



Eye on Employment: October 2020 Edition

This edition of the Eye on Employment is released as Niagara continues to operate in stage 3 of pandemic recovery. During these times, NWPB has attempted to offer as much context as possible on Niagara's changing employment patterns. All of our insights and efforts to support Niagara during these times can be found through our COVID-19 portal – <https://nwpb.ca/covid-19/>

Across Canada, September of 2020 saw an additional 275,000 (seasonally unadjusted) employed individuals compared to August of 2020. September is the fifth 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 increases in employment between August and September of 2020. September's data report 5,900 individuals gaining employment in Niagara. Compared to this time last year, however, the current data show 11,300 fewer employed Niagara residents. As such, the region remains heavily impacted by after effects of 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 | |
|------------------------------|-------------|-----------|-------------|-----------|
| | August 2019 | Sept 2019 | August 2020 | Sept 2020 |
| Labour force | 214,100 | 215,500 | 209,500 | 210,200 |
| Employment | 202,000 | 203,100 | 185,900 | 191,800 |
| Full-time employment | 158,900 | 158,300 | 149,200 | 150,000 |
| Part-time employment | 43,100 | 44,900 | 36,700 | 41,800 |
| Unemployment | 12,100 | 12,300 | 23,600 | 18,400 |
| Unemployment rate | 5.7% | 5.7% | 11.3% | 8.8% |
| Participation rate | 59.9% | 60.2% | 58.0% | 58.1% |
| Employment rate | 56.5% | 56.7% | 51.5% | 53.1% |

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 September's data, we can expect that employment trends from July and August's data will have an impact on the current figures. 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 5,900 more people were working in September 2020 compared to August 2020. At the same time, there were 5,200 fewer unemployed people in Niagara. These changes account for decreases in Niagara's unemployment rate (8.8% in September, down from 11.3% in August) and increases in both the participation rate (58.1% in September, up slightly from 58.0% in August) and the employment rate (53.1% in September, up from 51.5% in August). Generally, decreases in the unemployment rate occurring alongside increases in participation and employment rates represent an ideal state of affairs for a local labour market. And while these data represent a positive trend, they do not represent a return to pre-pandemic levels.



Comparing September 2020 to September 2019 demonstrates the continuing impact of COVID-19 on the local labour force. Compared to this time last year, September 2020 saw 11,300 fewer people in employment – 8,300 of those individuals were in full-time work and 3,100 in part-time work. Similarly, there were 6,100 more unemployed people in September 2020 compared to September 2019.

September's monthly data demonstrates the ongoing disparity in employment gains between men and women (note: Statistics Canada's labour force survey reports gender data between two variables: men and women. This limitation is beyond NWPB's ability to control or correct.) Among the 5,900 employment gains reported between August and September, 69.5% were among men and 30.5% were among women. This is a move away from August's data where 54.3% of employment gains were enjoyed by men and 44.6% of employment gains were enjoyed by women.

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 6,400 more people employed in Niagara between August and September 2020. This is similar in trend but greater in scope to the unadjusted data – which showed an employment gain of 5,100 people.

This data suggests that in the absence of seasonal benefits, Niagara would have seen some employment gains in September. Given the impact that COVID-19 has had on employers in terms of reduced staffing, a slow return of customers, and reduced operating capacity amid physical distancing, it remains to be seen how this trend will impact the autumn months, which typically see an extended tourism shoulder season leading into a holiday hiring gains.

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 | |
|------------------------------|-------------|-----------|-------------|-----------|
| | August 2019 | Sept 2019 | August 2020 | Sept 2020 |
| Labour force | 37,500 | 35,800 | 30,500 | 30,200 |
| Employment | 33,700 | 31,700 | 21,700 | 22,500 |
| Full-time employment | 19,300 | 18,400 | 14,400 | 13,300 |
| Part-time employment | 14,400 | 13,300 | 7,300 | 9,200 |
| Unemployment | 3,900 | 4,100 | 8,800 | 7,700 |
| Unemployment rate | 10.4% | 11.5% | 28.9% | 25.5% |
| Participation rate | 75.8% | 71.6% | 68.4% | 71.9% |
| Employment rate | 68.1% | 63.4% | 48.7% | 53.6% |

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

Statistics Canada reports 800 more youth working in September 2020 compared to August 2020. However, September saw 1,100 fewer youth working in a full-time capacity and 1,900 more youth working in a part-time capacity. This is indicative of September's shift toward part-time in Niagara.

