



Regional Labour Market Outlook 2010-2020

NORTHEAST

The labour market outlook presented in this report is based on the results from the B.C. Labour Market Scenario Model developed in 2009 by the Ministry of Jobs, Tourism and Innovation in partnership with BC Stats and the Ministry of Finance. The model provides provincial labour market demand and supply forecasts including forecasts by development region and occupation.

Funding for the B.C. Labour Market Scenario Model has been provided by the Canada-British Columbia Labour Market Agreement and the Province of British Columbia.

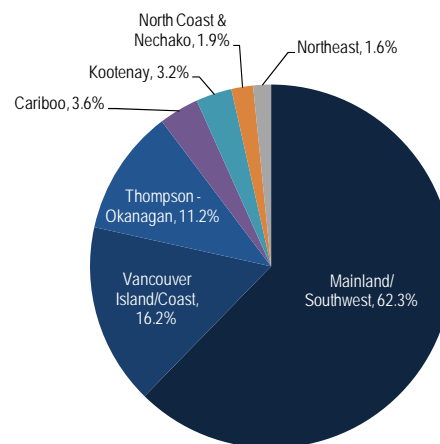
HIGHLIGHTS (2010-2020):

- Over the 10-year outlook, the Northeast region is expected to experience faster growth in employment demand at 1.7 per cent annual average compared to B.C.'s 1.4 per cent growth rate.
- Tight labour market conditions are expected in the region between 2011 and 2015.
- Top employment growth industries in the region are in *Transportation and Warehousing, Professional, Scientific and Managerial, Accommodation and Food Services, and Health Care and Social Assistance* industries.
- Between 2010 and 2020, occupations related to *Motor Vehicle and Transit Drivers* and *Heavy Equipment Operators* are expected to have the highest number of job openings in the region at about 1,570 openings and 670 openings respectively.
- Occupations related to food and health services are projected to have the fastest growth in employment demand with growth rates ranging from 2.9 per cent to 3.2 per cent annually within the outlook period.

CURRENT LABOUR MARKET CONDITIONS¹

The Northeast region has the smallest labour force population among the seven regions in British Columbia. As of 2011, the region had approximately 39,100 workers who are either employed or are actively looking for jobs. This accounts for 1.6 per cent of the provincial workforce (Figure 1). Furthermore, the region's unemployment rate is the lowest among the regions in B.C. Compared to the previous year, its unemployment rate decreased by 1.9 percentage points to 4.9 per cent in 2011. This decrease was mainly due to a decrease in the size of its labour force (by approximately 600 workers) coupled with an increase in employment in the region by about 200 workers.

Figure 1. British Columbia's Labour Force by Region (2011)

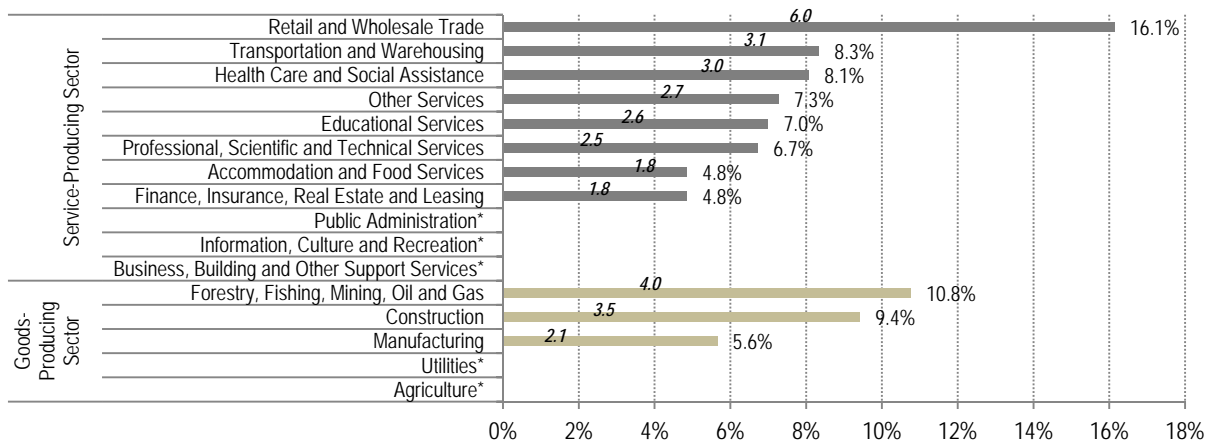


Seven out of 10 jobs in the Northeast are found in industries belonging to the service-producing sector. Within this sector, jobs in *Retail and Wholesale Trade, Transportation and Warehousing* and *Health Care and Social Assistance* industries make up about 32 per cent of the region's employment (Figure 2). In the goods-producing sector, nine out of ten jobs are found in *Forestry, Fishing, Mining, Quarrying, Oil and Gas, Construction, and Manufacturing* industries. Employment in these three industries account for

