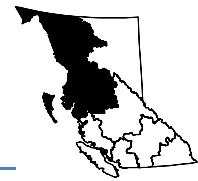


# Regional Labour Market Outlook 2010-2020

## NORTH COAST & NECHAKO



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.

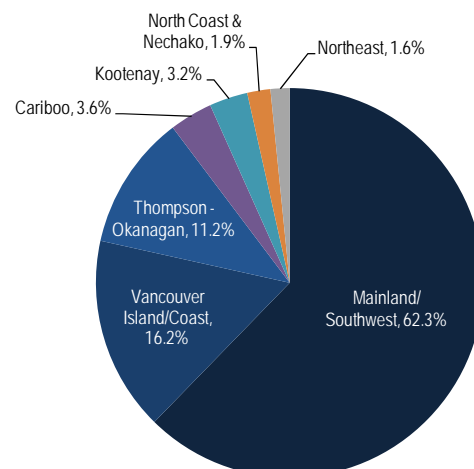
### HIGHLIGHTS (2010-2020):

- The North Coast & Nechako region is expected to have modest growth in employment demand over the 10-year period, averaging at 1.3 per cent annually and is slightly lower than B.C.'s 1.4 per cent demand growth.
- North Coast & Nechako had the highest average unemployment rate among all B.C. regions in 2010 and 2011 at 10.2 per cent and 8.6 per cent respectively.
- Tight labour market conditions are expected for the region between 2012 and 2015.
- The region's top employment growth industries are in *Construction* (5.5 per cent annually), *Accommodation and Food Services* (2.6 per cent annually), and *Other Services* industries which include *Repair and Maintenance, Personal and Laundry Services, Religious, Grant-making, Civic and Professional and Similar Organizations, Private Households, and Information, Culture and Recreation* (3.0 per cent annually).
- Highest employment demand growth for the region is expected in occupations related to Trades, Transport and Equipment such as *Other Construction Trades, Carpenters and Cabinetmakers, and Managers in Construction and Transportation*.

### CURRENT LABOUR MARKET CONDITIONS<sup>1</sup>

North Coast & Nechako is the second smallest region in the province in terms of its labour force. In 2011, the region had approximately 47,400 workers who are either employed or are actively looking for jobs. Its labour force accounts for 1.9 per cent of the total workforce in British Columbia (Figure 1). North Coast & Nechako's unemployment rate is the highest among the regions in B.C. In 2011 the region's unemployment rate was 8.6 per cent, a 1.6 percentage point decrease from 2010. In comparison, unemployment rates for the other regions were: Kootenay (8.2 per cent), Thompson-Okanagan (7.9 per cent), Vancouver Island/Coast (7.7 per cent), Cariboo (7.6 per cent), Mainland/Southwest (7.3 per cent), and Northeast (4.9 per cent).

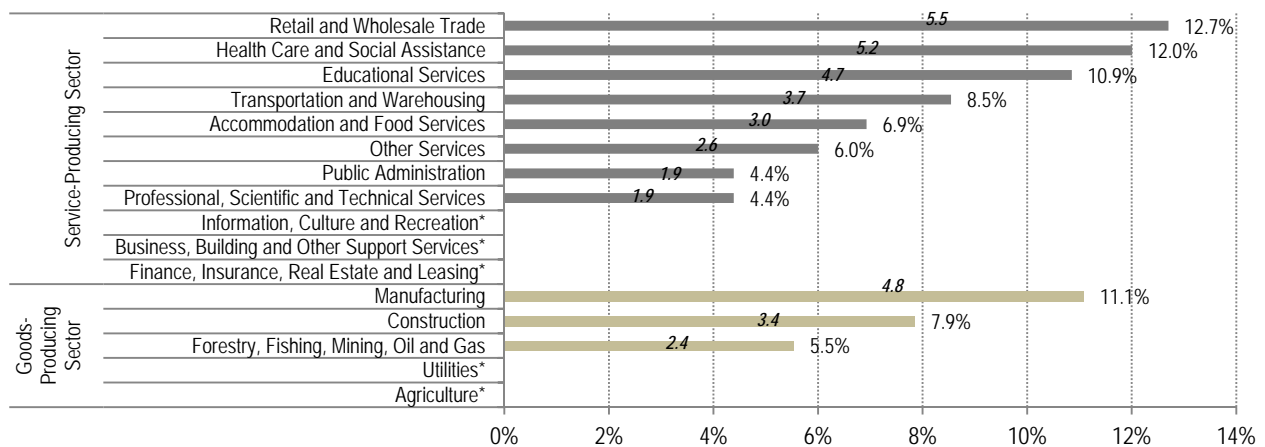
Figure 1. British Columbia's Labour Force by Region (2011)



