



Niagara Workforce Planning Board Presents

The Eye on Employment: January 2019 Edition

The Eye on Employment is NWPB's monthly breakdown of the latest data from Statistics Canada's Labour Force Survey. In this document, we will provide you with a summary of changes in local labour market indicators, offer comparisons to historical benchmarks, and show how seasonality affects employment in Niagara.

First, a foreword on our source: Statistics Canada's Labour Force Survey (LFS). The LFS is a robust tool that provides us with a considerable amount of data. At its core, however, it exists to sort Canadians into one of three groups: people who are employed, people who are not employed but are looking for work, and people who are not in the labour force. This is a people-focused survey, and the important thing to remember is that a count of people is not a count of jobs. **People might do a job, either for an employer or through self-employment, but the LFS is counting the people, not the job.** Bearing this in mind, let's turn our eye toward employment.

Monthly and Yearly Overview

Table 1: Niagara – Current and Historical Trends – Seasonally Unadjusted

Labour force characteristics	Nov 2017	Dec 2017	2017	Oct 2018	Nov 2018	Dec 2018
Labour force	209,900	211,400	211,400	219,100	215,700	215,400
Employment	197,400	198,500	197,600	204,700	202,600	201,800
Full-time employment	153,500	152,700	153,300	158,300	156,000	155,400
Part-time employment	43,900	45,800	44,400	46,500	46,600	46,400
Unemployment	12,500	12,900	13,800	14,300	13,100	13,600
Unemployment rate	6.0%	6.1%	6.5%	6.5%	6.1%	6.3%
Participation rate	60.1%	60.5%	60.7%	62.0%	60.9%	60.8%
Employment rate	56.5%	56.8%	56.8%	57.9%	57.2%	57.0%

Month-over-month, we can see 300 fewer people either working or looking for work (a decrease in the labour force) between November and December 2018. There were 600 fewer people in full-time employment and 200 fewer people in

part-time employment in December 2018 compared to November 2018. Compared to this time last year, December 2018 reports 3,300 more people with employment than was observed in December 2017. This change can be attributed more to increases in full-time employment than part-time employment. Specifically, December 2018 saw 2,700 more people employed in a full-time capacity than were observed in December 2017. With respect to part-time employment, there were 600 more people employed in a part-time capacity in December 2018 than in December 2017.

Niagara's unemployment rate increased from 6.1% in November to 6.3% in December. This increase occurred alongside the month-over-month employment rate decreasing from 57.2% to 57.0%. Niagara's labour market participation rate decreased slightly from 60.9% to 60.8%. In an ideal state of affairs, decreases in the unemployment rate would also be met with increases in the participation and employment rate.

It's also important to keep in mind that the data in Table 1 are **seasonally unadjusted** figures. That means factors like holidays, expected employment slowdowns or pickups due to weather, and other factors that can be reasonably predicted to influence employment are not accounted for in these data. Table 2 shows what the labour force looks like when we adjust for seasonality.

Table 2: Niagara – Current and Historical Trends – Seasonally Adjusted

Seasonal Labour Force Characteristics	Nov 2017	Dec 2017	2017	Oct 2018	Nov 2018	Dec 2018
Labour force	208,900	210,400	211,400	216,000	214,600	214,600
Employment	194,300	196,200	197,600	200,300	199,500	199,600
Unemployment	14,700	14,200	13,800	15,700	15,100	14,900
Unemployment rate	7.0%	6.7%	6.5%	7.3%	7.0%	6.9%
Participation rate	59.8%	60.2%	60.7%	61.1%	60.6%	60.6%
Employment rate	55.6%	56.1%	56.8%	56.6%	56.4%	56.3%

Here, the month-over-month comparisons show slightly different trends compared to the unadjusted figures. Table 2 shows that there were 100 more people employed in Niagara between November and December. The unemployment rate decreased from 7.0% to 6.9% in December, and the employment rate decreased from 56.4% to 56.3%. The participation rate stayed at 60.6% between November and December.

Given some of the differences between the adjusted and unadjusted datasets, one might ask which of these figures is correct and/or should be used when reporting these statistics.

The answer is that both are equally valid. Both measures are essential tools to understanding labour force trends in Niagara. In this case, we can observe that total employment is lower when adjusting for seasonality compared to the unadjusted figure seen in Table 1. These data would then suggest that when compensating for predictable and seasonable factors, we would see higher unemployment rates and less overall employment. The unadjusted data, however, is showing lower unemployment rates and more people working. One can then infer from these data that there is a non-seasonal strength to the local employment patterns, despite the trends observed over the last three months.

The Youth Lens

LFS data also allow us a snapshot of youth (defined as people age 15 to 24) employment in Niagara. Once again these data do not account for seasonality.

Table 3: Niagara – Current and Historical Trends – Youth Age 15 to 24 – Seasonally Unadjusted

Labour force characteristics	Nov 2017	Dec 2017	2017	Oct 2018	Nov 2018	Dec 2018
Labour force	29,600	28,200	31,100	34,900	34,100	36,000
Employment	27,500	25,500	28,100	30,800	30,300	31,800
Full-time employment	14,000	12,700	13,200	18,700	17,600	18,200
Part-time employment	13,500	12,800	14,900	12,200	12,800	13,600
Unemployment	2,100	2,700	3,000	4,100	3,800	4,200
Unemployment rate	7.1%	9.6%	9.6%	11.7%	11.1%	11.7%
Participation rate	69.6%	67.1%	69.3%	68.2%	63.4%	64.7%
Employment rate	64.7%	60.7%	62.6%	60.2%	56.3%	57.2%

Here we see 1,500 more youth working in December compared to November. There were 600 more youth working in a full-time capacity, and the number of youth working in a part-time capacity increased by 800 (note here that Statistics Canada rounds to the nearest hundred; this accounts for what might present as irregular math on the part of the total employment changes). December saw the youth unemployment rate increase from 11.1% back to 11.7% (the same rate



seen in October 2018), and the participation rate increased from 63.4% to 64.7%. Similarly, the employment rate increased from 56.3% to 57.2%. These data suggest that youth are actively looking for work.

Would you like to know more? NWPB is ready for your questions. Reach out to Mario De Divitiis, NWPB's CEO (mario@niagaraworkforceboard.ca).