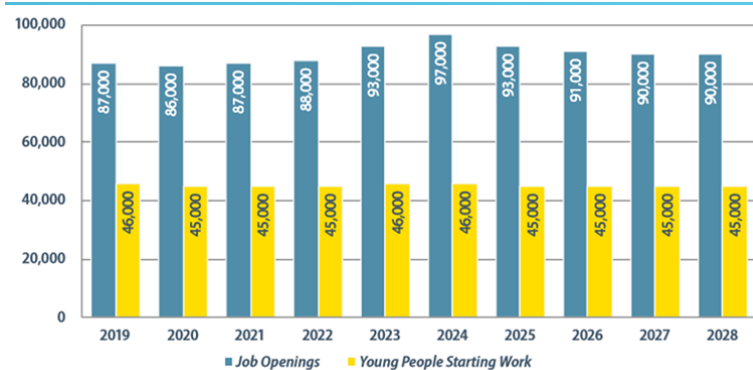


2019 BC Labour Market Review

General BC Workforce/Economy Information

- Over the next ten years there are expected to be 40,800 retirees in BC with only 32,800 new entrants
- Growing future economy impossible without immigration into BC



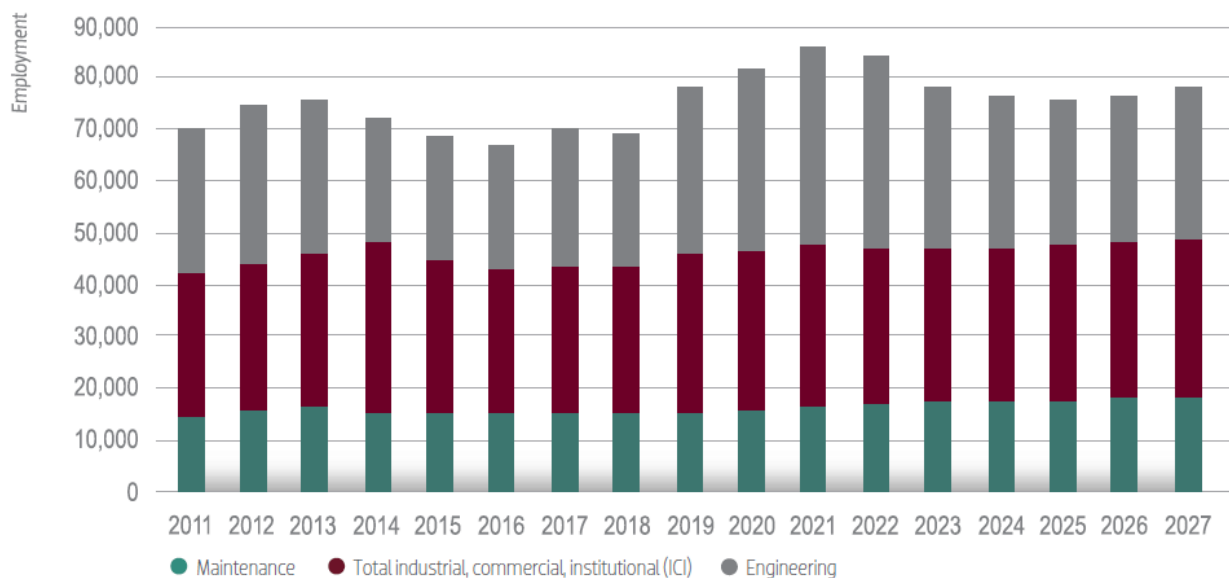
- BC Trucking Industry is thriving, but in desperate need of workers
- Province seeks to advance pro-business forestry agenda
- Biggest Labour Market Story of the Year - \$40B LNG project in BC gets the go-ahead in October
 - Creating 10,000 construction jobs and 950 full-time positions
- Catalyst paper purchase secures 1500 local forestry jobs on the island
- Labour shortages plague small business: 430,000 jobs unfilled in 2018
- Government of Canada announces funding to help apprentices in BC complete their skilled trades training
- Surge in growth drives unemployment rate down to new 40-year low of 5.6% in BC
- \$191M over five years to support jobs in the softwood lumber industry
- Major forces in BC's 2019 Labour Market:
 - Kinder Morgan Pipeline
 - LNG Project
 - Resurging Mining Sector
 - International Tariffs
 - 2019 Federal Election
 - Changes to ICBC

Total Job Openings	903,000	100%
Economic growth (Expansion)	288,000	32%
Replacement	615,000	68%
Supply Additions	903,000	100%
Young people starting work	454,000	50%
Immigrants	243,000	27%
Migrants from other provinces	76,000	8%
Additional supply requirement	130,000	15%

Construction Forecast – Heavy Equipment Operators

1. **Heavy Equipment Operators meeting employer qualifications are not available in local markets to meet current demand so that projects or production may be delayed or deferred. There is excess demand, competition is intense and recruiting reaches to remote markets (2019-2020).**
2. By 2027, nearly 22% of current construction workforce will be lost to retirement.
3. Labour demand requirements are driven by a diverse group of gas, pipeline, utility, mining, and transportation infrastructure projects. **The cumulative requirements of these major projects are expected to raise engineering construction employment to a peak in 2021 – 45 percent higher than current levels.** Project starts increase employment for most trades and occupations, and these demands will likely exceed the available local workforce. As these projects approach completion between 2022 and 2025, employment will begin to fall, but is expected to remain above 2018 levels.
4. BuildForce Canada estimates that the B.C. construction industry is expected to see the exit of nearly 41,000 skilled workers over the next decade due to retirements, compared to an estimated 33,000 first-time new entrants potentially drawn from the local population aged 30 and younger to replace them.
5. In 2018, study found that BC Mining and Exploration saw resurgence for the first time since 2013
6. Several planned major mining, public transportation, LNG and Pipeline projects are scheduled to start in 2019 & 2020 which are expected to add more than 12,000 jobs (Buildforce, 2018)
7. Demand for non-residential construction hiring should increase by 20% and then continue to rise to the peak in 2021.

