



Image courtesy Chilliwack Economic Partners Corp



Image courtesy Cascade Aerospace, Abbotsford BC

Regional Snapshot Series: Employment Occupations and the Labour Force in the Fraser Valley Regional District



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The Fraser Valley Regional District is comprised of 6 member municipalities and 7 electoral areas.

City of Abbotsford, City of Chilliwack, District of Mission, District of Hope, District of Kent, Village of Harrison Hot Springs and Electoral Areas A, B, C, D, E, F and G.



A DIVERSIFYING ECONOMY AND LABOUR FORCE

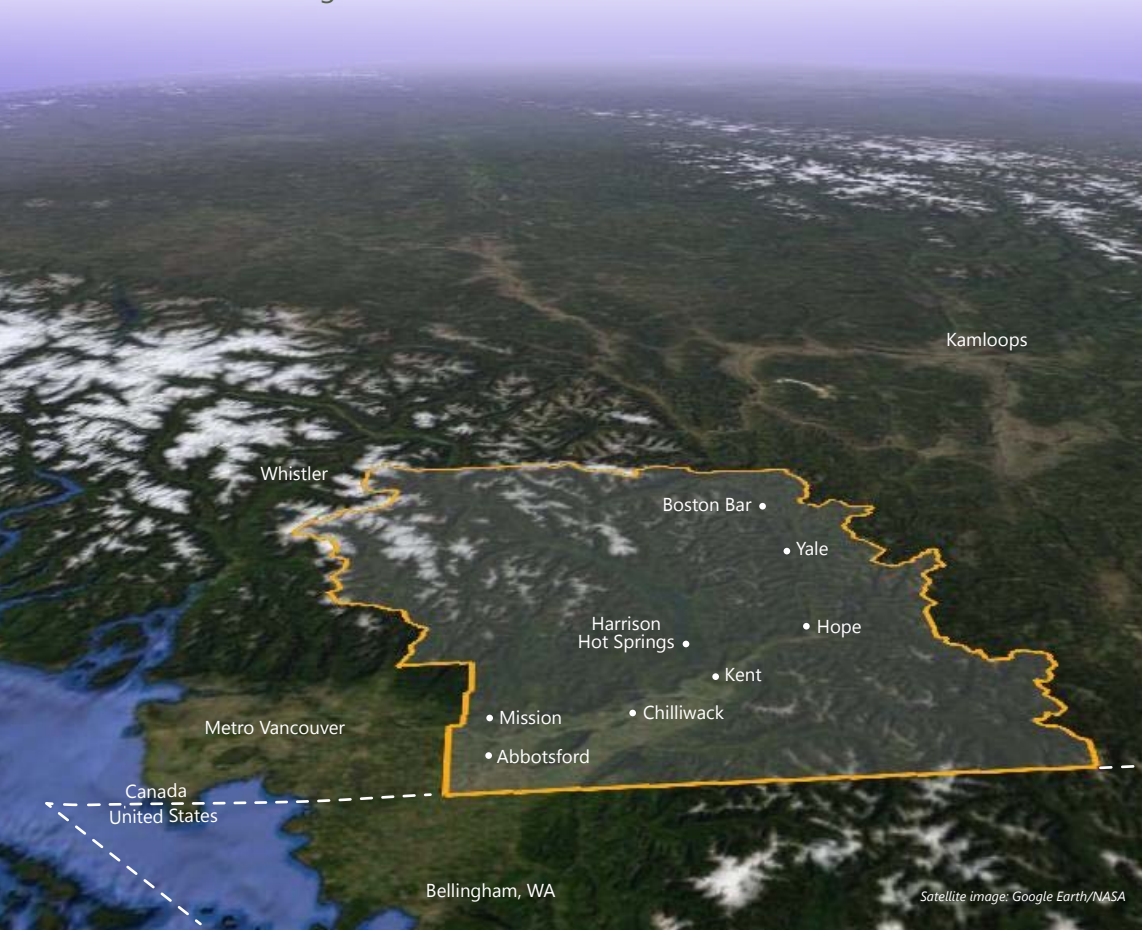
Maintaining and increasing the Region's self sufficiency

The Fraser Valley Regional District (FVRD) is comprised of six member municipalities and seven electoral areas and features a variety of diverse communities, from small rural villages to the fifth largest city in British Columbia. Employment in the Region has long been centred around the agriculture and resource industry sectors, with roots going back to the earliest days of British Columbia. While these sectors present an important ongoing source of jobs, the employment base has expanded and diversified and now includes a wide variety of manufacturing, aerospace, service and high-tech fields. Many of these diversified industries still have important ties to the basic sectors, especially agriculture with its increasing dependence on technology.

The diversifying economy has not reached all corners of the Region. While larger communities like Abbotsford and Chilliwack develop employment outside the traditional resource sectors, other communities have experienced difficult times along with the decline in forestry and other resource-dependent industries.

The FVRD's Regional Growth Strategy promotes the development of a network of sustainable communities with strong social, economic, and environmental linkages. Maintaining and increasing the Region's self sufficiency will be an ongoing challenge given its proximity to high-growth Metro Vancouver.

Fraser Valley Regional District
and surrounding area



CHOICES FOR OUR FUTURE: our Regional Growth Strategy

A strong and diverse economy is necessary to keep the FVRD an attractive place to live and work. *Choices for Our Future*, the FVRD's Regional Growth Strategy adopted in 2004, supports the development of a strong employment base and favourable investment climate to help maintain the high quality of life that the Fraser Valley has become known for. The Region's close proximity to the U.S. border and Metro Vancouver puts it in a unique position to take advantage of these large markets and develop a skilled labour force and strong employment base.

