales, while the remaining came from other goods and services. *Source: Statistics Canada*

Health

- **Total health care expenditure (private and public) in BC reached \$11.6 billion in 1998, and is forecast to rise to \$12.7 billion in 2000.** On a per capita basis, this translated to \$2,898 in 1998, rising to \$3,127 in 2000. Health care spending per capita in BC has been consistently higher than the national average since 1990. In 2000, per capita spending in Canada overall is forecast to be \$3,094.

In 1998, approximately a third of BC's health care expenditure was allocated to hospitals, accounting for \$3.6 billion or 30.8% of the total. A further \$1.7 billion or 15.0% was spent on physicians, with a similar amount (\$1.7 billion or 15.1%) on other professionals. BC also spent \$1.3 billion on prescription and other drugs. This was the lowest

proportion (11.6%) of total health care spending of all the provinces. Per capita spending on drugs was also lower in BC than in other provinces at \$337. *Source: Canadian Institute for Health Information*

- **BC has consistently had more physicians per 100,000 population than the national average.** In Canada there were 189 in 1994, decreasing to 185 per 100,000 population by 1998. The number per 100,000 population in BC, however, has decreased slightly from 194 in 1994 to 193 in 1998. Over the period there were 7,266 physicians in the province in 1994. By 1998 this had risen to 7,752. A similar trend was also seen in the number of general and family practitioners. The total number rose from 4,048 in 1994 to 4,263 in 1998, but the number per 100,000 population fell from 108 to 106 over the period. In contrast, the number of specialist doctors per 100,000 population has increased slightly from 86 in 1994 to 97 in 1998.

Source Canadian Institute for Health Information

- **Over half of BC's registered nurses employed in nursing in 1998, worked part-time.** Of the 28,004 nurses in the province, 14,042 were employed part-time, compared to 13,494 who worked full-time (468 did not state their usual hours of work). The total number of nurses has decreased by 344 since 1996, when there were 28,348. The number of nurses per 100,000 population also declined over the period, remaining below the national average. Numbers fell from 722 in 1996 to 696 in 1998. Nationally, there were 764 nurses per 100,000 population in 1996 and 748 in 1998.

Source Canadian Institute for Health Information

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Research, Evaluation & Accountability

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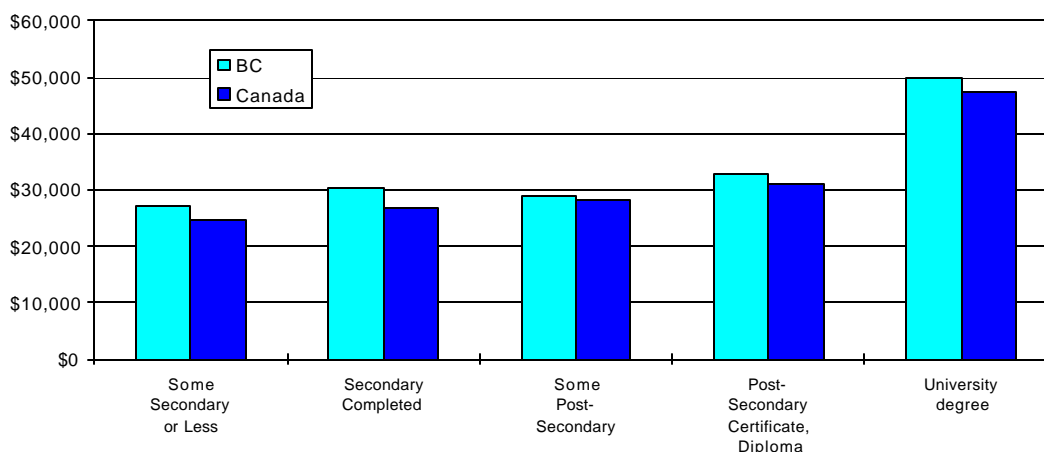
Last month's article (*republished as Infoline Report, Issue 0111, March 16, 2001*) focused on the rising educational attainment of BC's core adult labour force (aged 25-54) and the earnings gap between the relatively educated compared to their less educated counterparts. This month's article looks at young adults aged 20 to 34 and the earnings premiums of those with a post-secondary education.

Educational attainment along with work experience has a significant and positive effect on average full-time, full-year earnings of young workers. Figure 1 shows that the average earnings of young adults increase with the attainment of a post-secondary certificate, diploma or degree. Average earnings for young adults in B.C. exceed the Canadian average in each of the educational attainment categories, but it is evident that those who have post-secondary education have a clear earnings premium over young workers with less education. It is interesting to note that young adults within the broad category of *post-secondary certificate or diploma*, earn only slightly more than those with

high-school completion. This slight advantage may in small part be because resource-based jobs provide workers who have relatively less education with good earnings. Most of the reason for the small earnings premium is due to the fact that this is a very broad category ranging from those with very short post-secondary or industry certificate programs, to those with three year nursing diplomas and four year apprenticeship completion. The much higher earnings for these latter groups are masked by the large group of those with very short duration certificates.

