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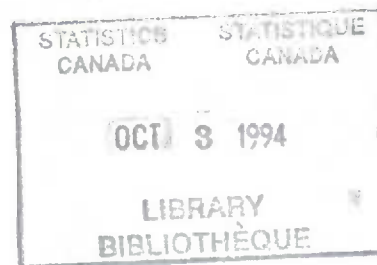
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REPEAT USERS OF THE UNEMPLOYMENT INSURANCE PROGRAM

by

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ABSTRACT

The purpose of this paper is to document the extent of repeat use of the Canadian unemployment insurance program, and to examine some of the associated individual characteristics. Administrative data that cover the period form mid 1971 to early 1990 are used. A great deal of repeat use is documented. Under the broadest of definitions U.I. repeaters represent about 80 per cent of claimants in any given year. There are broad variations in the pattern of repeat use according to seasonality, industry of employment, and region of residence. There are also significant variations in the incidence of repeat use according to age. The young of both genders are particularly likely to be U.I. repeaters. Some suggestions as to possible interpretations of these patterns is also presented.

HIGHLIGHTS

(1) The share of all unemployment insurance (U.I.) claimants that are repeaters is substantial. During 1989 there were almost 950,000 Unemployment Insurance claims initiated by males. Over 80 % of these were made by individuals that had had another claim at some point since 1971. Moreover, about 48 % of claims were made by individuals who had at least five claims.

(2) In 1989 claims made by females totalled 888,000. These were also characterized by a great deal of repeat use. Only 22 % were first time claimants, and about 30.3 % experienced their fifth or greater claim.

(3) On average it can be expected that a male that has had at least one unemployment insurance claim will make another once every 3 to 4 years, while a female with at least one claim will make another once every 4 to 5 years.

(4) Seasonal factors are very important in determining the chances that a representative male U.I. claimant will start another claim within 14 weeks from the end of his first. The probability of repetition within five years is lowest in service industries, and highest in the primary industries. It also displays distinct patterns across the provinces, being much higher in the provinces east of the Ottawa River.

(5) The rate of weekly benefit payments and the number of weeks of benefits that are collected are not important determinants of repeat unemployment insurance usage: individuals who received relatively high benefit payments, or collected benefits for a relatively longer period are no more likely to be U.I. repeaters as a result.

(6) The length of time that an individual spent employed before the beginning of his or her claim is an important determinant of whether or not the individual will be a repeat user. Those with rather long jobs -- greater than one year in length -- are much less likely to be U.I. repeaters than those that had short, intermittent jobs.

LONGITUDINAL PATTERNS OF PARTICIPATION IN THE
CANADIAN UNEMPLOYMENT INSURANCE PROGRAM

The Canadian Unemployment Insurance program is one of the
country's largest tax-transfer schemes, touching the lives of
literally millions of individuals every year. It is little wonder
that it continues to be the subject of much comment, praise, and
criticism. It is also not surprising that while changes to this
program have at times been piecemeal, and at other times radical,
they have always been controversial. The most far reaching
reforms came into effect in 1971, and there have been many
amendments since, the most notable occurring in the autumn of
1990.

One of the important amendments introduced by Bill C-21 in
1990 was a re-orientation of some unemployment insurance funds
from "passive" income support to payments of an "active" nature
that are intended to sponsor training and labour market
adjustment. Much more radical proposals for such a re-orientation
have been put forward by, among others, the Commission of Inquiry
on Unemployment Insurance (the so-called Forget Commission), and
the Economic Council of Canada. (1,5)

Their rationale for such proposals is based upon the view
that over the long-term unemployment insurance (U.I.) might have
engendered a type of dependency that thwarts industrial

adaptation and change. This dependency in turn, is reflected in the possibility that individuals repeatedly cycle into and out of program participation. The Forget Commission, for example, made much of the possibility that some individuals may be subject to a so-called "10-40 syndrome," working for the minimum amount of time needed to qualify for benefits (10 weeks), collecting them for as long as possible (up to 40 weeks), and then repeating the cycle.

However, it is not clear that a great deal of repeat use will naturally be associated with unemployment insurance. The receipt of income support may permit an unemployed individual to lengthen his or her job search. This may in turn increase the chances of finding a job that leads to a particularly productive match between worker and employer, increase the length of employment, and consequently reduce the likelihood of repeat U.I. use.