LABOUR FORCE AND POPULATION GROWTH

Local employment keeping up with population growth

Since the 1960's, municipalities in the FVRD have experienced significant growth, with the population increasing almost 300% over the past four decades. Constrained by local geography and the Agricultural Land Reserve, this growth has largely been absorbed within the Region's urban growth boundaries. Despite the region's close proximity and connections to the Metro Vancouver economy, nearly 60% of residents live and work in the same community. In fact, almost 75% of the region's residents with regular places of work stay within the FVRD.

Although most of the Region's jobs are concentrated within the urban areas of Abbotsford, Chilliwack and Mission, there are also significant numbers of jobs in the agricultural areas and smaller communities surrounding the larger urban centres. According to the 2006 Census, there were approximately 90,600 workplaces (including working from home) in the Region. A further 19,765 workers were categorized as having "no regular workplace". This latter group generally refers to people who may work in any number of locations, such as landscaping contractors, independent truckers or construction workers. It is difficult to determine how many people characterized as having "no fixed workplace" stay within the Region.



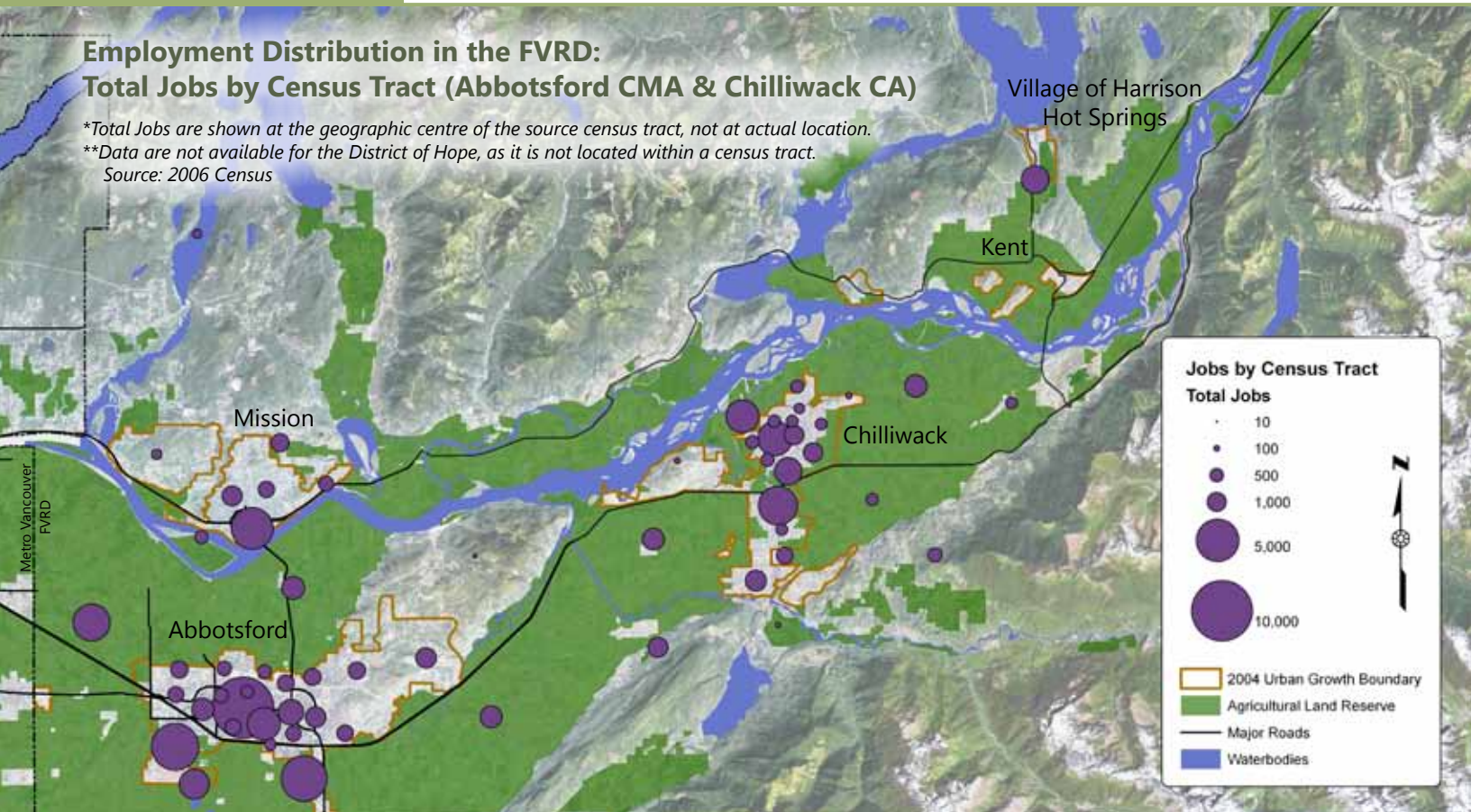
2006 Estimates of Total FVRD Jobs

Employment Location	Number of Jobs
Usual Place of Work in Region	78,745
At Home (including farms)	11,890
Total Jobs in Region	90,635
No Fixed Workplace	19,765

Source: 2006 Census, Statistics Canada

Employment Distribution in the FVRD: Total Jobs by Census Tract (Abbotsford CMA & Chilliwack CA)