¹ Data source for the figures in this section was the Labour Force Survey (2011), Statistics Canada.

26 per cent of the total jobs in the region. Between 2010 and 2011, employment within the *Forestry, Fishing, Mining, Oil and Gas* and *Construction* industries dropped by 2,100 jobs and 600 jobs respectively. In contrast, employment in the *Manufacturing* industry grew by 1.1 per cent (400 jobs) within the same period. While the goods-producing sector saw a net decline of 1,900 jobs, this was offset by an equivalent job increase in the service producing sector resulting to a relatively flat overall employment level for the region between 2010 and 2011. Employment growth in the service-producing sector mainly came from job increases in *Educational Services, Transportation and Warehousing, and Professional, Scientific and Technical Services* industries.

Figure 2. Employment Distribution in Northeast Region by Industry: 2011 ('000, %)



Note: "Other Services" includes Repair and Maintenance; Personal and Laundry Services; Religious, Grant-Making, Civic, and Professional and Similar Organizations; and Private Households.

* Data is suppressed to meet the confidentiality requirements of the Statistics Act.

REGIONAL LABOUR MARKET OUTLOOK²

Over the 10-year outlook period, the Northeast region is forecast to have 18,000 job openings.³ This accounts for 1.8 per cent of the total expected job openings in the province. Six out of ten of these openings are due to replacement of retirements or deaths. Job openings coming from replacement are expected to

In 2011, the median age for the Northeast region was 34.1 years, making it the region with the youngest population in the province. In comparison, the median age for BC was 41.1 years.

Source: BC Stats Population Estimates (2011)

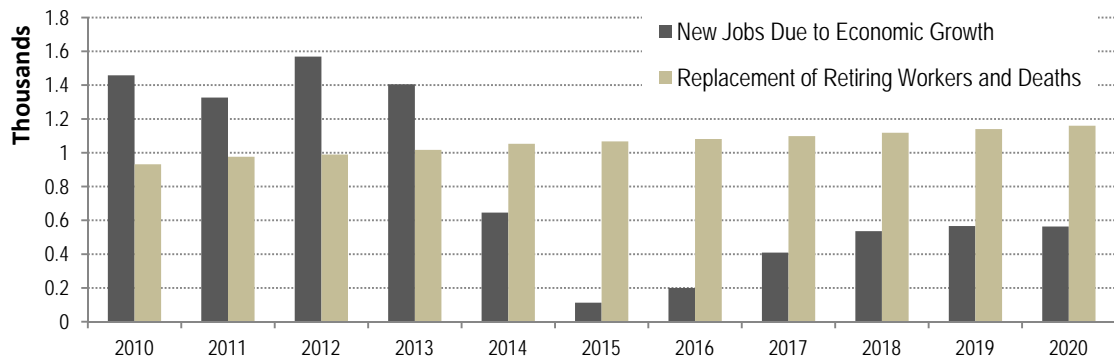
steadily increase from about 900 jobs in 2010 to 1,200 jobs in 2020 (Figure 3). On the other hand, 41 per cent of the region's job openings are new jobs created due to economic expansion. These openings are expected to peak in 2012 before declining in 2013. Major projects currently included in the *B.C. Labour Market Scenario Model* for the region are expected to wrap up starting 2013. This, coupled with uncertainty around future projects planned in the latter half of the decade, contribute to this decline in the new jobs forecast.⁴

² Data source for the forecasts in this section was the B.C. Labour Market Scenario Model (2010 - 2020).

³ Job openings include employment opportunities coming from economic growth and job vacancies due to retirements or deaths.

