

**Highlights**

- B.C. lags national boom but continues to add jobs in January
- Unemployment rate creeps higher
- Trade slows again in December, but year is up overall

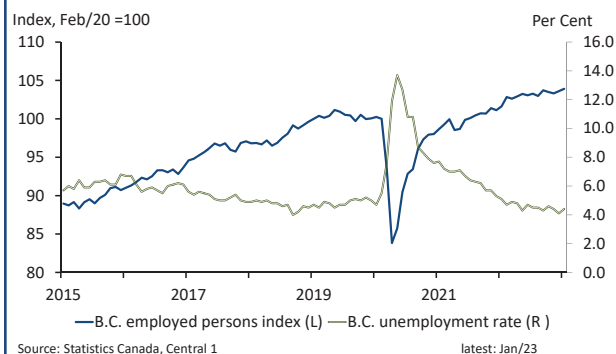
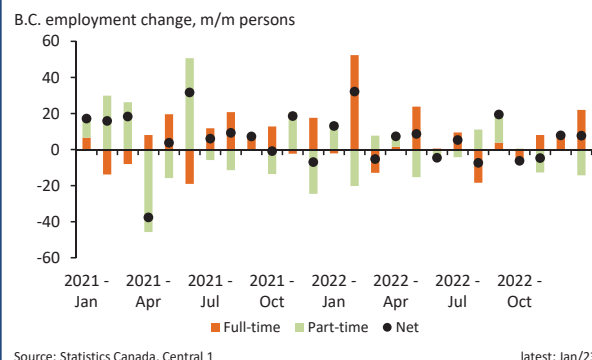
B.C. job growth continues in January, unemployment rate ticks higher*Bryan Yu, Chief Economist*

B.C.'s labour market continued to add jobs in January but fell well short of the blockbuster performance nationwide. Employment in the province increased by 7.7k persons or 0.3 per cent which was consistent with December's gain. However, this paled in comparison to the national increase 0.8 per cent nationwide. Nevertheless, employment continued to trend higher and was firmly ahead of a year ago by 2.2 per cent and nearly 4 per cent ahead of pre-pandemic February 2020.

The latest numbers for B.C. showed mixed trends but the underlying patterns remained firm. Employment growth was led by full-time gains (22k or 1.0 per cent) which more than offset a drop in part-time work of 14.3k persons (2.5 per cent). A sharp increase in hours worked (7.7 per cent year-over-year) suggests employers are both adding new employees and converting more casual and part-time workers to full-time hours, a clear signal of economic strength.

On an industry basis, hiring was concentrated in the services-producing sector where employment rose 10.5k or 0.5 per cent. Like the national picture, wholesale and retail trade led the way with an 18.1k or 4.3 per cent increase, while accommodations/foodservices (up 7.1k or 3.8 per cent) was also a key contributor and suggests firm consumer spending even as interest rates rise. In contrast, professional/scientific/technical services slumped by 15k persons or 5.4 per cent in a sign that sectors like the tech sector may not be alright. On the goods front, an increase in construction (4.1k) was offset by a 4k decline in manufacturing – the latter may reflect weakness in forestry.

Despite some mixed industry-strength, B.C.'s labour market remains tight. The unemployment rate edged up

B.C. employment trend rising, unemployment rate ticks up**Consecutive monthly employment gain led by full-time hiring**

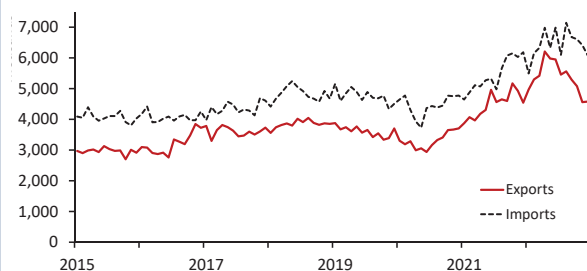
from 4.1 per cent to 4.4 per cent but remains far lower than the national rate of 5.0 per cent. Expansion of the labour force due to population growth and higher participation rate contributed to the increase. Wage growth accelerated to a year-over-year change of 4.6 per cent after a drop to 3.9 per cent in December, but partly reflect shifts in job composition. Relief for tight labour markets is expected in coming months reflecting a slower economy and pass-through of record population growth.

B.C. imports decline while exports remain flat*Alan Chow, Business Economist*

B.C. exports were relatively flat in December. On a seasonally-adjusted basis, exports increased only 0.4 per cent from December to November and remained around \$4.6 billion. This halted three consecutive months of lower volumes seen over the previous months. Imports also declined in December, with

B.C. imports continue to decline while exports were flat in December

Dollar volumes SA ('000,000s)



Source: Statistics Canada, Central 1

latest: Dec/22

volume down 5.2 per cent to \$6.0 billion. This decline in volume was the fourth consecutive monthly decline in imports and marks the lowest level since January 2022. However, for all of 2022, exports increased 19.3 per cent to \$64.3 billion while imports increased 18.5 per cent to \$77.4 billion.

Within exports, metal ores and non-metallic minerals saw a large spike in the dollar volume traded for December. It was up 291 per cent to \$436 million. Other industries that saw gains were significantly smaller in dollar volumes. Offsetting these gains were a decline in energy, down 9.4 per cent month-over-month in December. Forestry products and building and packaging materials was also down 4.4 per cent while consumer goods exports were down 8.7 per cent.

The decline in imports was seen in nine of the twelve categories listed and was led by a large decline in consumer goods. It was down 15.8 per cent for December to \$1.59 billion, its lowest levels since July 2022. Also showing lower levels of imports was forestry products and building and packaging materials, down 14.8 per cent and aircraft and other transportation equipment and parts, down 30.3 per cent. Offsetting the lower imports products were higher imports of energy, up 62.5 per cent, and higher imports of metal ores and non-metallic minerals, up 57.4 per cent.

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