*Total Jobs are shown at the geographic centre of the source census tract, not at actual location.
**Data are not available for the District of Hope, as it is not located within a census tract.
Source: 2006 Census



THE REGIONAL ECONOMY STRUCTURE AND COMPOSITION

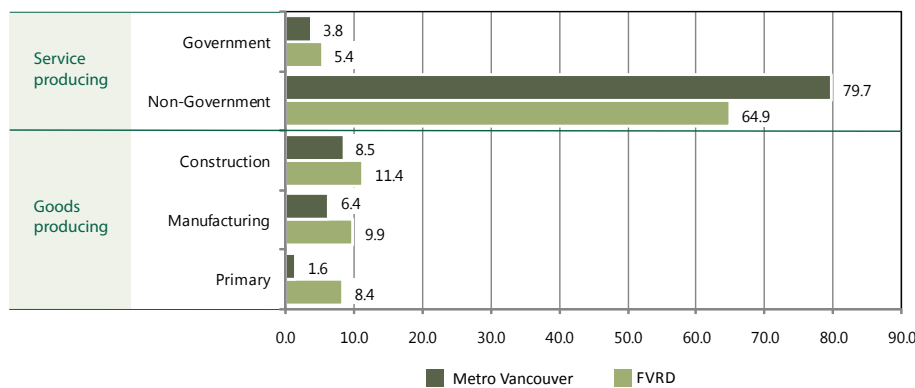
Retail, agriculture and construction are dominant sectors

Understanding the structure of the Region's economy can inform a number of policy areas including education requirements, sustainable transportation options and social planning strategies. It can also help policy makers understand some fundamental differences between the economies of the metropolitan core of the Lower Mainland and its periphery.

In comparing Metro Vancouver with the FVRD, it is clear that service producing industries dominate in both regions. However, goods producing industries play a much larger role in the FVRD, where they make up almost 30% of the labour force. Proximity to one of the fastest growing metropolitan regions in Canada provides the FVRD with a ready market for a broad range of goods and services.

2006 Labour Force - Industrial Structure

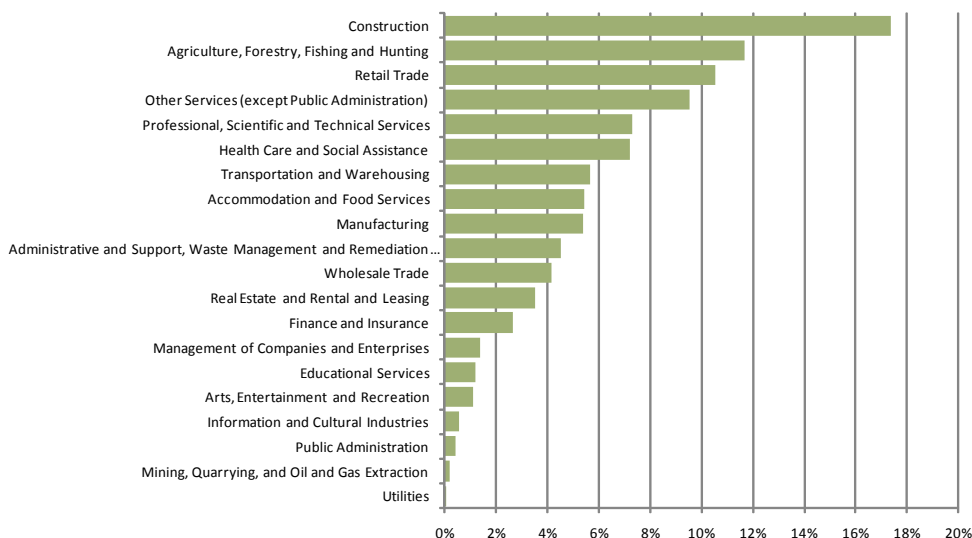
Source: Statistics Canada



Likewise, businesses in the Region reflect the background of the economy in agriculture, forestry, construction (and other primary industries), which together with retail trade make up about 40% of the FVRD's business enterprises.

2008 FVRD Total Business Enterprises

Source: 2008, Canadian Business Patterns



CENSUS DEFINITIONS

Labour force: Employed and Unemployed persons over the age of 15. Persons who are not employed and not looking for employment are not considered to be in the labour force.

No fixed workplace address: Persons who do not go from home to the same workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc

Abbotsford CMA: Census Metropolitan Area (Abbotsford and Mission)

Chilliwack CA: Census Agglomeration (Chilliwack and surrounding areas)

INDUSTRY DEFINITIONS

Service-producing industries (or service sector or service industries): Includes trade; transportation and warehousing; finance, insurance, real estate and leasing; professional, scientific and technical services; business, building and other support services; educational services; health care and social assistance; information, culture and recreation; accommodation and food services; other services; and public administration.

Goods-producing industries (or goods sector, or goods industries): Includes agriculture; forestry, fishing, mining, and oil and gas extraction; utilities (electric power, gas and water); construction; and manufacturing.

(Statistics Canada, Guide to the Labour Force Survey, 2010)

A NOTE ON DATA LIMITATIONS

Although every effort has been made in the preparation of the Regional Snapshot Series to present information that covers all areas of the FVRD, limitations on the geographic availability of some data sources have necessarily limited the scope of the information that is presented here.