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

Three out of four jobs in the North Coast & Nechako region are in the service-producing sector. Within this sector, jobs in *Retail and Wholesale Trade, Health Care and Social Assistance, Educational Services, Transportation and Warehousing, and Accommodation and Food Services* industries make up over half of its total employment (Figure 2). Industries in the goods-producing sector on the other hand, account for 26 per cent of the region’s employment. Within this sector, *Manufacturing, Construction, and Forestry, Fishing, Mining, Quarrying, Oil and Gas* industries are the top job sources. Between 2010 and 2011, the region saw a net increase of approximately 2,900 jobs. This was mainly driven by expansion in the *Construction, Educational Services, and Other Services*<sup>2</sup> industries. Employment in industries such as *Retail and Wholesale Trade, Forestry, Fishing, Mining, Oil and Gas, and Manufacturing* saw declines ranging from 700 jobs to 1,400 jobs over the same period.

**Figure 2. Employment Distribution in North Coast & Nechako 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 OUTLOOK <sup>3</sup>

North Coast & Nechako region is forecast to have approximately 19,900 job openings<sup>4</sup> between 2010 and 2020. This represents 1.9 per cent of the total openings in the province. Seven out of ten of these openings are due to replacement of retiring workers or deaths. Job openings due to replacement are expected to average at 1,400 openings per year over the next 10 years. New job opportunities coming from economic expansion account for thirty per cent of the openings in the region. Unlike replacement job openings which steadily increase between 2010 and 2020, openings due to economic expansion are forecast to have higher variability (Figure 3). Specifically, expansion

*In 2011, the median age in North Coast and Nechako region was 39.6 and 38.5 years respectively. Both are lower than the provincial median age of 41.1 years.*

*Source: BC Stats Population Estimates (2011)*

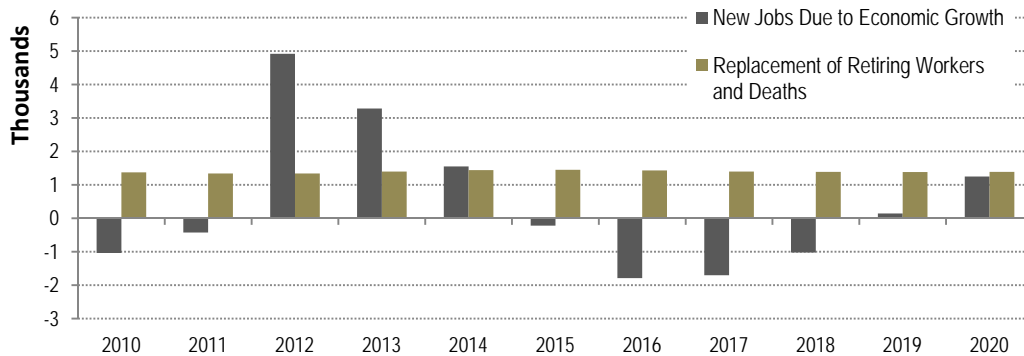
<sup>2</sup> "Other Services" includes Repair and Maintenance; Personal and Laundry Services; Religious, Grant-Making, Civic, and Professional and Similar Organizations; and Private Households.

<sup>3</sup> Data source for the forecasts in this section was the B.C. Labour Market Scenario Model (2010 - 2020).

<sup>4</sup> Job openings include employment opportunities coming from economic growth and job vacancies due to retirements or deaths.