The Survey of Labour and Income Dynamics (SLID) is a longitudinal household survey conducted by Statistics Canada. It is designed to capture the economic well-being of individuals and families over time and the determinants of their well-being. Individuals originally selected for the survey are interviewed once or twice per year for six years to collect information about their labour market experiences, income and family circumstances. The first reference year of the survey was 1993.

Figure 1: Average Full-Time, Full-Year Earnings by Educational Attainment, Persons Aged 20 to 34, B.C. and Canada, 1998

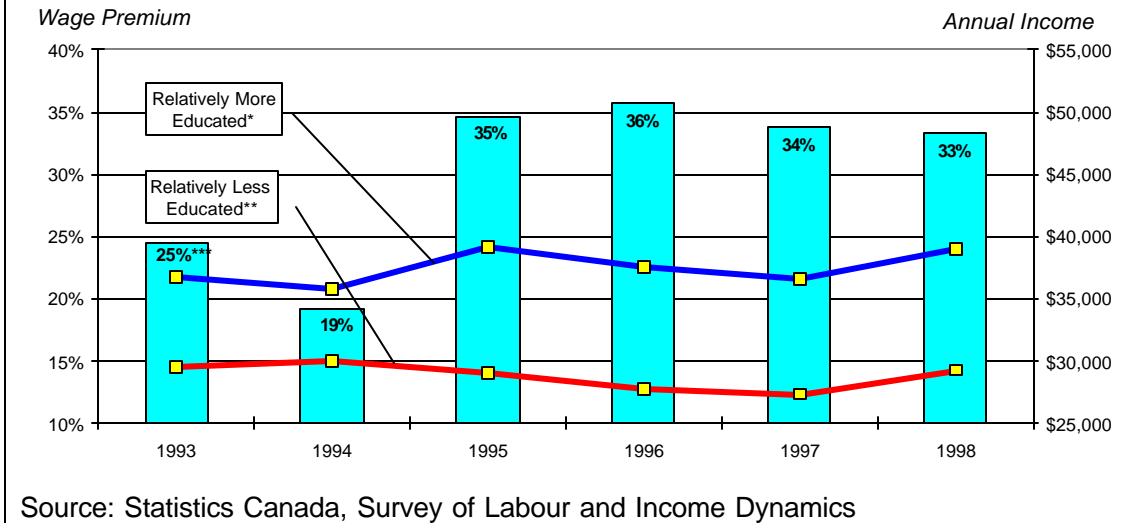


Source: Statistics Canada, Survey of Labour and Income Dynamics

The earnings gap between young workers with and without post-secondary completion is growing . . . This is despite the growing proportion of young adults seen over the 1990s who have post-secondary completion. From 1993 to 1998, the difference in average full-time, full-year earnings between those who have and those who have not completed a post-secondary

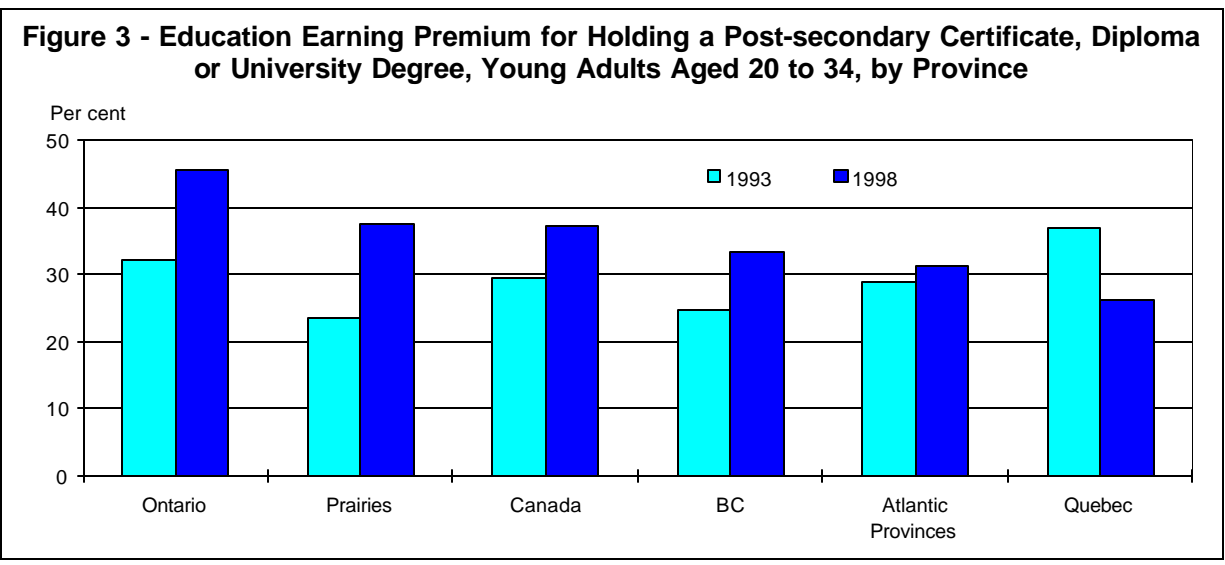
education program grew from 25 to 33 per cent. This strongly suggests the importance of post-secondary education to earnings. Also, young adults with higher levels of education continue to see lower unemployment rates and higher employment rates than those without post-secondary education completion.