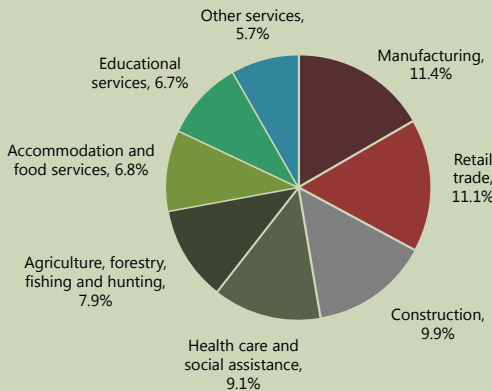
While the larger communities that comprise CMAs or CAs (as described above) generally have a wide variety of data available from the municipal down to the neighbourhood level, smaller rural communities rarely have datasets that are associated with their specific geographies. Many of the rural villages in the FVRD's electoral areas, such as Boston Bar or Hatzic Valley, fall into this "data gap" category, and information on these areas is only available indirectly by examining data at the electoral area, regional or development region levels.

THE LABOUR FORCE

WHAT WE DO

Composition of FVRD Labour Force by Top 8 Industry Types (%)

Source: 2006 Census



Jobs that reflect our communities

Within the Region, occupational differences reflect the varied economic makeup of our communities. For example, the District of Hope and the Village of Harrison Hot Springs have a higher percentage of their population working in the accommodation and food service industries than any other community in the Region. This reflects Harrison Hot Springs' status as a resort town, and the District of Hope's position as a hub where three major transportation corridors to the BC interior and rest of Canada meet.

The larger communities of Abbotsford, Chilliwack and Mission are more diversified and have a much higher share of manufacturing, retail trade and construction and often act as suppliers of commercial services to smaller communities like the District of Kent or the Electoral Areas.

The type of work people are engaged in influences a number of important aspects of growth and development. For example, primary industries such as agriculture, forestry and mining generally take place in rural or remote locations where providing services such as transit is impractical. While there is a growing urban element to many of the communities in the FVRD, the nature of the Region's economy requires a distinct approach in providing services and allocating resources.

FVRD Labour Force Composition by Industry

	FVRD	Abbotsford	Chilliwack	Harrison Hot Springs	Hope	Kent	Mission	All EAs*
All industries	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Manufacturing	11.4%	12.3%	10.0%	9.1%	4.8%	8.6%	13.2%	10.4%
Retail trade	11.1%	10.5%	12.4%	9.8%	10.3%	9.4%	12.3%	9.2%
Construction	9.9%	9.4%	10.3%	7.7%	7.9%	9.8%	11.6%	9.9%
Health care and social assistance	9.1%	8.8%	9.3%	8.4%	12.8%	5.0%	9.8%	6.8%
Agriculture, forestry, fishing and hunting	7.9%	9.9%	5.9%	4.9%	3.8%	15.3%	3.4%	11.7%
Accommodation and food services	6.8%	6.2%	6.8%	16.8%	17.1%	9.6%	6.0%	7.5%
Educational services	6.7%	6.3%	7.4%	9.1%	7.2%	8.4%	6.8%	6.0%
Other services	5.7%	6.0%	5.6%	2.1%	6.0%	4.4%	5.2%	5.6%
Transportation and warehousing	5.5%	6.0%	4.3%	5.6%	8.0%	4.4%	6.0%	4.9%
Public administration	5.4%	4.0%	6.7%	5.6%	6.2%	7.5%	5.4%	5.7%
Professional, scientific and technical	4.4%	4.3%	4.9%	5.6%	1.2%	4.0%	4.4%	4.9%
Admin and support, waste mgmt and remed svcs	4.1%	3.8%	4.5%	3.5%	3.4%	3.6%	4.2%	5.2%
Wholesale trade	4.1%	4.6%	3.7%	2.1%	3.4%	2.3%	4.2%	2.3%
Finance and insurance	2.6%	2.9%	2.6%	1.4%	1.5%	2.9%	2.2%	2.2%
Real estate and rental and leasing	1.8%	1.7%	2.2%	2.1%	1.2%	2.3%	1.3%	1.4%
Arts, entertainment and recreation	1.4%	1.0%	1.8%	1.4%	1.4%	1.5%	1.7%	2.1%
Information and cultural industries	1.3%	1.5%	0.8%	2.1%	2.4%	0.6%	1.2%	2.1%
Mining and oil and gas extraction	0.4%	0.4%	0.5%	0.0%	0.7%	0.0%	0.5%	0.4%
Utilities	0.4%	0.4%	0.3%	0.0%	0.3%	0.6%	0.3%	0.4%
Management of companies and enterprises	0.1%	0.1%	0.1%	1.4%	0.0%	0.0%	0.1%	0.0%

