



Eye on Employment: September 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 – www.niagaraworkforce.ca/COVID-19.

Across Canada, August of 2020 saw an additional **219,900** (seasonally unadjusted) employed individuals compared to July of 2020. August is the fourth 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 July and August of 2020. August's data report 9,200 individuals gaining employment in Niagara. Compared to this time last year, however, the current data show 16,100 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	
	July	August	July	August
Labour force	210,600	214,100	201,400	209,500
Employment	199,200	202,000	176,700	185,900
Full-time employment	155,800	158,900	141,800	149,200
Part-time employment	43,400	43,100	34,900	36,700
Unemployment	11,400	12,100	24,700	23,600
Unemployment rate	5.4%	5.7%	12.3%	11.3%
Participation rate	59.0%	59.9%	55.8%	58.0%
Employment rate	55.8%	56.5%	48.9%	51.5%

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 August's data, we can expect that employment trends from June and July'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 9,200 more people were working in August 2020 compared to July 2020. At the same time, there were 1,100 fewer unemployed people in Niagara. These changes account for decreases in Niagara's unemployment rate (11.3% in August, down from 12.3% in July) and increases in both the participation rate (58.0% in August, up from 55.8% in July) and the employment rate (51.5% in August, up from 48.9% in July). Generally, decreases in the unemployment rate occurring alongside increases in participation and employment represent an ideal state of affairs for a local labour market. While these data represent a positive trend, they do not represent a return to pre-pandemic levels.

Comparing August 2020 to August 2019 demonstrates the continuing impact of COVID-19 on the local labour force. Compared to this time last year, August



2020 saw 16,100 fewer people in employment – 9,700 of those individuals were in full-time work and 6,400 in part-time work. Similarly, there were 11,500 more unemployed people in August 2020 compared to August 2019.

August's data saw some improvement in the distribution of 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 9,200 employment gains reported between July and August, 54.3% were among men and 44.6% were among women. This is a move toward parity compared to the June-July data which saw 82.6% of employment gain among men and 18.8% of employment gain among 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 8,200 more people employed in Niagara between July and August 2020. This is similar, though slightly smaller in scale, to the seasonally unadjusted data – which showed an employment gain of 9,200 people.

These gains must also be considered in the context of differences in total employment. When controlling for seasonality, August 2020 saw a total of 182,900 people employed in Niagara. Without controlling for seasonality, there were 185,900 employed people. The difference of 3,000 employed individuals between these two figures can be seen as an impact of seasonality on Niagara's August employment.

This data suggests that in the absence of seasonal benefits, Niagara's employment gains would be slightly reduced. 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 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	
	July 2019	August 2019	July 2020	August 2020
Labour force	36,200	37,500	30,000	30,500
Employment	31,900	33,700	20,600	21,700
Full-time employment	15,700	19,300	13,100	14,400
Part-time employment	16,200	14,400	7,400	7,300
Unemployment	4,300	3,900	9,400	8,800
Unemployment rate	11.9%	10.4%	31.3%	28.9%
Participation rate	74.6%	75.8%	64.7%	68.4%
Employment rate	65.8%	68.1%	44.4%	48.7%

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

Statistics Canada reports 1,100 more youth working in August 2020 compared to July 2020. August further saw 1,300 more youth working in a full-time capacity and 100 fewer youth working in a part-time capacity (note: the incongruous arithmetic in these data is the result of rounding on the part of Statistics Canada).

August 2020 saw a decrease in the youth unemployment rate (28.9% in August, down from 31.3% in July). This was accompanied by month-over-month increases in the youth participation rate (68.4% in August, up from 64.7% in July) and an increase in the youth employment rate (48.7% in August, up from 44.4% in July). Once again, increases to employment and participation rates amid a declining unemployment rate is generally a positive indicator. These data indicate that youth are seeing some success in their employment searches. As noted with the general labour force data, short-term successes should not overshadow the long-term challenges; specifically, current youth unemployment levels are nearly triple what they were in August 2019.

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. August of 2020 saw an additional 4,200 people in employment in the goods-producing sector, and an additional 5,000 people in employment in the services-producing sector. While these figures are below those that were observed in July and August of 2019, they reflect the third 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	
	July	August	July	August
Goods-producing sector	40,300	40,600	41,100	45,300
Services-producing sector	158,900	161,400	135,600	140,600
Total employment	199,200	202,200	176,700	185,900

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	
	July	August	July	August
Agriculture	3,600	3,500	5,100	4,200
Forestry, fishing, mining, quarrying, oil and gas	NA	NA	NA	NA
Utilities	NA	NA	NA	NA
Construction	18,700	17,800	16,100	17,500
Manufacturing	16,000	17,200	18,600	22,100
Wholesale and retail trade	31,800	31,900	25,100	25,300
Transportation and warehousing	7,000	7,000	7,000	7,100
Finance, insurance, real estate, rental and leasing	10,800	11,100	11,600	13,000
Professional, scientific and technical services	7,800	8,100	7,200	8,200
Business, building and other support services	7,300	7,400	8,800	9,000
Educational services	14,300	14,300	15,300	13,500
Health care and social assistance	29,000	27,100	26,800	27,300
Information, culture and recreation	9,100	10,700	4,000	5,300
Accommodation and food services	24,800	26,100	14,800	15,200
Other services (except public administration)	7,300	7,500	9,900	10,800
Public administration	9,800	10,100	5,100	5,800
Total employed, all industries	199,200	202,000	176,700	185,900

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 3,500 more people employed in *manufacturing* in August of 2020 and 1,400 more people employed in *construction*. The services-producing sector saw some notable increases, with an additional 1,300 people employed in *information, culture and recreation* between July and August 2020. As Niagara operated in stage 3 of pandemic recovery, employment in *wholesale and retail trade* increased slightly with 200 additional people reporting employment.



Niagara's employment in *education services* saw the largest decline of all industries, with 1,800 fewer people in employment. Summer months likely had some impact on this sector.

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