



## Highlights

- B.C. employment fell by 13,700 persons, with all losses concentrated in part-time jobs
- Unemployment rate rose slightly to 4.5 per cent, yet remained relatively low

## Hiring momentum paused and unemployment rate edged up to 4.5 per cent

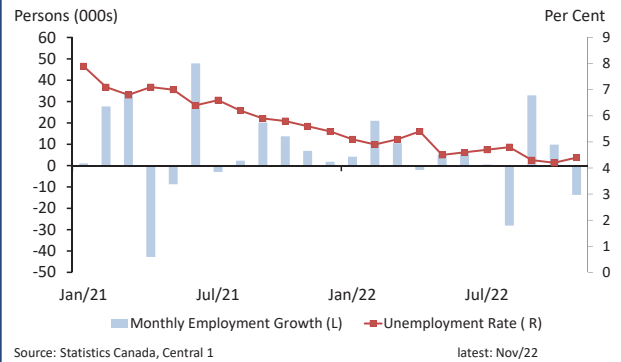
Ivy Ruan, Economic Analyst

Following the positive hiring momentum in the B.C. labour market through the past two months, employment in the province decreased by 0.5 per cent or 13,700 persons in November according to the latest Labour Force Survey estimate. The loss in employment in B.C., along with the other four provinces (including Alberta, Prince Edward Island, Newfoundland and Labrador and Manitoba), offset the employment gains in Quebec. As a result, the national employment performance had little change (0.1 per cent) in November. Relative to pre-pandemic February 2020 levels, B.C. employment was still up by 4.0 per cent. This exceeded the national increase of 2.7 per cent and lagged behind Prince Edward Island (3.5 per cent) and Alberta (4.0 per cent) only.

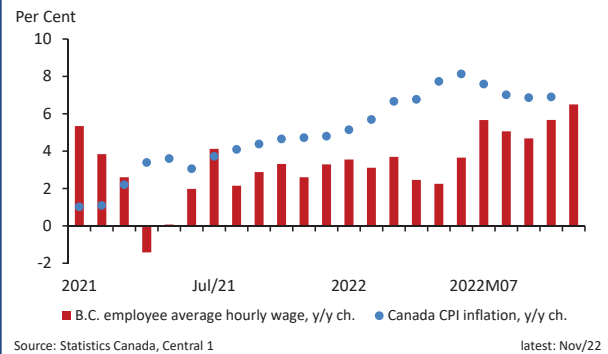
November's employment loss was led by losses in part-time work. While full-time employment continued to expand (0.4 per cent), recovering most of the loss since August, the loss in part-time employment (-3.9 per cent) reversed all the gains from the last two months. This could signal employers and employees opting for more hours given the tight labour market and more inflationary pressures. Labour force participation rates dropped to the second lowest level in 2022, due to both the contracting labour force and the growing population in B.C.

Among industries, the decline was driven by the goods-producing sector in November following the strong gains last month. Losses were reported in all subsectors. Specifically construction employment fell by 9,200 persons or 3.8 per cent, while manufacturing employ-

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## Average hourly wage growth accelerates



ment jumped by 2,900 persons or 1.6 per cent. With slowing global growth and the weaker housing market, the backslide was not surprising and future trends could continue to temper in both sectors.

On the other hand, services-sector employment growth was generally positive in November, in contrast to last month's negative results. Finance/insurance/real estate employment regained 2.6 per cent or 4,200 persons, while rebounds were also recorded in accommodation/food services (2.3 per cent), and education (2.1 per cent). Meanwhile, professional/scientific/technical services employment saw a decline of 2.0 per cent or 5,500 persons in November, reflecting a growing number of layoffs among technology companies that were forced to downsize or restructure. In the Vancouver census metropolitan area there was little change in both employment and the unemployment rate in November.

There is little doubt that B.C.'s labour market remains exceptionally tight. The unemployment rate edged up to 4.4 per cent from 4.2 per cent yet remained below 4.5 per cent and one of the lower readings in 2022. This aligns with the province's high job vacancy rate and challenges faced by organizations to find workers and/or matching skills. Wage growth in B.C. accelerated from October on a year-over-year basis to 6.5 per cent, but still lagged headline inflation.

B.C.'s labour market performance in November largely reversed the results from last month, suggesting changes to employers' hiring plans and workers' sentiments through uncertain economic conditions. Despite the mixed trends, the further cooldown is anticipated into the new year as firm national conditions likely lock in another interest rate hike from the Bank of Canada this month.

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