How prevalent is repeat use of the U.I. system? That is, how often do the same individuals use the Canadian U.I. system over and over again, and what individual characteristics influence such behaviour? The objective of this paper is to present some of the data needed to examine such questions, and to summarize some of the tentative answers provided by recent research. In particular, it is a summary of a much more detailed inquiry made by the author, which was initiated by the Economic Council of Canada and is a joint project with Statistics Canada. The answers

to these questions have not been established in the published literature, and while those presented here do not explicitly establish how observed patterns of repeat use should be interpreted, but they are nonetheless necessary if policy-makers and interested groups and individuals are to better understand how the U.I. system is utilized.

The data used covers the period from mid-1971 to the end of 1989. Data sources and the broad pattern of developments in U.I. participation over the 1970s and 1980s are outlined in Section I. The extent and nature of repeat use is also documented in this section. This sets the stage for a more detailed analysis of the determinants of repeat U.I. use in Section II, and finally for a summary of some possible interpretations in Section III.

I. A DESCRIPTIVE OVERVIEW

Administrative data associated with the operation of the Canadian Unemployment Insurance program is used. A systematic one in ten sample of all individuals that filed at least one U.I. claim between July 1971 and the end of 1989 was obtained. Each observation in the data set represents a U.I. claim, but all of the claims made by any given individual are included. Consequently, it is possible to track a given individual's interaction with the U.I. program over time, and to thereby determine if he or she is a repeat user, as well as to establish

how often repeat use occurs.

Only claims in which an actual payment of benefits were made
are considered. Thus, if an individual filed a claim and did not
qualify for benefits, or perhaps found a job before any benefit
payments were actually made, then this claim is not counted as
part of the individual's U.I. history. No other exclusions were
made.

Figure 1 presents the aggregate number of claims represented
by the sample according to the year in which they were initiated,
by the gender of the claimant, and by the type of claim. The data
for 1971 are excluded from the figure since they represent only a
total for the last six months of that year, not for the full
year.

INSERT FIGURE 1

Overall, males are responsible for about two-thirds of the
total number of claims initiated. Regular claims, those made
because of a job interruption, account for about 85 % of all
claims. The "other" category consists mostly of fishing and
sickness claims. These claims, along with maternity claims,
represent a constant proportion of the total.

The aggregate numbers should not be equated with the number of unemployed in any given year for at least three reasons. First, to have a U.I. claim opened is not necessarily equivalent to being unemployed. This is so because it is in fact possible to work while on claim. A claimant can earn up to 25 % of his or her weekly benefits without penalty. Earnings above this level result in a dollar for dollar reduction in benefits (4, p.66). Thus, U.I. claimants will not always be counted among the unemployed.

Second, not all of the unemployed are eligible to collect U.I. benefits. New labour force participants will not qualify for benefits because they do not have a history of employment. The self-employed are not eligible because they do not come under the scope of the legislation. Thus, not all of the unemployed will be U.I. claimants.

Third, the yearly totals presented in figure 1 represent all U.I. claims initiated during a given year, while the Labour Force Survey estimate of the number of unemployed for a particular year is an average of twelve monthly estimates of those unemployed during a given week. It should not be surprising therefore that the annual totals in figure 1 exceed the Labour Force Survey estimates (7, 8).

Nevertheless, it is quite clear that trends in U.I. participation reflect broad labour market developments. Most notable is the sharp jump in the number of claims initiated

during 1981-1982, which reflects the recession that began in the summer of 1981, and the elevated numbers throughout the 1980s, which is associated with the persistently high levels of unemployment experienced during the subsequent expansion. (In spite of strong economic growth, the unemployment rate did not return to pre-recession levels until 1990.)

As mentioned, the distribution of the number of claims by type of claim remains relatively constant throughout the period. This is more clearly displayed in table 1 which contrasts developments during the 1970s with those of the 1980s. Of the 14.7 million claims initiated during the 1970s, about 85 % were regular claims, versus 86 % of the 21.7 million claims initiated during the 1980s. There is a small drop in the share of claims due to sickness in the 1980s, and a small increase in the share of maternity claims.

INSERT TABLE 1

The distribution by province is also quite stable. There was a small increase in the percentage of claims accounted for by the Atlantic provinces, and a rather significant increase in the percentage accounted for by Alberta. These shifts reflect the changing economic fortunes of the resource industries located in these provinces, particularly the large fall in oil prices for

Alberta during the 1980s.

There is also a shift in the distribution of claims by gender, but this may also reflect socio-economic developments. During the 1970s females accounted for 38.7 % of all claims, but during the 1980s they represented 42.2 % of the total. This is consistent with the increase in the participation rates of women that began in the 1960s and continued unabated over the 19 years covered by the data. The less dramatic, but still significant, fall in participation rates of males (particularly older males) may also have contributed to this shift.