Source: 2006 Census, Statistics Canada

* Electoral Areas A through H

OCCUPATIONS

CHANGING OVER TIME

Jobs in the trades grew with the construction boom

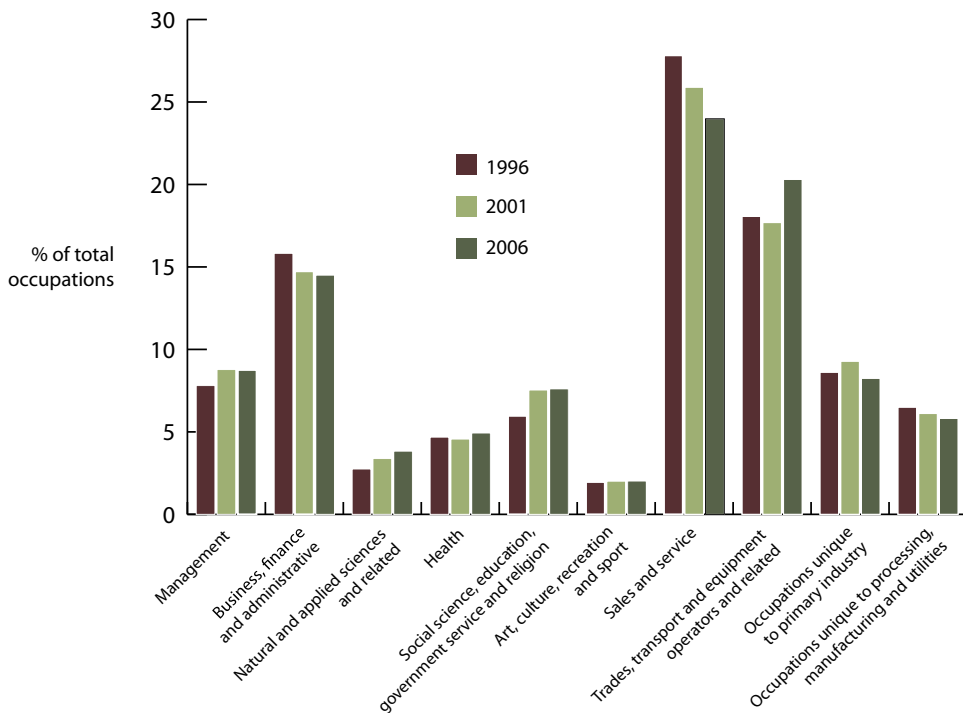
As the Region's economy diversifies, changes in the occupational structure are becoming apparent. Between 1996 and 2006 the number of total jobs overall in the FVRD increased, however only half of the occupational categories experienced growth. Perhaps not surprisingly, along with the importance of the construction industry in the Region resulting from a strong housing market, related occupations in trades, transport and equipment operators saw healthy growth in the share of total jobs between 2001 and 2006. More recent data suggest that this trend has continued towards the end of the decade, with building permits of all types experiencing significant growth until 2008, and then dropping off in 2009 following the economic crisis in late 2008.

Other occupational categories that have grown include health and applied sciences and social science categories, and while these comprise a relatively small proportion of overall occupations, this does suggest a gradual diversifying of the economy. Interestingly, despite the retail sector's continued dominance of the economy in the FVRD, sales and service related occupations have seen a continuing decrease in their share of total occupations since 1996.



Change in Total Occupations in the FVRD by Category, 1996 - 2006

Source: BC Stats



“Over the past fifty years, the valley’s economy has shifted from being resource based to one that is highly diversified.”

- Choices for our Future



A movie set in Chilliwack. Image courtesy Chilliwack Economic Partners Corp

EDUCATION AND THE WORKFORCE

Nearly 45% of FVRD residents have some form of post-secondary qualifications

In the FVRD, just under 45% of the labour force holds some kind of post-secondary certificate or diploma, with just over 15% of the labour force holding a university degree. By type, the majority of post-secondary education certificates or diplomas are in engineering and technical, business, and health and fitness fields.

Although primary industries are often viewed as requiring a more modest educational background, increasingly complex technology is showing up in all types of industries. As a result, educational requirements for almost all types of jobs are increasing. According to Ministry of Advanced Education and Labour Market Development *Ten-year Employment Outlook for British Columbia* most projected future job openings in British Columbia will require some post-secondary or higher education.

FVRD Labour Force - Field of Education

	FVRD	Abbotsford	Chilliwack	Mission	Hope	Kent	Harrison Hot Springs	Electoral Areas
Architecture, engineering, and related tech.	23.1%	21.3%	23.1%	26.4%	22.7%	23.4%	28.1%	32.5%
Business, mgmt and public administration	18.5%	18.6%	19.5%	16.2%	18.7%	16.9%	17.8%	19.7%
Health, parks, recreation and fitness	16.6%	16.0%	17.9%	16.8%	18.5%	15.1%	13.3%	14.4%
Education	8.5%	8.9%	8.7%	7.6%	8.0%	8.3%	11.1%	5.4%
Social and behavioural sciences and law	7.9%	8.0%	7.1%	9.0%	11.1%	7.1%	8.1%	7.1%
Personal, protective and transportation services	7.4%	6.4%	8.2%	8.6%	7.6%	10.4%	8.1%	7.9%
Humanities	6.8%	9.3%	4.6%	4.5%	3.2%	3.6%	3.7%	4.4%
Agriculture, natural resources and conservation	3.2%	2.7%	3.5%	3.7%	2.6%	8.0%	4.4%	3.0%
Arts and communications tech.	3.1%	3.1%	3.1%	3.0%	3.4%	4.5%	3.7%	3.0%
Mathematics, computer and info sciences	2.9%	3.5%	2.7%	2.3%	3.6%	0.9%	0.0%	1.2%
Physical and life sciences and technologies	1.9%	2.2%	1.6%	1.8%	0.8%	1.8%	1.5%	1.5%
Other fields of study	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%

