

NEWS RELEASE

B.C. government sector employment grew by 22% compared to just 0.5% growth in the private sector, 2019-23

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VANCOUVER—BC's net job creation from 2019-23 has been driven almost exclusively by growth in government employment rather than the private sector, at 22 per cent and 0.5 per cent over the period, respectively, finds a new study published today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

"British Columbia has seen rapid employment growth in the government sector—what's been lacking, however, is any meaningful growth in private sector employment," said Ben Eisen, Fraser Institute senior fellow and co-author of *Economic Recovery in Canada before and after COVID: Job Growth in the Government and Private Sectors.*

The study finds that historically, no other recent era of recession and recovery in Canada have been so dominated by government sector job growth compared to private sector job growth.

During the recession and recovery periods related to the COVID-19 recession (2019-2023), government employment across the country, including federal, provincial and municipal increased by 13.0 per cent compared to just 3.6 per cent in the private sector (including self-employment.)

No other province experienced such a large difference between the government and private sector with respect to net job creation than British Columbia, though the study finds that eight out of 10 provinces have seen a higher rate of job growth in the government sector.

"There has been almost no net job growth in the private sector since 2019 in British Columbia, while there has been an explosion in the number of government jobs," said Eisen.

"We should be concerned about the sustainability of this trend given that it is the private sector that ultimately pays for the activities of governments and the wages of those who work for them."

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