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B.C. tops nation in job creation

By Gillian Shaw

Canada's job field, which has long been slanted to the east, took a sharp tilt west last month with B.C. recording 30,000 new jobs, more than half the new jobs created in the province so far this year.

The labour-survey figures reported by Statistics Canada Friday showed B.C. leading the country in job growth for the month of October, followed by Quebec, which added 26,000 new jobs to its economy.

The rise in jobs, the biggest recorded increase in 27 years, pushed B.C.'s jobless rate down 1.3 per cent to 7.8 per cent. It is the biggest monthly decline in unemployment since 1997.

Reaction from business leaders in B.C. ranged from delight to disbelief.

"We're ecstatic to hear this news," said Michael Geoghegan, president of the B.C. Construction Association. "This is fantastic news.

"It bodes well in terms of B.C. getting back to where it should be as a have province with a robust economy and people gainfully employed and living the good life," he said.

"We're confident it augurs well in terms of where B.C. is headed."

Geoghegan said the statistics bear out what his association's members are seeing in the marketplace, where bidding wars are erupting over skilled help and competing companies are raiding employees.

Paul Landry, president and chief executive officer of the B.C. Trucking Association, was surprised by the stats.

"Holy mackerel," he said, when told that 6,000 of the new jobs were attributed to transportation and warehousing. Landry said there aren't enough qualified drivers in B.C. to swell the ranks -- "to find 1,000 qualified drivers tomorrow would be a struggle."

However, Landry said he is delighted at the news, even though he hasn't seen evidence of great numbers of new hires in his industry.

"My understanding of the market, at least for trucking, is that things are firming up after a soft couple of years, but this surprises me," said Landry whose association represents 700 trucking companies operating about 13,000 large commercial vehicles in B.C., employing 26,000 people and 200 industry suppliers.

Sectors leading the job growth in B.C. included public administration at 7,000 jobs, which Statistics Canada said could include jobs added to cope with the massive forest-fire devastation of last summer; finance, insurance, real estate and leasing, an area tied to B.C.'s booming construction sector, at 6,000 jobs; transportation and warehousing, also

accounting for 6,000 new jobs and attributed to lumber and paper shipments; and construction and manufacturing, each adding 4,000 jobs to the economy.

New jobs were divided evenly between young people just starting out and adults in the job market. Women and men fared almost equally well, with women over the age of 25 getting 7,000 of the new jobs in B.C. and 8,000 going to men. Growth came in full-time positions -- a factor considered to give the statistics added weight.

The growth in B.C. follows a decline in job growth for September and a lackluster year for B.C. that had seen only 24,000 new jobs created over the first nine months.

Vincent Ferrao, an analyst with the labour-force survey for Statistics Canada, said it's too early to see the job growth as a trend, but he said the numbers are significant and strong.

"There has been a substantial increase this month and that is substantiated by other economic indicators," he said. "This is an increase of one month and we would need a few more observations to see if it is the beginning of a trend, but nevertheless it's positive."

Vancouver accounted for 24,000 new jobs, the lion's share of October's growth in B.C. So far in the first 10 months of this year, Vancouver has tallied 40,000 new jobs, a growth of 3.6 per cent.

Ken Peacock, senior policy analyst with the Business Council of B.C., said there are clear indications the economy is starting to turn around in the province. He attributed part of B.C.'s job growth to the improving U.S. labour market, which is finally coming around after a protracted decline.

"That is a good-news story for B.C.," he said. "We ship a lot of our products south of the border."

Peacock also pointed out that commodity prices, with the exception of lumber, are increasing, another factor that bodes well for B.C. Added to that is good news coming out of B.C.'s northeast natural gas sector. Peacock said the spread of job growth across sectors was a positive point.

"Most of the jobs were higher quality in that they were full-time jobs," he said. "They were also spread across the private sector and the public sector and as well there was also some rise in self-employment."

Peacock said companies are hiring and expanding their hours.

"There's a big downward move in the unemployment rate," he said. "From 9.1 to 7.8 per cent is quite a jump."

The news came as no surprise to home builders, who are racing to keep up with demand for new home construction and renovations.

Peter Simpson, chief operating officer of the Greater Vancouver Home Builders' Association, said business is booming.

"It is extremely busy," he said. "It's not just new construction, where we are now is a boom for home renovations."

Home renos will set a record next year with a projected \$4.3 billion to be injected into the industry as homeowners spruce up their surroundings.

"Three years ago that was in the \$2.5 billion range, so it has almost doubled," said Simpson.

B.C. is also projected to be the only province to see housing starts increase in 2004 over 2003. An anticipated 15,300 starts will be in the Lower Mainland, up from 14,00 for 2003.

"Three full-time jobs are created for one year for every housing start, so you can see the number of jobs that will be created additionally with each new housing start, and that doesn't even factor in renovations," said Simpson.

He said a lot of renovation companies that used to be just "ma and pa" operations with the husband doing the work and the wife keeping the books are now expanding, hiring project managers and site foremen to handle multiple jobs and clients.

Liane McMahon, who trained as an architect, is seeing an increase in work with her company, Integral Project Management. McMahon oversees and manages new-home construction and renovations, from the design stage all the way through to construction and completion. Demand for such services is escalating.

"There are a large percentage of people who have the discretionary income and rather than move up to a bigger home ... a large percentage of them want to invest more in their home than they would get back if they sell," said McMahon.

"And it's because they intend to stay in their homes for decades to come. They place value on the environment, the neighbours, the proximity of services and the familiarity with the neighbourhood and they value that over an investment."

Friday's labour statistics were also good news for B.C.'s retail sector, which is anticipating a boom in its numbers. Terming it B.C.'s "sunrise industry," Mark Startup, president and chief executive officer of the Retail Merchants' Association of B.C., said the retail sector is responding to consumer demand for goods and services by hiring more people.

"While there is good news here and there is optimism, for the retail sector it is very challenging because there are many openings that can't be filled because we don't have enough experienced or skilled workers."

Kevin Evans, vice-president, western Canada for the Retail Council of Canada, said after a period of stagnant sales growth from April to July, the sector is starting to see signs of increasing consumer confidence and spending. Along with industry jobs, the statistics suggest retailers could be in for a merrier Christmas than they may otherwise have expected.

"This is the best news the retail community could receive seven weeks before Christmas," said Evans. "B.C. will have 30,000 more households where there is an extra wage earner -- it's a great early Christmas gift for retailers."

Evans said it is too early to attribute any of the retail sales growth to seasonal jobs, but he said home improvement is one area of growing demand.

"We are seeing hiring activity in the home-improvement sector and there are also pockets of hiring, like the northeast corner of the province," he said, referring to northeast B.C.'s resource jobs.

"Consumers are spending up there -- they have more disposable income."

Oil and gas jobs were cited by Statistics Canada as accounting for some of the job growth. In addition to the approximately 35,000 people already on the job in western Canada's oil patch, another 9,000 are expected to be added in the coming season. Of those, 20 per cent will be in northeastern B.C.