Source: Statistics Canada, 2006 Census

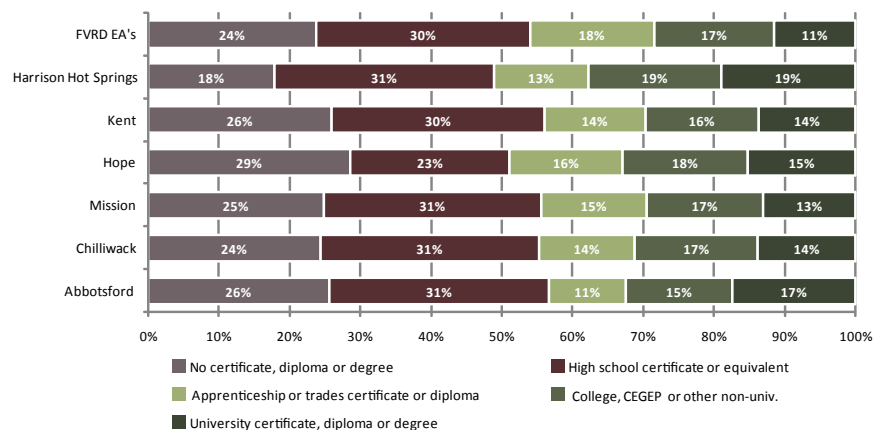
Ten-year Employment Outlook for British Columbia COPS B.C. Unique Scenario, 2007 - 2017
Ministry of Advanced Education and Labour Market Development

"...most projected job openings (76.2%) over the ten year outlook period will require some post-secondary or higher education, which includes college or vocational education, apprenticeship training, and university education.

Occupations that require a high school diploma or lower education will account for less than a quarter (23.8%) of total projected job opportunities."

FVRD Highest Level of Educational Attainment

Source: Statistics Canada - 2006 Census



INCOMES IN THE REGION

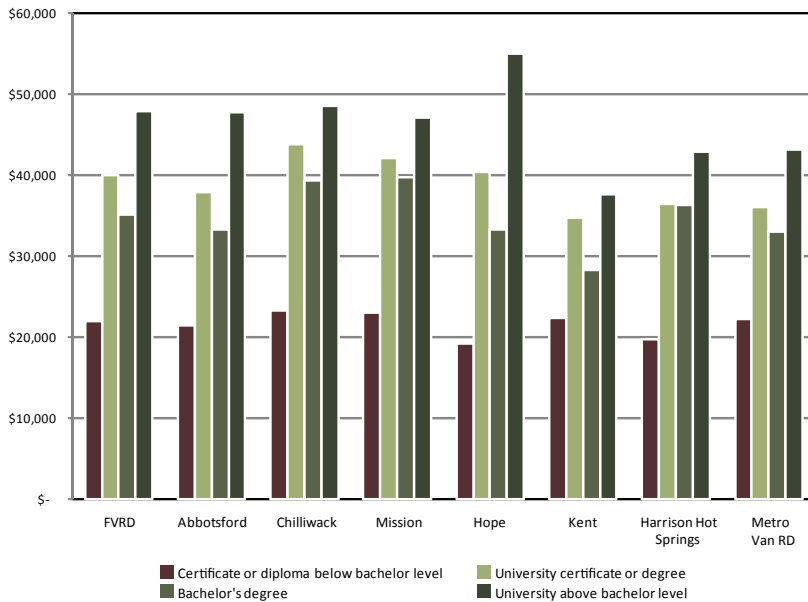
HIGHER EDUCATION COUNTS

Those with post-secondary degrees have higher incomes

While education doesn't always guarantee a higher paying job, on average individuals with a higher level of education generally also have higher incomes. As the graph below clearly shows, incomes in FVRD communities rise substantially with higher levels of post-secondary education. Interestingly, in the FVRD an undergraduate (bachelor's) degree does not seem to provide a substantially higher income than those with non-undergraduate university certificates or degrees, while education past the undergraduate level (master's or doctorate) does result in a significant difference in income levels.

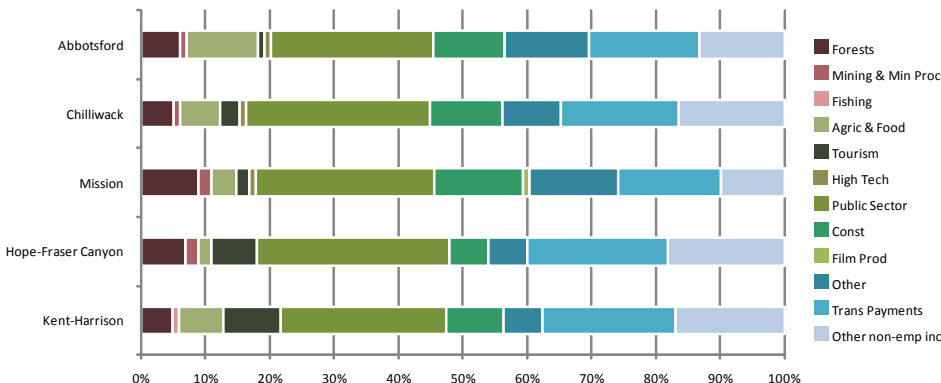
Median Income by Highest Certificate Diploma or Degree

Source: Statistics Canada - 2006 Census



Percent Income Dependencies by Industry (After-Tax Incomes, 2006)

Source: BC Stats



2005 Income in the FVRD

	Average hh income	Median hh Income	Median individual income
FVRD	\$62,838	\$51,484	\$23,363
Abbotsford	\$66,247	\$53,908	\$22,990
Chilliwack	\$61,392	\$50,890	\$24,726
Mission	\$65,306	\$56,717	\$24,679
Hope	\$52,758	\$41,493	\$21,305
Kent	\$53,502	\$45,560	\$23,483
Harrison Hot Springs	\$48,503	\$40,313	\$21,884

hh = household

Source: Statistics Canada - 2006 Census

Income Dependencies:

Income dependencies measure the degree to which a community's economy relies on basic sector employment. Basic industries and incomes (listed below) represent income flows into a community from the outside, while the nonbasic economy can be said to depend in turn on the basic sector.

