



Eye on Employment: May 2020 Edition

This edition of the Eye on Employment occurs alongside atypical employment impacts due to the COVID-19 coronavirus. NWPB has released a series of [briefing notes](#) that examine the potential impact of this virus on Niagara's employment sectors.

Across Canada, April 2020 saw **1,845,200** fewer employed individuals than in March 2020. At this time, it is important to understand that this employment reduction does **not directly correlate** to slightly less than two million job losses. Data from the labour force survey measure employment changes within the workforce, itself. The extent to which COVID-19 is creating job losses for employers, be they temporary or permanent cannot be determined from this data. NWPB has prepared a summary document that offers additional insights on the terminology found within the Labour Force Survey. [This report can be accessed through this link.](#)

It is also important to note that the challenging data seen in this month's Eye on Employment will continue into next month and possibly beyond that, pending policy changes in response to the COVID-19 pandemic (e.g., the slow opening of businesses in Ontario). Support for employers and individuals can be accessed through Niagara's Employment Ontario network. [Please click this link for a list of Niagara's employment service providers.](#)

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

Labour force characteristics	2019		2020	
	March	April	March	April
Labour force	207,600	204,900	205,900	199,000
Employment	192,400	190,200	188,200	177,700
Full-time employment	149,500	146,600	145,700	138,700
Part-time employment	42,900	43,600	42,500	39,000
Unemployment	15,200	14,700	17,700	21,300
Unemployment rate	7.3%	7.2%	8.6%	10.7%
Participation rate	58.4%	57.6%	57.2%	55.2%
Employment rate	54.1%	53.5%	52.2%	49.3%

Source: Statistics Canada Labour Force Survey, Table: 14-10-0095-01 (formerly CANSIM 282-0128)

A note on our data source: Statistics Canada uses a three-month floating average to produce its monthly data at a regional level. This process typically controls for the volatility inherent to small sample sizes. Ideally, it ensures that an anomaly in a single employment sector in a single month does not have a disproportionate impact on all regional data.

In this case, the three-month floating average includes data from February 2020, which is before COVID-19 began impacting the Canadian economy. As such, Niagara's employment indicators will present as different from those observed at a provincial or national level – which does not calculate employment indicators with a three-month floating average. The June data release for Niagara's May labour force indicators will encompass three months of COVID-19's impacts on the local labour market. At that point, we can reasonably expect to see more pronounced impacts on the labour force.

In the interim, NWPB will be examining regional and provincial data from April in more detail, with periodic updates to follow via our website's news feed, mailing list, and social media feed. Our expected topics include how COVID-19 is impacting the workforce based on gender and age, as well as providing insights on temporary and permanent layoffs.



Comparing March to April of 2020 shows 6,900 fewer people either working or looking for work. This decrease reflects a change in the size of the labour force (i.e., all those that are employed and unemployed). Looking at changes in the number of individuals reporting employment, there were 7,000 fewer people in full-time employment, and 3,500 fewer people in part-time employment, totalling 10,500 employment losses. Comparing April 2020 to April 2019 shows there were 12,500 fewer people employed in April of 2020 compared to this time last year. This change is largely attributed to decreases in full-time employment, which saw 7,900 fewer people employed in a full-time capacity in April 2020 compared to 2019.

Niagara's unemployment rate increased from 8.6% in March 2020 to 10.7% in April. This occurred alongside month-over-month decreases in the employment rate (from 52.2% to 49.3%) and the participation rate (from 57.2% to 55.2%). This month-over-month change is generally indicative of fewer people in employment and fewer people actively involved in the labour force. It also indicates that there was an increase in the number of individuals actively looking for work. NWPB will continue to monitor these trends and provide more insight with the release of May's employment data on June 5, 2020.

It is important to keep in mind that the data in Table 1 are **seasonally unadjusted** figures. That means factors such as holidays - and other factors that can be reasonably predicted to influence employment - are not accounted for in these data. Accounting for seasonality shows that there were 10,400 fewer people employed in Niagara between March 2020 and April 2020, which is almost exactly what we see in the unadjusted data, which saw 10,500 people exiting employment. In fact, the magnitude of changes seen between March and April 2020 for both the adjusted and unadjusted data are virtually the same. This means that even when controlling for factors that would typically expect to influence employment, we still see significant changes in these employment indicators.