September 2020 saw a decrease in the youth unemployment rate (25.5% in September, down from 28.9% in August). This was accompanied by month-over-month increases in the youth participation rate (71.9% in September, up from 68.4% in August) and an increase in the youth employment rate (53.6% in September, up from 48.7% in August). Once again, increases to employment and participation rates amid a declining unemployment rate is generally a positive indicator. These data do indicate that youth are seeing some success in their employment searches; however, short-term successes should not overshadow the long-term challenges. In September of 2019, Niagara's youth had an 11.5% unemployment rate and a 63.4% employment rate. Comparing those historic figures to current data show the extent to which the pandemic has created considerable employment challenges for local youth.

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. September of 2020 saw an additional 100 people in employment in the goods-producing sector, and an additional 5,800 people in employment in the services-producing sector.

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

| Industry sector | 2019 | | 2020 | |
|---------------------------|----------------|----------------|----------------|----------------|
| | Aug | Sept | August | Sept |
| Goods-producing sector | 40,600 | 42,600 | 45,300 | 45,400 |
| Services-producing sector | 161,400 | 160,600 | 140,600 | 146,400 |
| Total employment | 202,000 | 203,100 | 185,900 | 191,800 |

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

Table 4: Niagara – Detailed Employment Sectors – Monthly Data

| Industry | 2019 | | 2020 | |
|---|----------------|----------------|----------------|----------------|
| | August | Sept | August | Sept |
| Agriculture | 3,500 | 3,400 | 4,200 | 3,800 |
| Forestry, fishing, mining, quarrying, oil and gas | NA | NA | NA | NA |
| Utilities | NA | NA | NA | NA |
| Construction | 17,800 | 17,700 | 17,500 | 17,700 |
| Manufacturing | 17,200 | 19,400 | 22,100 | 22,700 |
| Wholesale and retail trade | 31,900 | 31,600 | 25,300 | 25,000 |
| Transportation and warehousing | 7,000 | 7,800 | 7,100 | 6,700 |
| Finance, insurance, real estate, rental and leasing | 11,100 | 10,500 | 13,000 | 13,500 |
| Professional, scientific and technical services | 8,100 | 8,300 | 8,200 | 9,000 |
| Business, building and other support services | 7,400 | 7,800 | 9,000 | 10,600 |
| Educational services | 14,300 | 13,800 | 13,500 | 12,900 |
| Health care and social assistance | 27,100 | 25,600 | 27,300 | 27,800 |
| Information, culture and recreation | 10,700 | 11,300 | 5,300 | 6,300 |
| Accommodation and food services | 26,100 | 26,300 | 15,200 | 18,000 |
| Other services (except public administration) | 7,500 | 8,000 | 10,800 | 10,900 |
| Public administration | 10,100 | 9,600 | 5,800 | 5,700 |
| Total employed, all industries | 202,000 | 203,100 | 185,900 | 191,800 |

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 200 more people finding employment in *construction* and 600 more people finding employment in *manufacturing*. *Agriculture* reported 400 fewer employed individuals in September compared to August. The largest services-producing sector gains were seen in *accommodation and food service* and *business, building and other support services*. Employment in *accommodations and food service* increased by 2,800 people in September 2020, and employment in *business, building and other support services* increased by 1,600 people. The *information, culture and recreation* sector added 1,000 people to employment



in September. This continues a three month trend of employment gains for a sector which was, proportionally, one of the hardest hit in Niagara during the pandemic.

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