As the graph to the lower left shows, FVRD communities do reflect dependencies on traditional economic sectors to a certain extent. (E.g. forestry in Mission, and agriculture in Abbotsford, Chilliwack and Kent). However, all communities in the Region also depend quite heavily on the public sector and transfer payments from senior levels of government. The transfer payment and other non-employment income categories which make up a quarter of income dependencies may reflect the significant number of retirees in the region.

Basic industries:

- Forestry and associated manufacturing
- Mining, oil and gas
- Fishing, trapping and associated manufacturing
- Agriculture, food and beverages
- Tourism
- High Technology
- Public Sector
- Construction
- Film production and sound recording
- Other, which includes any direct basic activities not listed above

Basic non-employment income:

- Transfer Payments from senior governments (Income Assistance, Old Age Security, Canada Pension Plan, etc.)
- Other Non-Employment Income that includes investment income.

(BC Stats: British Columbia Local Area Economic Dependencies - 2006)

The "Great Recession"

The recession of 2008-2009 resulted in a sharp rise in unemployment across the Lower Mainland. Although the unemployment change has been dramatic, it should be noted that the unemployment rates in the FVRD have returned to historical levels experienced in the 1980's and 90's. Particularly affected in the Lower Mainland was the construction industry. As the chart to the lower right shows, the seven year increase in employment in this industry in the Abbotsford CMA fell off sharply in 2008 (shaded area), accompanied by a sharp increase in the unemployment rate from mid-2008 onwards.

According to BC Stats, the recovery is still in its early stages as of early 2010, and it will take some time before the province makes up the ground lost since the onset of the recession. Recent provincial forecasts from BC Central Credit Union indicate that although employment levels are improving, any substantial changes may not occur until after 2010 when more favourable economic changes will lead to higher job growth and declining unemployment.

After sharp increases in unemployment rates in 2008-09, conditions appear to be improving with unemployment rates in the Abbotsford CMA declining slightly from their peak in mid-2009.

More information can be found at:

www.bcstats.gov.bc.ca

www.central1.com/publications/economics/

Forestry and resource-based communities

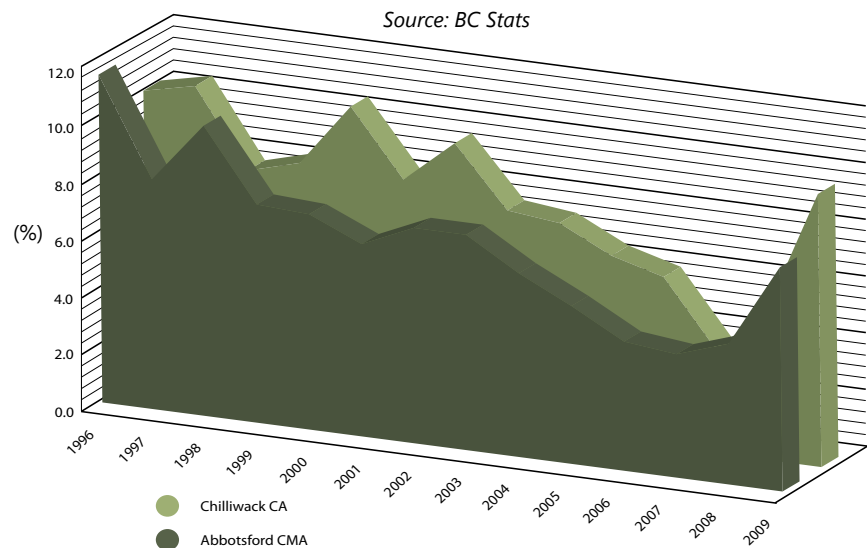
No specific numbers are available for the Fraser Valley with respect to unemployment in forest and resource-based sectors. BC Stats analysis for the Mainland/Southwest development region, which includes the FVRD, shows an unemployment rate of 19.4% for the forestry, fishing, mining, oil and gas sector.