Changes in the distribution of claims by age are not as readily interpreted as the consequence of broad labour market developments. Table 1 documents a large shift in the fraction of claims accounted for by middle-aged individuals. During the 1970s, 11.5 % of claims were made by individuals aged 16 to 19 years of age, but this group accounted for only 5.5 % of claims during the 1980s. The proportion of claims made by people 20 to 29 years of age increased slightly from 40.2 % to 41.4 %, but the share accounted for by those 30 to 39 increased more significantly from 18.3 % to 24.6 % of the total.

A large part of the explanation for these shifts certainly has to do with the entry of the baby boom generation into the labour force during the 1970s, and with its ageing during the 1980s. However, the developments presented in Table 1 are also

consistent with the possibility that the same individuals that made claims during the 1970s are also making them, at an older age, throughout the 1980s. This interpretation is given some credence by the increasing incidence of repeat use.

Table 1 clearly highlights that there is considerable repeat use associated with the operation of the Canadian Unemployment Insurance program. During the 1970s 47.8 % of all claims were made by first time claimants, while just over 50 % of claims were made by individuals that had at least two claims. In fact, 8.3 % of claims were made by individuals using the program for at least the fifth time during the course of the decade. During the 1980s, the process underlying this pattern continued unabated, so that only 23.8 % of claims were made by individuals that had not been on the system since 1971, while 32.3 % were made by individuals that had five or more previous claims.

Some sense of the process of how repeat use occurs is given in Tables 2 and 3. In these tables, claimants are defined according to the year of first claim. Table 2 presents the data for males, and Table 3 for females. From 1971 to 1989, male U.I. recipients made 3.3 claims on average, and females initiated an average of 2.6 claims. These numbers, however, are influenced by the length of the sample period. Individuals who made their first claim in the late 1980s will have fewer claims on average simply because the time horizon of the data ends in 1989.

INSERT TABLES 2 AND 3

A more accurate sense of the process of repeat U.I. use can be charted by examining individuals who made their first claim very early in the period. In this way the longest possible time frame can be exploited. Males beginning their first claim during the early 1970s went on to have an average of four to six claims over the course of the next 15 to 18 years, or on average one claim every three or four years. Between 15 to 25 % of these people did not experience another claim, but from 35 to 50 % had five or more. Females experiencing their first claim in the early 1970s eventually had over three claims on average over the remaining horizon, or one claim every four to five years. Between 23 to 27% did not have another claim, but 22 to 31 % made five or more.

The high incidence of repeat use may reflect the possibility that the same individuals are in need of U.I. over and over again because they are continually at risk of becoming unemployed. If this is the case, then it is important to identify the groups facing the highest risk of repeat U.I. use. This is attempted in the following section.

However, it has also been argued that the availability and extent of U.I. benefits are in themselves the cause of these

patterns. (For a summary of this literature see 6). Unemployment insurance may alter the incentives of firms, individuals, and governments in a way that makes them less inclined to undertake fundamental labour market adjustment. As a consequence individuals may be exposed to repeated bouts of unemployment and reliance upon U.I. The extent to which the generosity of U.I. influences the likelihood of repeat use is also examined in the following section.

II. DIMENSIONS OF REPEAT USE

The above tabulations suggest that a very large fraction of those individuals who are experiencing a U.I. claim at any point in time are repeat users of the program. While the incidence of repeat use is very high, it may vary greatly across different groups. Tables 2 and 3, for example, showed that there is a significant difference between males and females.

Another perspective on this fact can be obtained by considering the total number of claims made in 1989. This is done in Figures 2 and 3, which highlight the incidence of repeat use for males and females. During 1989 there were a total of 940,460 claims initiated by males, but only 17.8 % of these were made by first time recipients. All other claims were made by individuals who had at least one other claim at some point since 1971. In fact, almost 48 % of the total number of claims in 1989 were made

by individuals that were beginning their fifth or even higher claim.

INSERT FIGURES 2 AND 3

The extent of repeat use is not as great for females. Even so, it is significant. While there were a total of 887,530 claims initiated by females in 1989, Figure 3 reveals that about 23 % of claimants were experiencing their first claim, while 30 % were experiencing their fifth or greater claim.

Figure 4 presents the same breakdown of the 1989 data, but by province. There are very clear differences in the distribution of claims between the provinces. Over 90 % of the claims made in Newfoundland and in P.E.I. were made by U.I. repeaters. Of all the claims that were made by individuals living in Newfoundland sixty-five percent were made by individuals that were experiencing their fifth or greater claim. This figure is similar for P.E.I. and New Brunswick, and slightly less for Nova Scotia. Ontario and the Western provinces display a much lower rate of repeat use. In these provinces, 20 to 25 % of claimants were first-time U.I. recipients, and only 28 to 38 % had five or more claims in the past.