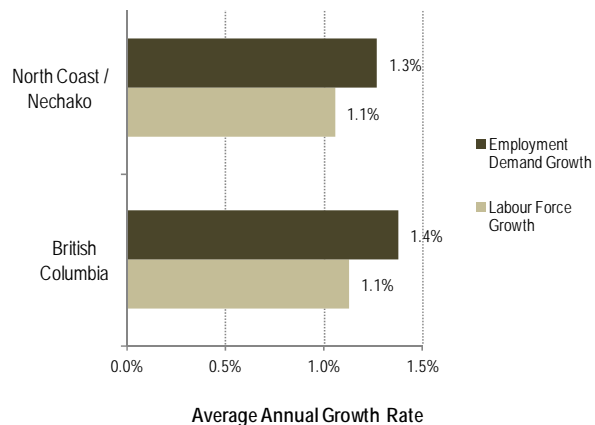
demand in the region is expected to peak in 2012 at 4,900 workers, after which demand is projected to decrease between 2015 and 2018 before rising back up in 2019. This decline in expansion demand is mainly due to the completion of major construction projects in the region coupled with the uncertainty around future projects planned in the latter half of the 2010-2020 period.<sup>5</sup> Overall, with the model taking the major projects in the region into account, economic growth is projected to create 6,000 new jobs between 2010 and 2020.

**Figure 3. Projected Job Openings by Source, North Coast and Nechako (2010-2020)**



Over the next decade, employment demand in North Coast & Nechako is projected to grow at an annual average of 1.3 per cent. This is slightly slower compared to B.C.'s average growth rate of 1.4 per cent (Figure 4). Compared to other regions, North Coast & Nechako's demand growth is higher than Thompson Okanagan (1.1 per cent), Kootenay (1.1 per cent), Vancouver Island/Coast (0.8 per cent), and Cariboo (0.5 per cent) regions. It is forecast to be slower compared to Mainland Southwest (1.6 per cent) and Northeast (1.7 per cent) regions.

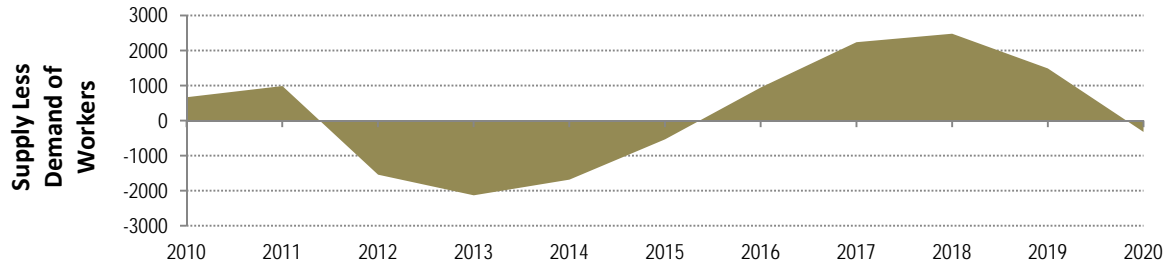
**Figure 4. Labour Supply and Demand Growth Rates for BC and North Coast & Nechako Region**



On the supply side, the region's labour force is forecast to grow at an annual average rate of 1.1 per cent over the 10-year outlook. With demand for workers growing at a faster rate than supply, tightening in the region's labour market is expected within the next decade. Taking a closer look at the interplay of labour supply and demand, in the short to medium term (from 2012 to 2015), demand for workers in the region is forecast to substantially exceed the number of workers available (Figure 5). In the longer term, with the model's equilibrium assumption of labour supply adjusting to demand over time, the region is forecast to experience an excess of workers between 2016 and 2019 before moving back to more balanced labour market conditions starting 2020.