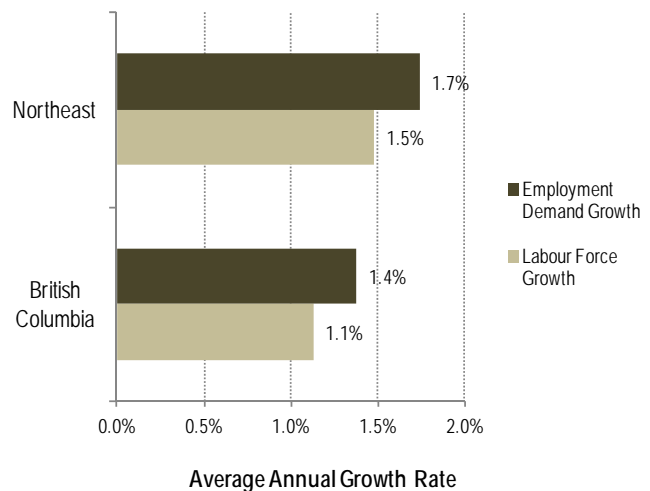
⁴ Forecasts of job openings due to economic growth in the latter half of the decade (2016-2020) may decrease as limited information is available for long-term major projects necessitating their exclusion from the model.

Figure 3. Projected Job Openings by Source, Northeast (2010-2020)



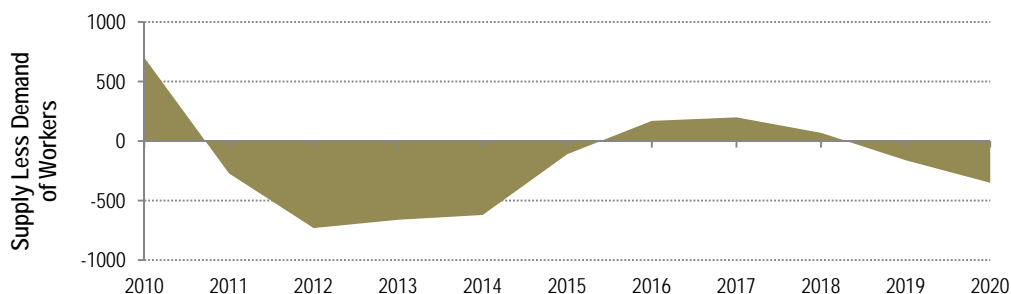
Moderate growth in employment demand is expected for the region within the next decade. Provincially, the demand for workers is expected to grow at an annual average rate of 1.4 per cent. In comparison, growth in employment demand in the Northeast region is projected at a slightly faster rate of 1.7 per cent (Figure 4). This is primarily driven by planned major projects in the first half of the forecast period which are expected to have significant positive labour market impacts in the region considering its relatively small size. On the supply side, the region’s labour force is expected to grow at an average rate of 1.5 per cent annually. With faster growth in employment demand than labour supply, tightening in the region’s labour market is expected over the next decade.

Figure 4. Labour Supply and Demand Growth Rates for BC and the Northeast Region



Taking a closer look at the interplay of labour supply and demand, between 2011 and 2015, employment demand in the region is forecast to exceed its labour supply (Figure 5). Within this period, the number of job opportunities exceeds the number of workers available to fill them. As the supply of workers adjusts to demand over time, more balanced labour market conditions are forecast for 2016 through 2018 before dipping back towards a shortage of labour supply starting in 2019. Cumulatively over the 10-year outlook, the region’s employment demand is projected to exceed its labour supply by an estimated 1,800 workers.