Figure 2: Average Full-time, Full-year Earnings of young Adults aged 20-34 and Their Wage Premium* for Holding a Post-Secondary Certificate, Diploma or University Degree, 1993 to 1998**



Educational earnings premiums vary by province . . . Figure 3 illustrates that the gap between earnings of young adults who have post-secondary completion compared to those who do not is widening over time. Between 1993 and 1998 all regions except Quebec showed an increase in the earnings premium of young adults with post-secondary completion. The largest gap in 1998 was seen in Ontario with a 46 per cent premium for those attaining post-secondary completion compared to 32 per

cent in 1993. The prairie provinces and BC also show a significant increase in the earnings premium of educated young adults since 1993. Conversely, Quebec has seen a narrowing of the education earnings premium among young adults, which was the highest in Canada in 1993 at almost 37 per cent, but narrowed to 26 per cent in 1998. This was the lowest earnings premium of any region in 1998, and may suggest growth in demand for more educated workers is weaker relative to supply in Quebec.



It remains to be seen whether earnings inequalities between the relatively more educated and the relatively less educated continue to grow, remain constant, or if they may actually begin to decrease. It can be argued that skills, abilities and competencies, however learned, and in their relationship to relative demands by employers for them, may be a stronger factor in terms of explaining differences in future employment outcomes than educational attainment. Yet it appears that post-secondary education is well accepted as a vehicle for developing skills, abilities and competencies. The 1990s saw a considerable boost in the numbers and proportion of

workers with post-secondary completion. Yet both earnings and other labour market outcomes for those with post-secondary education improved relative to those without. This suggests the demand for relatively more educated workers has increased faster than the supply increase. This demand for more educated workers has been driven by technology and an information and knowledge intensive economy, and it appears this is likely to continue. Whether increases in supply of educated workers can keep pace is difficult to predict.

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BC at a glance . . .		
POPULATION (thousands)		
	Jan 1/01	% change on one year ago
BC	4,077.4	0.7
Canada	30,714.7	0.9
GDP and INCOME		
<i>(BC - at market prices)</i>	1999	% change on one year ago
Gross Domestic Product (GDP) (\$ millions)	118,783	4.2
GDP (\$ 1992 millions)	104,323	2.1
GDP (\$ 1992 per Capita)	25,899	1.3
Personal Disposable Income (\$ 1992 per Capita)	16,700	0.0
TRADE (\$ millions)		
Manufacturing Shipments (seas. adj.) Dec	3,155	-4.9
Merchandise Exports (raw) Jan	2,322	-0.3
Retail Sales (seasonally adjusted) Jan	3,064	5.6
CONSUMER PRICE INDEX		
<i>(all items - 1992=100)</i>	Feb '01	% change on one year ago
BC	112.6	1.1
Canada	115.2	2.9
LABOUR FORCE (thousands)		
<i>(seasonally adjusted)</i>	Mar '01	% change on one year ago
Labour Force - BC	2,111	0.9
Employed - BC	1,972	1.4
Unemployed - BC	139	-5.6
		Mar '00
Unemployment Rate - BC (percent)	6.6	7.0
Unemployment Rate - Canada (percent)	7.0	6.8
INTEREST RATES (percent)	Apr 4/01	Apr 5/00
Prime Business Rate	6.75	7.00
Conventional Mortgages - 1 year	6.70	7.70
- 5 year	7.25	8.35
US/CANADA EXCHANGE RATE	Apr 4/01	Apr 5/00
<i>(avg. noon spot rate)</i> Cdn \$	1.5694	1.4545
US \$ <i>(reciprocal of the closing rate)</i>	0.6359	0.6898
AVERAGE WEEKLY WAGE RATE		
<i>(industrial aggregate - dollars)</i>	Mar '01	% change on one year ago
BC	650.17	3.1
Canada	630.47	3.9
SOURCES:		
Population, Gross Domestic Product, Trade,	} Statistics	
Prices, Labour Force, Wage Rate		} Canada
Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics		
For latest Weekly Financial Statistics see www.bank-banque-canada.ca/english/wfsgen.htm		

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