INSERT FIGURE 4

There are two limitations to the results highlighted in these figures. First, they control for individual characteristics that influence the risk of repeat use one at a time. A multivariate analysis is needed to simultaneously capture the impact of the large number of all possible influences. Second, all of the results are based upon the broadest possible definition of a repeat U.I. user: a repeater is someone who experiences at least two claims over the sample period. This may mask some of the underlying processes. For example, some individuals may be subject to a so-called "10-40 syndrome" and they may therefore be inclined to repeat very soon after the end of a spell. Other individuals may be employed in a cyclically sensitive industry, and as a result will be subject to repeat use over the course of the business cycle.

In order to overcome these problems, the likelihood of being a U.I. repeater can be modelled using multivariate techniques and by considering four different categories: (1) short-term repeaters, or those experiencing a second claim within 14 weeks or fewer from the end of their previous claim; (2) annual repeaters, or those repeating within 52 weeks or less; and longer term repeaters, consisting of (3) those who repeat within two years, and (4) those who repeat within five years of a previous claim.

The major results of this modelling exercise are presented in Tables 4 and 5 for males and females, respectively. Only

fishing and regular claims are included in the analysis. Furthermore, the results in these tables are based upon what shall be referred to as a benchmark individual, and which is defined to be a 33-year old individual working in the Ontario manufacturing sector who had a U.I. claim that began in the first quarter of the year. The probability that an individual with these characteristics will begin another claim within 14 weeks of the end of his first claim is 21 %. The influence of individual characteristics on this probability is given in the second panel of the table. For example, the probability that a male residing in Newfoundland will experience a second claim within 14 weeks of the end of the first is almost 27 %.

INSERT TABLES 4 AND 5

The male pattern of repetition is dominated by seasonal factors in the short-term. The probability of repetition within 14 weeks falls by 4.5 and almost 6 % as claims that begin in the second and third quarters, respectively, are considered, and by over 8 % if a claim that begins in the fourth quarter is considered. Fourth quarter claims initiated by males have about the same probability of repetition as do female claims that begin in any quarter, about 13 %. Thus, seasonal influences are the major factors distinguishing the behaviour of males and females over a horizon as short as 14 weeks.

The seasonal influence diminishes gradually as a longer and longer horizon is examined, but industry effects become more and more important. Only construction, distributive services, and non-market services have probabilities of repetition significantly different from that of manufacturing over the shortest horizon, but over the longest horizon a clear pattern exists with only distributive services being indistinguishable from manufacturing.

Generally, the probability of repetition over a five year horizon is higher for those who were employed in the primary industries and construction, and lower for those who were employed in the services. For an individual that was employed in manufacturing it is almost 61 %, while ranging from 70 % for employment in Agriculture-Forestry-Fishing to 54 % for employment in the non-market services.

There are important, but different, industry effects for females. The probability of repetition is highest in the short-term for those females who were employed in manufacturing, but over time the industry influence diminishes. Generally, those employed in services will have lower probabilities of repeating when a horizon as long as five years is considered. Interestingly enough, the probability of repetition over a five year horizon is higher for females than for males: 68.9 % versus 60.8 %.

Provincial differences in the probability of repeat use are quite evident, with the main line of demarcation being drawn being drawn by the Ottawa River. Individuals living to the east have higher chances of being U.I. repeaters than those living to the west. Newfoundlanders clearly have a higher probability of repetition when a longer horizon is considered, while there does not appear to be a great deal to distinguish those living in Ontario and in the Western provinces.

The influence of age on the probability of repetition is best illustrated graphically. Figures 5 and 6 depict the relationship between the probability of being a repeater for each of the four definitions by gender and the individual's age at the time of the first claim. The probability falls for the most part, then rises, then falls again as older and older claimants are considered. The probability of repetition is particularly high for the young. For example, the results for males suggest that if the claimant is 16 years of age when his first claim is initiated, there is almost a 90 % chance that he will experience another within five years.

INSERT FIGURES 5 AND 6

Another interesting result concerning the likelihood of being a repeat U.I. user deals with the generosity of benefit

payments. The amount of weekly benefits collected during a first claim (which is labelled in Tables 4 and 5 as the "Benefit Rate") does not appear to influence the likelihood that an individual will have another claim. The length of time that benefits were collected (labelled as "Benefit Weeks") actually tends to reduce the probability of repetition slightly. A more generous benefit structure does not predispose the average individual to make more frequent use of the program in the future.

