



Eye on Employment: July 2020 Edition

This edition of the Eye on Employment is once again released amid exceptional times. As such, NWPB has attempted to offer as much context as possible on the scope and impact of the COVID-19 pandemic on Niagara's employment landscape. All of our insights and efforts to support Niagara during these times can be found through our COVID-19 portal – www.niagaraworkforce.ca/COVID-19.

Across Canada, June of 2020 saw an additional **1,145,900** (seasonally unadjusted) employed individuals compared to May of 2020. June is the second consecutive month to see national employment gains since the beginning of the pandemic. It remains important to understand that changes in employment **do not directly correlate to** job creation. Data from the Labour Force Survey measures **employment changes** within the workforce, itself. The extent to which COVID-19 created **job losses or gains**, be they temporary or permanent, cannot be determined from this data.

Niagara enjoyed some minor increases in employment between May and June of 2020. June's data report 1,600 individuals gaining employment in Niagara. However, the region remains heavily impacted by the COVID-19 pandemic. Ongoing support for employers and job seekers amid the pandemic 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	
	May	June	May	June
Labour force	204,500	207,000	193,300	194,700
Employment	191,900	196,000	168,200	169,800
Full-time employment	148,200	152,100	132,600	135,600
Part-time employment	43,600	43,900	35,600	34,200
Unemployment	12,600	11,100	25,100	24,900
Unemployment rate	6.2%	5.4%	13.0%	12.8%
Participation rate	57.4%	58.0%	53.6%	53.9%
Employment rate	53.9%	55.0%	46.6%	47.0%

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.

With respect to June's data, we can expect that trends of employment decrease seen in April and May's data will have an impact on the current figures. This means that the employment gains that we see in June may be somewhat larger than reported. Nonetheless, these data remain the best indicator of local employment trends and a firm foundation for future analysis and benchmarking.

Month-over-month data show that 1,600 more people were working in June of 2020 compared to May of 2020. At the same time, there were 200 fewer unemployed people in Niagara. These changes account for decreases in Niagara's unemployment rate (12.8% in June down from 13.0% in May) and increases in both the participation rate (53.9% in June up from 53.6% in May) and the employment rate (47.0% in June up from 46.6% in May).

Despite the positive month-over-month indicators, comparing June 2019 to June 2020 demonstrates the impact that the COVID-19 pandemic had on the local labour force. Compared to this time last year, June of 2020 sees 26,200 fewer people in employment – 16,500 of those individuals were in full-time work and

9,700 were in part-time work. Similarly, there were 13,800 more unemployed people in June of 2020 compared to June of 2019.

It is important to keep in mind that the data in Table 1 are **seasonally unadjusted** figures. That means factors such as holidays, seasonality inherent to a given industry, and other factors that can be reasonably predicted to influence employment are **not accounted for** in these data. **Seasonally adjusted** data show that there were 1,300 fewer people employed in Niagara between May of 2020 and June of 2020. This is in contrast to seasonally unadjusted data showing an employment gain of 1,600 people. These data can be understood as demonstrating that when we control for expected seasonal gains that are historically associated with Niagara's warm weather economy, the region is still experiencing a decline in the overall employment trends.

The Youth Lens

Labour Force Survey 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	
	May	June	May	June
Labour force	32,200	33,700	28,200	26,700
Employment	28,200	29,600	19,100	18,500
Full-time employment	11,700	12,100	11,600	11,500
Part-time employment	16,600	17,500	7,500	7,000
Unemployment	3,900	4,100	9,100	8,200
Unemployment rate	12.1%	12.2%	32.3%	30.7%
Participation rate	68.2%	71.1%	56.9%	56.3%
Employment rate	59.7%	62.4%	38.5%	39.0%

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

Statistics Canada reports 600 fewer youth working in June of 2020 compared to May of 2020. June of 2020 saw 100 fewer youth working in a full-time capacity and 500 fewer youth working in a part-time capacity.

June of 2020 saw a decrease in the youth unemployment rate (30.7% in June of 2020 down from 32.3% in May of 2020). A month-over-month decrease in the youth participation rate (56.3% in June of 2020 down from 56.9% in May of 2020) and an increase in the youth employment rate (39.0% in June of 2020 up from 38.5% in May of 2020) suggests a particularly challenging trend for youth. Specifically, gains in the employment rate occurring in tandem with decreases in youth employment and youth labour market participation suggest discouraged youth are exiting the labour force. The increase in the employment rate is likely reflective of fewer youth competing for the same positions.

Sectoral Shifts

Table 3 offers additional insight into the changing employment patterns within Niagara's major industry sectors. These data reflect month-over-month employment gains for both the goods- and services-producing sectors in Niagara. June of 2020 saw an additional 1,200 people in employment in the goods-producing sector, and an additional 400 people in employment in the services producing sector. While these figures are still well below those that were observed in May and June of 2019, they reflect the first month of total employment growth in Niagara since the start of the pandemic.

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

Industry sector	2019		2020	
	May	June	May	June
Goods-producing sector	40,200	40,800	35,600	36,800
Services-producing sector	151,700	155,200	132,600	133,000
Total employment	191,900	196,000	168,200	169,800

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 June 2020 data show a range of employment gains and losses across multiple sectors.

Table 4: Niagara – Detailed Employment Sectors – Monthly Data

Industry	2019		2020	
	May	June	May	June
Agriculture	3,500	3,800	5,800	5,200
Forestry, fishing, mining, quarrying, oil and gas	NA	NA	NA	NA
Utilities	1,600	1,600	NA	NA
Construction	18,500	18,600	12,900	14,100
Manufacturing	16,200	16,400	15,900	16,300
Wholesale and retail trade	29,700	30,600	25,600	24,900
Transportation and warehousing	8,500	7,500	6,500	7,300
Finance, insurance, real estate, rental and leasing	8,000	9,500	8,900	11,000
Professional, scientific and technical services	8,500	8,000	5,200	6,200
Business, building and other support services	7,400	6,800	9,200	8,900
Educational services	14,000	14,900	17,300	17,500
Health care and social assistance	29,700	29,500	25,800	25,800
Information, culture and recreation	7,700	8,500	4,600	3,600
Accommodation and food services	21,700	22,800	14,500	13,100
Other services (except public administration)	8,100	7,600	9,400	9,600
Public administration	8,400	9,500	5,600	5,100
Total employed, all industries	191,900	196,000	168,200	169,800

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.

Within the goods-producing industries, month-over-month data show 1,200 more people employed in *construction* in June of 2020 and 400 more people employed in *manufacturing*. The services-producing sector saw some notable increases, with an additional 2,100 people employed in *finance and insurance* between May and June of 2020. Despite Niagara entering stage 2 of recovery on June 19, 2020, the *wholesale and retail trade* sector reported an



employment decline of 700 people. It is likely that the employment impacts of stage 2 did not present themselves in time to be captured during the data collection window for the Labour Force Survey.

Niagara's *accommodation and food service sector* and *information, recreation and culture sector* continue to show month-over-month employment declines. June of 2020 saw 1,000 fewer people employed in *information, culture, and recreation* compared to May of 2020. *Accommodation and food service*, a key industry within Niagara's tourism mix, saw 1,400 fewer people employed in June of 2020 compared to the previous month. These data continue a downward trend observed since the start of the pandemic. In February of 2020, *accommodation and food service* employed 26,100 people compared to 13,100 in June of 2020: this represents a 49.8% employment reduction within the industry. While *information, culture, and recreation* saw a smaller absolute employment decline between February and June of 2020 (9,700 employed individuals falling to 3,600 employed individuals), proportionally, this sector has seen a 62.9% employment reduction.

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