A RECOVERING ECONOMY EMPLOYMENT CHALLENGES

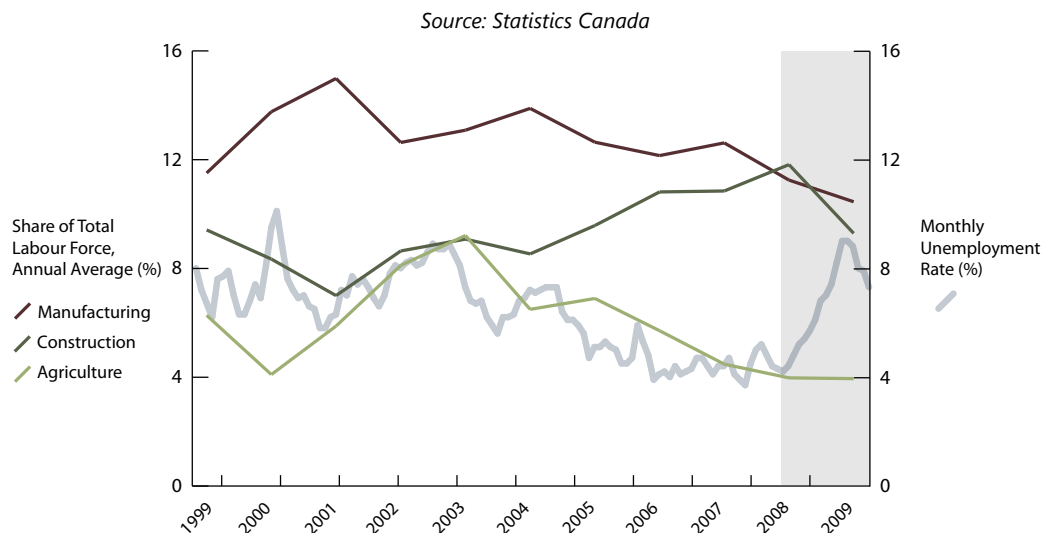
Recent economic challenges

Employment growth in the region over the past number of years has kept pace with population growth, reflected in the increasing number of workers living and working in the region. As the charts below show, unemployment had been trending downwards since the late 1990's, with some variance along the way. Rates dropped most significantly in the mid 2000's when unemployment reached record lows in 2007 and jobs in the construction sector were increasing. While the growth in construction pushed unemployment down, it may have also disguised the significant challenges in the forestry sector. Forestry and resource-based communities in the region were facing economic challenges long before the more broadly based economic slowdown set in.

Unemployment Rates in Abbotsford CMA and Chilliwack CA, 1996 - 2009



Unemployment Rate and Change in Share of Labour Force by Selected Industry in Abbotsford CMA, 1999 - 2009



EMPLOYMENT GROWTH

A GROWING SERVICE SECTOR

Retail and health care projected to be primary growth sectors

BC Stats' short term employment demand projection, *Industry and Occupation Projections: 2008 to 2013 (2009)*, forecasts a 0.9% overall growth rate in employment to 2013 for the FVRD. Service industries are expected to remain the dominant growth sector for the immediate future in the region, and jobs related to health care, retail trade and accommodation and food services are the sub-groups in this sector expected to experience the most robust growth. With the population expected to age significantly over the next few decades, jobs related to health care are not surprisingly one of the largest growth categories in the region.

Overall, primary industries in the goods producing sector are expected to experience a slight decline in total employment over the next several years, although with the agriculture and forestry sectors experiencing mild but steady growth from 2008. The construction sector is projected to experience the most significant decline, at -2.2% over the 5 year period from 2008 to 2013. This decline takes into account the sharp reduction of construction activity during 2008-2009.

At the provincial level on a longer term basis, the *Ten-Year Employment Outlook for BC (COPS B.C. Unique Scenario, 2007 - 2017)* forecasts continuing growth in the service sector (91% of all new jobs), especially in health care, retail trade and accommodation and food service related occupations. Likewise, occupations in goods producing and primary industries are expected to experience lower rates of growth, with a combined average growth rate of just 0.6% to 2017.

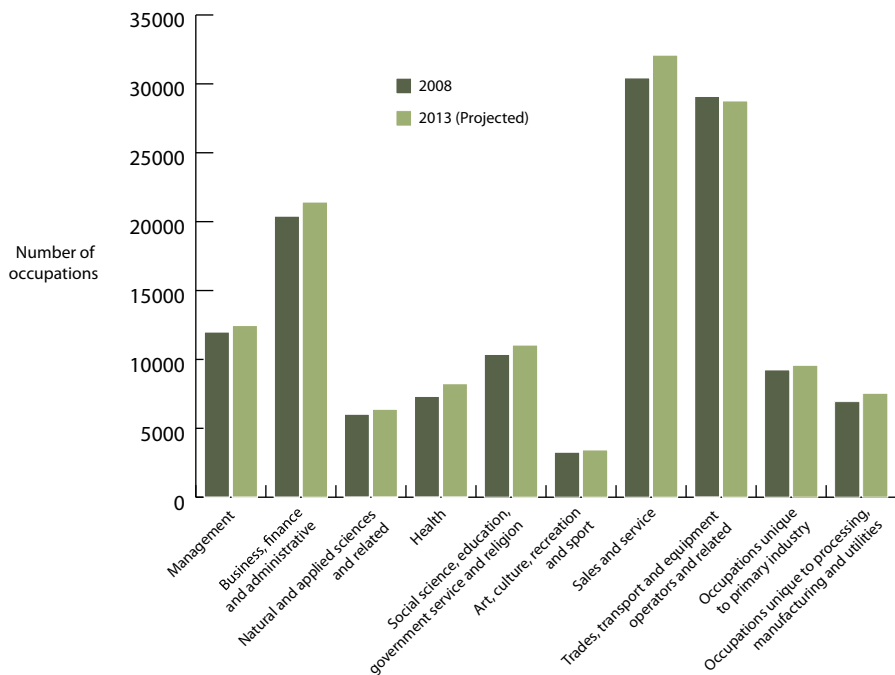
More information can be found at:

www.bcstats.gov.bc.ca/DATA/lss/repm/cr_fraser_valley.pdf

www.aved.gov.bc.ca/labourmarketinfo/reports/COPS_BC_Unique_Scenario_2007-2017%20.pdf

Projected Employment Demand in the FVRD 2008 - 2013

Source: BC Stats



“Support initiatives that identify, protect and expand industrial and business park lands in the region.”

- Choices for our Future

Regional Snapshot Series:
Employment

Occupations and the Labour Force
in the Fraser Valley Regional District

May 2010



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The Regional Snapshot Series for the Fraser Valley Regional District is designed to provide the public with greater insight into the forces which are shaping growth and change in the region today. For a full list of documents currently available in the series, please visit us on the web at: www.fvrd.bc.ca