<sup>5</sup> Forecasts of job openings due to economic expansion 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 5. Excess Supply Outlook, North Coast & Nechako: 2010-2020**

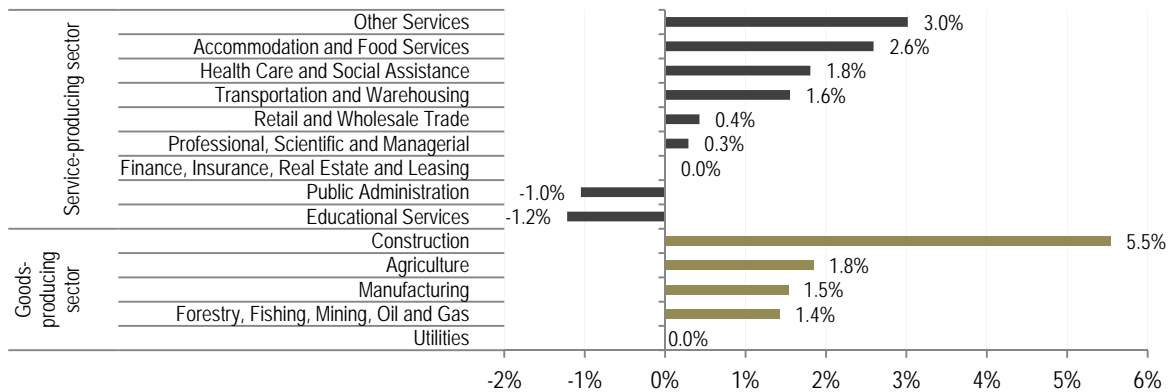


The forecast of excess labour supply beyond 2016 in Figure 5 above is primarily due to the projected decline in demand for the region as some of the major projects approach completion and longer term major projects, which currently have limited information available or have investment values below the minimum limit,<sup>6</sup> are excluded in the model.

**INDUSTRY OUTLOOK**

The *Construction* industry is projected to have the fastest employment growth in the North Coast & Nechako region with an annual average growth rate of 5.5 per cent between 2010 and 2020 (Figure 6). Modest growth is also expected in other industries such as *Other Services*<sup>7</sup> (3.0 per cent), *Accommodation and Food Services* (2.6 per cent), *Health Care and Social Assistance* (1.8 per cent), and *Agriculture* (1.8 per cent). Within the same period, employment is projected to shrink for some service producing industries such as *Public Administration* (1.0 per cent) and *Educational Services* (1.2 per cent).

**Figure 6. Industry Annual Average Employment Growth Rates for North Coast & Nechako 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.

<sup>6</sup> Only major projects with investments greater than or equal to \$500 million are included in the model.

<sup>7</sup> "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 three-digit 2006 National Occupational Classification (NOC) from Human Resources and Skills Development Canada.<sup>8</sup> Over the next 10 years to 2020, the highest number of job opportunities in North Coast & Nechako is projected in occupations related to *Motor Vehicle and Transit Drivers, Cleaners, Managers in Retail Trade, Machinery and Transportation Equipment Mechanics, and Paralegals, Social Service Workers and Occupations in Education and Religion* (Table 1). These occupations, except for *Cleaners* and *Labourers in Processing, Manufacturing and Utilities*, usually require secondary school and/or occupation specific training. Some of these occupations such as *Nurse Supervisors and Registered Nurses, Machinery and Transportation Equipment Mechanics, Carpenters and Cabinetmakers, and Heavy Equipment Operators* have high job openings relative to their 2010 employment. This may indicate potential hiring challenges in the future where anticipated labour market pressures are greater. For example, *Nurse Supervisors and Registered Nurses* may have higher hiring challenges compared to *Managers in Retail Trade* as the ratio of projected job openings over its 2010 employment size is higher.

**Table 1. Occupations with the Highest Expected Job Openings in North Coast & Nechako, 2010-2020**

Occupations with Highest Job Openings (Skill Level) <sup>9</sup>	Job Openings <sup>10</sup> 2010-2020	2010 Employment
NOC 741 Motor Vehicle and Transit Drivers (C)	820	1,460
NOC 666 Cleaners (D)	760	1730
NOC 062 Managers in Retail Trade (O)	580	1,210
NOC 731 Machinery and Transportation Equipment Mechanics (Except Motor Vehicle) (B)	570	910
NOC 421 Paralegals, Social Services Workers and Occupations in Education and Religion, n.e.c. <sup>11</sup> (B)	560	1,280
NOC 727 Carpenters and Cabinetmakers (B)	540	480
NOC 742 Heavy Equipment Operators (C)	520	560
NOC 315 Nurse Supervisors and Registered Nurses (A)	510	790
NOC 642 Retail Salespersons and Sales Clerks (C)	490	1,940
NOC 961 Labourers in Processing, Manufacturing and Utilities (D)	440	1,070