Figure 5. Excess Supply Outlook, Northeast: 2010-2020

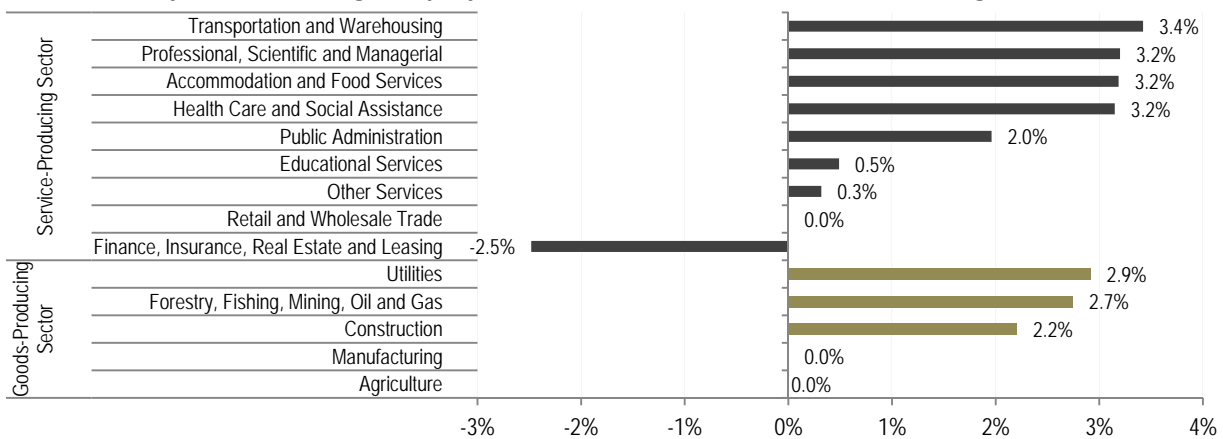


INDUSTRY EMPLOYMENT OUTLOOK

Employment growth in the region is mostly driven by expansion in the service-producing sector. Industries such as *Transportation and Warehousing*, *Professional Scientific and Managerial*, *Accommodation and Food Services*, and *Health Care and Social Assistance* are projected to grow at an average rate of 3.2 per cent to 3.4 per cent annually over the next 10 years to 2020 (Figure 6). Within the goods-producing sector, employment in the *Utilities*, *Forestry, Fishing, Mining, Oil and Gas*, and *Construction* industries are projected to grow at a rate of 2.2 per cent to 2.9 per cent per year.

In contrast, some industries are more likely to see slower or negative employment growth over the same period. Employment in industries such as *Retail and Wholesale Trade*, *Manufacturing*, and *Agriculture* are forecast to remain relatively flat while jobs within the *Finance, Insurance, Real Estate and Leasing* industry are projected to decline by about 2.5 per cent annually.

Figure 6. Industry Annual Average Employment Growth Rates for the Northeast Region: 2010-2020



Note: "Professional, Scientific and Managerial" includes Professional, Scientific and Technical Services, Management of Companies and Enterprises, Administrative and Support and Waste Management and Remediation Services. "Other Services" includes "Other Services" as defined in page 2 and Information, Culture and Recreation.

OCCUPATIONAL OUTLOOK

The *B.C. Labour Market Scenario Model* categorizes occupations based on the 2006 National Occupational Classification (NOC) from Human Resources and Skills Development Canada.⁵

Over the next 10 years, the highest number of job opportunities are projected in occupations related to trades, transport and equipment such as *Motor Vehicle and Transit Drivers*, *Heavy Equipment Operators*, and *Machinery and Transportation Equipment Mechanics (except Motor Vehicle)* with job openings ranging from 420 to 1,570 openings (Table 1). Other occupations such as *Cleaners*, *Finance and Insurance Administrative Occupations*, *Nurse Supervisors and Registered Nurses*, and *Clerical Occupations, General Office Skills* are also expected to have modest numbers of job opportunities between 2010 and 2020.

⁵ Occupations in the regional forecasts are examined at the 3 digit level NOC. For more information on NOC, see <http://www30.hrsdc.gc.ca/NOC/English/NOC/2006/Welcome.aspx>

Table 1. Occupations with the Highest Expected Job Openings in Northeast, 2010-2020

Occupations with the Highest Job Openings (Skill Level) ⁶	Job Openings 2010-2020	2010 Employment
NOC 741 Motor Vehicle and Transit Drivers (C)	1,570	2,370
NOC 742 Heavy Equipment Operators (C)	670	1,090
NOC 666 Cleaners (D)	630	1,120
NOC 123 Finance and Insurance Administrative Occupations (B)	510	1,030
NOC 315 Nurse Supervisors and Registered Nurses (A)	490	600
NOC 141 Clerical Occupations, General Office Skills (C)	480	1,020
NOC 421 Paralegals, Social Services Workers and Occupations in Education and Religion, n.e.c. ⁷ (B)	470	760
NOC 122 Administrative and Regulatory Occupations (B)	450	800
NOC 861 Primary Production Labourers (D)	420	900
NOC 731 Machinery and Transportation Equipment Mechanics - except Motor Vehicle (B)	420	880

Cumulative shortages occur when the projected number of job openings exceeds the supply of workers coming from new entrants, net in-migration and other net in-mobility sources over the forecast period. For the Northeast region, occupations with the highest expected cumulative shortages within the 10-year outlook are forecast to occur in the *Motor Vehicle and Transit Drivers*, *Cleaners*, *Heavy Equipment Operators* and *Primary Production Labourers* occupations (Table 2). Shortages within these groups range from an estimated 40 to 100 workers in the next 10 years. Most occupations within these groups are at skill levels C and D which usually require secondary education or on-the-job training.