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

Labour force characteristics	2019		2020	
	March	April	March	April
Labour force	32,900	32,100	30,700	29,200
Employment	29,200	28,000	24,300	21,800
Full-time employment	15,200	12,800	12,000	11,900
Part-time employment	14,000	15,200	12,300	9,800
Unemployment	3,700	4,100	6,400	7,400
Unemployment rate	11.2%	12.8%	20.8%	25.3%
Participation rate	62.3%	64.2%	62.1%	57.6%
Employment rate	55.3%	56.0%	49.2%	43.0%

Source: Statistics Canada Labour Force Survey, Table: 14-10-0095-01 (formerly CANSIM 282-0128)

Statistics Canada reports 2,500 fewer youth working in April 2020 compared to March 2020. The number of youth working in a full-time capacity decreased by 100 individuals, and the number of youth working in a part-time capacity decreased by 2,500 (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). In other words, most of the decline in youth employment between March and April 2020 can be attributed to fewer youth working in a part-time capacity.

April 2020 saw the youth unemployment rate increase from 20.8% in March 2020 to 25.3%. This figure is well above the 2019 annual average of 12.5% for youth unemployment. The youth employment rate decreased from 49.2% to 43.0% between March and April 2020, and the participation rate decreased from 62.1% in March to 57.6% in April.

Sectoral Shifts

Table 3 offers additional insight into changing employment patterns within Niagara's major industry sectors. These data demonstrate that the services-producing sector saw 6,900 fewer people in employment in April 2020 compared to March 2020. The goods-producing sector saw 3,600 fewer people in employment during the same time period.

Table 3: Niagara – Employment Sectors – Monthly and Annual Data

Industry sector	2019		2020	
	March	April	March	April
Goods-producing sector	41,400	40,400	41,000	37,400
Services-producing sector	151,000	149,800	147,200	140,300
Total employment	192,400	190,200	188,200	177,700

Source: Statistics Canada Labour Force Survey, Table: 14-10-0097-01 and Table: 14-10-0098-01

Recognizing that monthly industry data from the labour force survey can be volatile and prone to shifts, the April 2020 data suggest that *accommodation and food services* was the most impacted services-producing sector, with approximately 5,000 fewer people in employment compared to March 2020. *Manufacturing* was the most impacted goods-producing sector, with approximately 2,100 fewer people in employment in April 2020 compared to March 2020. A monthly comparison is presented in Table 4. Once again, Statistics Canada derives these data using a three-month floating average. We can reasonably expect that May's data will prove more challenging than April's findings, as they will include the first three months of the COVID-19 pandemic.

Table 4: Niagara – Detailed Employment Sectors – Monthly Data

Industry	2019		2020	
	March	April	March	April
Agriculture	3,900	3,700	6,000	5,300
Forestry, fishing, mining, quarrying, oil & gas	N/A	N/A	N/A	N/A
Utilities	N/A	1,500	1,500	NA
Construction	20,400	19,100	13,800	13,200
Manufacturing	15,200	15,500	19,800	17,700
Wholesale & retail trade	29,800	28,700	29,700	27,900
Transportation & warehousing	9,400	9,100	6,900	6,600
Finance, insurance, real estate, rental & leasing	8,600	7,900	6,800	7,800
Professional, scientific & technical services	9,800	9,100	5,300	5,200
Business, building & other support services	9,700	8,500	8,300	8,700
Educational services	12,400	13,600	17,700	18,100
Health care & social assistance	26,800	28,100	25,000	25,800
Information, culture & recreation	6,600	7,200	8,100	6,500
Accommodation & food services	21,500	21,600	23,100	18,100
Other services (except public administration)	9,900	8,700	10,400	9,800
Public administration	6,600	7,400	6,100	5,900
Total employed, all industries	192,400	190,200	188,200	177,700

Source: Statistics Canada Labour Force Survey, Table: 14-10-0097-01 and Table: 14-10-0098-01, N/A reflects industries where employment activity exists but is suppressed by Statistics Canada.

Would you like to know more? NWPB is ready for your questions. Reach out to Vivian Kinnaird, NWPB's CEO (vivian@niagaraworkforceboard.ca).