Figure 2: Non-residential construction employment growth outlook, British Columbia



BC's Major Projects Inventory (MPI)

"The MPI lists construction projects in B.C. valued at \$15 million or greater (\$20 million or greater in the Lower Mainland) including a status category: Proposed, Under Construction, Completed, or On Hold. Project information is obtained from public and private information sources (BC, 2019).

- Oil and gas represent 47% of total estimated capital costs in Major Projects Inventory
- Residential and Commercial development projects comprise 543 of the 952 projects listed in the second quarter of 2018.
 - Represents a total estimated capital cost of \$82B
 - Top three (3) regions of residential projects
 - Lower Mainland (56%)
 - Vancouver Island (23%)
 - Thompson-Okanagan (20%)
- There are currently 55 mining projects listed in the MPI with total estimated value of \$37B
- Utility projects (Site C Dam) continue to be a significant economic driver in BC, total cost of projects which are currently underway is approximately \$16B
- In the second Quarter of 2018, Mining & Oil & Gas extraction was up 8.6% from the previous quarter.
- Proposed MPI is up 1.4% from the previous year
- Completed MPI is down 70.5% from the previous year
 - This is either because of the uncertainty of future, or unavailability of workers
- Vancouver Island has seen the highest increase of MPI of about 2.9% increase from the previous year
- NOC 7521 (Heavy Equipment Operator) – 3,330 new openings over the next ten years in BC
- Trades, Transport, and equipment operators 106,700 (11.8%) job openings of 903,000 job demand

MAJOR PROJECTS INVENTORY

Development Region	Proposed	Started	Completed	On Hold	Total	Change from the previous quarter	Change from the previous year
1. Vancouver Island/Coast	45,685	12,557	204	2,073	60,519	-0.1%	2.9%
2. Mainland/Southwest	38,912	28,283	600	892	68,687	-1.9%	-2.6%
3. Thompson-Okanagan	5,210	14,438	0	1,638	21,286	0.3%	0.0%
4. Kootenay	2,779	3,634	0	2,420	8,833	-2.3%	-3.5%
5. Cariboo	8,443	559	0	1,300	10,302	1.0%	0.2%
6. North Coast	187,963	669	15	13,770	202,417	8.2%	-7.0%
7. Nechako	4,390	251	0	2,335	6,976	0.4%	-2.9%
8. Northeast	18,292	13,281	170	5,501	37,244	0.8%	0.1%
Total	311,674	73,672	989	29,929	416,264	3.5%	-3.7%

2019-2028 Projections

- 903,000 new job openings
 - 288,000 (32%) will be from economic growth
 - 615,000 (68%) will be from replacement of retiring workforce
- Top three regions with the highest employment growth rate
 - North Eastern BC at 1.4%
 - Lower Mainland at 1.2%
 - Vancouver Island and the Coast at 1.1%
- 176,300 (20%) jobs created over the next ten year will need some sort of occupational specific training

Other

- Only 51% of employers post their jobs online. 67% use personal contacts or ask employees for referrals.
- 2018 BC government, partnering with federal government, industry, and FN promised \$30M to support aboriginal skills training programs
- Expanding BCs tuition waiver program for former youth in care while they attend post-secondary or training program.

Examples of Current British Columbia Projects

- **Aurora LNG** (LNG Facility) – \$28B
- **Coastal GasLink** (Pipeline) - \$4.5B
- **Wood fibre Gas Pipelines** (Pipeline) \$250M
- **LNG Canada** (LNG) - \$40 Billion
- **Northeast BC Expansion Project** (Pipeline) - \$9.3B
- **Pacific Northern Gas Looping Pipeline** (Pipeline) – \$6.2B
- **Pacific Trails Pipeline** (Pipeline) - \$200M
- **Prince Rupert Gas Transmission** (Pipeline) \$6B
- **Trans Mountain Expansion Project** (Pipeline) – \$7.4B
- **Cabin Gas Plant 1 & 2** – Fort Nelson (Infrastructure) – \$2B
- **Royal Inland Hospital Tower** – Kamloops - \$460M
- **Saturn Compressor Facility Expansion** – Dawson Creek - \$930M
- **Towerbirch Expansion Project** – Dawson Creek – \$440M
- **Gibraltar Mine** (Mining)
- **Red Chris Mine** (Mining)
- **Perry Creek Mine** (Mining)
- **Willow Creek Mine** (Mining)



Works Cited

BuildForce Canada. (2018). *Construction & Maintenance Looking Forward*. British Columbia: BuildForce Canada.

Cyr, C. S. (2018). *BC Labour Market Report*. Kelowna: Christian Saint Cyr.