Table 2. Occupations with the Highest Expected Shortages in Northeast, 2010-2020

Occupations with Highest Cumulative Shortages ⁸ (Skill Level)	Cumulative Shortage 2010-2020 (# of workers)
NOC 741 Motor Vehicle and Transit Drivers (C)	100
NOC 666 Cleaners (D)	40
NOC 742 Heavy Equipment Operators (C)	40
NOC 861 Primary Production Labourers (D)	40
NOC 645 Occupations in Food and Beverage Service (C)	30
NOC 624 Chefs and Cooks (B)	30
NOC 123 Finance and Insurance Administrative Occupations (B)	30
NOC 664 Food Counter Attendants, Kitchen Helpers and Related Occupations (D)	30
NOC 731 Machinery and Transportation Equipment Mechanics - except Motor Vehicle (B)	30
NOC 761 Trades Helpers and Labourers (D)	20
NOC 141 Clerical Occupations, General Skills (C)	20

⁶ Occupations classified as skill level A usually require university education; skill level B usually require college education or apprenticeship training; skill level C usually require secondary school and/or occupation specific training; and skill level D usually require on-the-job training. Occupations categorized as skill type O refer to management occupations which may vary in education and experience requirements.

⁷ Not Elsewhere Classified

⁸ Cumulative shortage is the difference between total job openings and new job seekers (new entrants, net in-migration and other net in-mobility) over the 10-year period (2010 to 2020).

The highest growth in employment demand is forecast in occupations related to food service and accommodation (e.g., *Managers in Food Service and Accommodation, Chefs and Cooks*) and health related occupations (e.g., *Nurse Supervisors and Registered Nurses, Assisting Occupations in Support of Health Services*). These occupations are projected to increase annually at an average rate of 2.9 per cent to 3.2 per cent within the 10-year outlook (Table 3).

Growth in employment demand, as represented by the number of new jobs in the region, would differ for each occupation depending on the occupational growth rates and the occupation’s size during the base year (2010). For example, *Motor Vehicle and Transit Drivers* is forecast to have a slower annual employment demand growth rate (2.7 per cent) compared to the *Managers in Food Service and Accommodation* occupation (3.2 per cent). However, a 2.7 per cent growth rate in the *Motor Vehicle and Transit Drivers* occupation translates to a projected increase of 750 jobs, which is substantially greater than the projected increase of 90 jobs in the *Managers in Food Service and Accommodation* occupation.

Table 3. Occupations with the Highest Expected Average Growth in Employment Demand in Northeast, 2010-2020

Occupations with Highest Average Annual Employment Demand Growth 2010-2020 (Skill Level)	Annual Average Employment Demand Growth Rate (%)	Growth in Employment Demand (# of new jobs)
NOC 063 Managers in Food Service and Accommodation (O)	3.2%	90
NOC 315 Nurse Supervisors and Registered Nurses (A)	3.2%	230
NOC 645 Occupations in Food and Beverage Service (C)	3.1%	160
NOC 624 Chefs and Cooks (B)	3.1%	160
NOC 341 Assisting Occupations in Support of Health Services (C)	2.9%	170
NOC 421 Paralegals, Social Services Workers and Occupations in Education and Religion, n.e.c. (B)	2.8%	250
NOC 323 Other Technical Occupations in Health care - except Dental (B)	2.8%	120
NOC 741 Motor Vehicle and Transit Drivers (C)	2.7%	750
NOC 081 Managers in Primary Production - except Agriculture (O)	2.5%	110
NOC 923 Central Control and Process Operators in Manufacturing and Processing (B)	2.5%	160

USEFUL LINKS

More information related to jobs, careers, and labour market statistics are available at <http://www.workbc.ca/> and <http://www.bcjobtrendtracker.ca/lmf/>. If you have any questions about the information in this report, please email workbcinformation@gov.bc.ca.