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. Between 2010 and 2020, labour shortages are predicted to be highest in occupations related to *Labourers in Processing, Manufacturing and Utilities, Retail Salespersons and Sales Clerks, and Secondary and Elementary School Teachers and Educational Counsellors* (Table 2). Shortages within these occupations are estimated at about 40 workers over the 10-year period.

<sup>8</sup> 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>

<sup>9</sup> 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.

<sup>10</sup> Job openings include employment opportunities coming from economic growth and job vacancies due to retirements or deaths.

<sup>11</sup> Not Elsewhere Classified

**Table 2. Occupations with the Highest Expected Shortages in North Coast & Nechako, 2010-2020**

Occupations with Highest Cumulative Shortages <sup>12</sup> (Skill Level)	Cumulative Shortage 2010-2020 (# of workers)
NOC 961 Labourers in Processing, Manufacturing and Utilities (D)	40
NOC 642 Retail Salespersons and Sales Clerks (C)	40
NOC 414 Secondary and Elementary School Teachers and Educational Counsellors (A)	40
NOC 666 Cleaners (D)	30
NOC 624 Chefs and Cooks (B)	30
NOC 741 Motor Vehicle and Transit Drivers (C)	30
NOC 731 Machinery and Transportation Equipment Mechanics (except Motor Vehicle) (B)	30
NOC 727 Carpenters and Cabinetmakers (B)	30
NOC 943 Machine Operators and Related Workers in Pulp and Paper Production and Wood Processing (C)	30
NOC 062 Managers in Retail Trade (O)	20

Unlike other regions with larger labour force populations (e.g., Mainland/Southwest, Vancouver Island/Coast and Thompson-Okanagan) wherein health-related occupations post the highest demand growth, occupations expected to have the highest growth in employment demand for North Coast & Nechako are forecast in the Trades, Transport and Equipment Operators occupational groups (Table 3). Among these, occupations in *Other Construction Trades*<sup>13</sup>, *Carpenters and Cabinetmakers*, and *Managers in Construction and Transportation* are expected to have the highest demand growth rates ranging from 3.9 per cent to 4.5 per cent annually between 2010 and 2020. These translate to about 90 to 300 new jobs in these occupations over the 10-year period.

**Table 3. Occupations with the Highest Expected Growth in Employment Demand in North Coast & Nechako, 2010-2020**

Occupations with Highest Employment Demand Growth (Skill Level)	Annual Average Employment Demand Growth Rate (%)	Growth in Employment Demand (# of new jobs)
NOC 729 Other Construction Trades (B)	4.5%	120
NOC 727 Carpenters and Cabinetmakers (B)	4.3%	300
NOC 071 Managers in Construction and Transportation (O)	3.9%	90
NOC 761 Trades Helpers and Labourers (D)	3.4%	240
NOC 725 Plumbers, Pipefitters and Gas Fitters (B)	3.2%	90
NOC 742 Heavy Equipment Operators (C)	3.1%	220
NOC 721 Contractors and Supervisors, Trades and Related Workers (B)	3.0%	110
NOC 063 Managers in Food Service and Accommodation (O)	2.4%	100
NOC 645 Occupations in Food and Beverage Service (C)	2.4%	130
NOC 724 Electrical Trades and Telecommunication Occupations (B)	2.3%	130

<sup>12</sup> Cumulative shortage over the outlook period is the difference between total job openings and new job seekers (which includes new entrants, net in-migration and other net in-mobility) from 2010 to 2020.

<sup>13</sup> "Other Construction Trades" includes Roofers and Shinglers, Glaziers, Insulators, Painters and Decorators and Floor Covering Installers.

**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](mailto:workbcinformation@gov.bc.ca).