

## Goal 7

# Enhance Economic Resiliency

## Indicator #17—[Unemployment] employment rate and labour participation rate

### Why is this indicator important?

This indicator is important because changes in the labour force are the result of changes in population and economic opportunities. The trends illustrated by comparing unemployment and labour participation rates over time reveal clues about the causes of change in the local labour market. This provides the foundation for policy, planning and investment decisions that promote local economic development and meet the needs of residents, while also setting longer term goals for the future.

### What does this indicator tell us?

When examined together over time, changes in unemployment and labour force participation rates highlight broader shifts in population demographics and local economic opportunities, and reflect the general health of the local labour market.

The Unemployment Rate measures the number of people of working age (14-64) who are not working. Unemployment rates tend to increase during periods of economic decline and decrease during periods of strong economic performance.

The Labour Force Participation rate tells us the percentage of the working-age population that is either employed or actively looking for a job. This measurement shows the proportion of the population that is available to work. The relationship of the Labour Force Participation rate to economic conditions is more complex than the unemployment rate.

For example, this rate could increase during periods of economic decline if those who have given up on finding a job leave the community in search of opportunity elsewhere. In contrast, this rate could decrease in periods of economic growth if a portion of community members have accumulated significant wealth and opt for early retirement.

### Where do we want to go?

As a rule, a rising Labour Force Participation rate combined with a declining unemployment rate is most desirable. This means local jobs are being created and local residents are filling those new positions.

The RGS encourages local governments to coordinate land use policies with commercial and industrial strategies to influence economic development. The goal is to place businesses close to complementary land uses, infrastructure networks, the workforce and customers. This may improve the efficiency of service delivery for businesses, and reduce operating and transportation costs. The increased efficiency may also potentially increase employment. These efforts will contribute to provincial and national goals to reduce or eliminate unemployment.

Progress on the target has been achieved in as the labour participation rate has increased since 2015 and the unemployment rate has remained between 3-6%.

**Target: Maintain an unemployment rate between 3-6% Increase the Labour Force Participation Rate**

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**Target:** Maintain an unemployment rate between 3—6% & Increase the Labour Force Participation Rate

### What is included in this indicator?

The indicator uses the employment information from Statistics Canada Labour force survey estimates for the Nanaimo Census Agglomeration.\* The information includes the Unemployment Rate, Labour Force Participation Rate and the Employment Rate. The participation rate is the portion of the population in the labour force, whereas the employment rate is the portion of the population who are employed.

### Where are we right now?

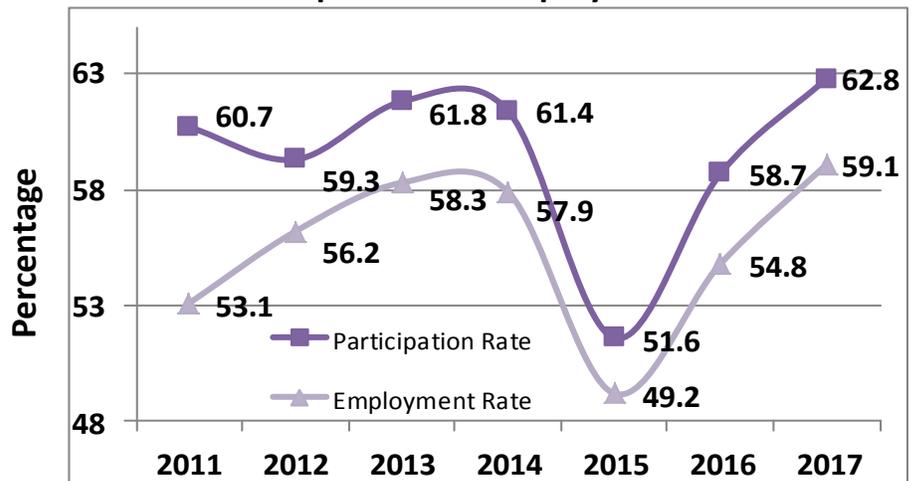
The Unemployment Rate for the Nanaimo Census Agglomeration increased from 4.7% in 2015 to 5.7% in 2017. Comparatively, the Employment Rate and Labour Force Participation Rate both increased over the same period. The Labour Force Participation Rate increased from 51.6% in 2015 to 62.8% in 2017.

As illustrated below, the rise in employment has failed to reduce unemployment. This may be attributed to the rise in the number of people that used to be outside of the labour force, including people over age 65 returning to work and migration from other parts of Canada and to a lesser extent from BC.

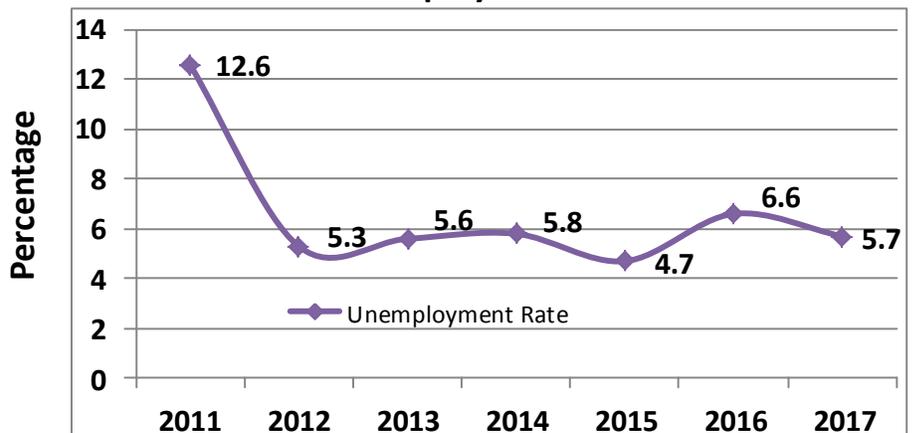


\* Data is only for the [Nanaimo Census Agglomeration](#), which includes the City of Nanaimo, District of Lantzville, Electoral Area A, Electoral Area C, Snuneymuxw First Nations Lands, and Snaw-Naw-As First Nations Lands.

### Participation and Employment Rate



### Unemployment Rate



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