Finally, it should be noted that the employment history of the individual has a very large impact on the probability that he or she will be a repeat U.I. user. In particular, individuals that were employed for 52 weeks or more before they made their U.I. claim have much lower probabilities of being repeat U.I. users. Over the longer term, males that had at least 52 weeks of insured employment prior to beginning their U.I. claim were about 9 to 10 % less likely to be repeat claimants. This relationship is much more variable in the case of females, but still quite significant at between 4.6 to 12.8 %.

III. SUMMARY

In sum, repeat U.I. use is very high. Repeat users represent the clear majority of U.I. claimants in any given year: in fact, under the broadest of definitions they represent as many as 80 % of all claimants. For males the probability of repeat use, within

14 weeks of the end of a previous claim, varies from 13 to 21 % depending upon the season. It is also influenced by the industry of previous employment and the province of residence. For females, the same probability is about 13 %, without displaying any seasonal variation, but varying by industry. Over a much longer time horizon, the probability that a male U.I. claimant will have another claim is 61 %, while for a female it is 69 %. Once again, there are clear differences according to industry and province. These probabilities tend to be even higher the younger the claimant is at the time of his or her first claim, but they tend also to be much lower if the individual has had a relatively stable employment history. Unemployment insurance claims initiated by individuals with short periods of insured employment are much more likely to lead to a pattern of repeat use than those initiated by individuals with lengthy (over one year) employment histories.

How should these patterns be interpreted? These results do not, in and of themselves, lend support to any one single interpretation of the relationship between the U.I. program, individual behaviour, and the structure of the labour market. At the very most they suggest that any interpretations offered must be able to account for the high degree and nature of repeat usage that has been highlighted. There exists in the literature and in public debate at least three interpretations that are compatible with these results. These are not likely to be mutually exclusive.

First, the high degree of repeat U.I. usage may reflect the possibility that the burden of unemployment is highly concentrated among a minority of the labour force. Research has found that as little as 3 to 7 % of the labour force account for 40 to 60 % of all time spent unemployed over the course of any given year during the late 1970s and early to mid- 1980s (3, p.70-72). It may well be that this type of concentration persists when horizons much longer than a year are considered: the same people may be subject to the risk of unemployment over and over again. They may, for example, work in a "secondary" sector of the labour market, which is characterized by short and insecure employment. If this is the case then the unemployment insurance system, by providing some degree of income security, is performing in the way that it should; the high degree of repeat U.I. use reflects the structure of the labour market.

Second, as has been argued by the Forget Commission and the Economic Council, the generosity of unemployment insurance payments causes individuals to use the program as a type of guaranteed income. The results presented in Section II do not support a simple version of this interpretation. They suggest that the level of benefit payments do not greatly influence the probability of repeat U.I. use. This is not to say, however, that this influence does not occur over the longer term. The availability of U.I. may, over time, alter the habits and work patterns of individuals in a way that causes them to make repeat claims. If this is so then it may be a particularly important

issue for the young, since it has been observed that their
probability of repeat U.I. use is very high. Corak explores this
hypothesis in some detail (3). In fact, this type of argument has
been used by some to recommend that the nature of U.I. payments
should be changed from "passive" income support to "active"
measures such as re-training, that will increase the individual's
prospects of finding long-term employment. This is the view of
the Commission of Inquiry on Unemployment Insurance (1).

Third, repeat use is sometimes interpreted as having more to
do with the incentives faced by firms in particular industries.
The premiums that firms pay to the unemployment insurance fund
are not tied to the number of times that their employees have
made use of the program. As pointed out by the OECD (9) this
situation may lead some firms to adopt a policy of temporarily
laying off employees in the face of fluctuations in product
demand rather than following other adjustment policies such as
altering their product mix, retraining employees for other tasks,
or building up inventories. Firms can lay-off employees and
expect that they will be available for rehire in the future. This
could lead to distinct patterns of repeat U.I. use by industry,
as well as within given industries. As a result the OECD (9,
p.100), recommended that the U.I. system be "experience-rated";
that is to say, the premiums that firms (and presumably
individuals) are charged should reflect their tendency to use the
program.

These interpretations have often been discussed publicly, but without an accurate picture of the amount of repeat U.I. usage that actually occurs. Indeed, if the past is any guide to the future the Canadian Unemployment Insurance program will continue to be the subject of much debate. The direction of future reforms will be determined by which of these interpretations has the most influence. It is hoped that the results presented in this report prove helpful in illustrating the dimensions of some of the important processes at work, and in contributing to the ongoing debate.

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Figure 1: Number of U.I. Claims,
By Claim Type and Gender
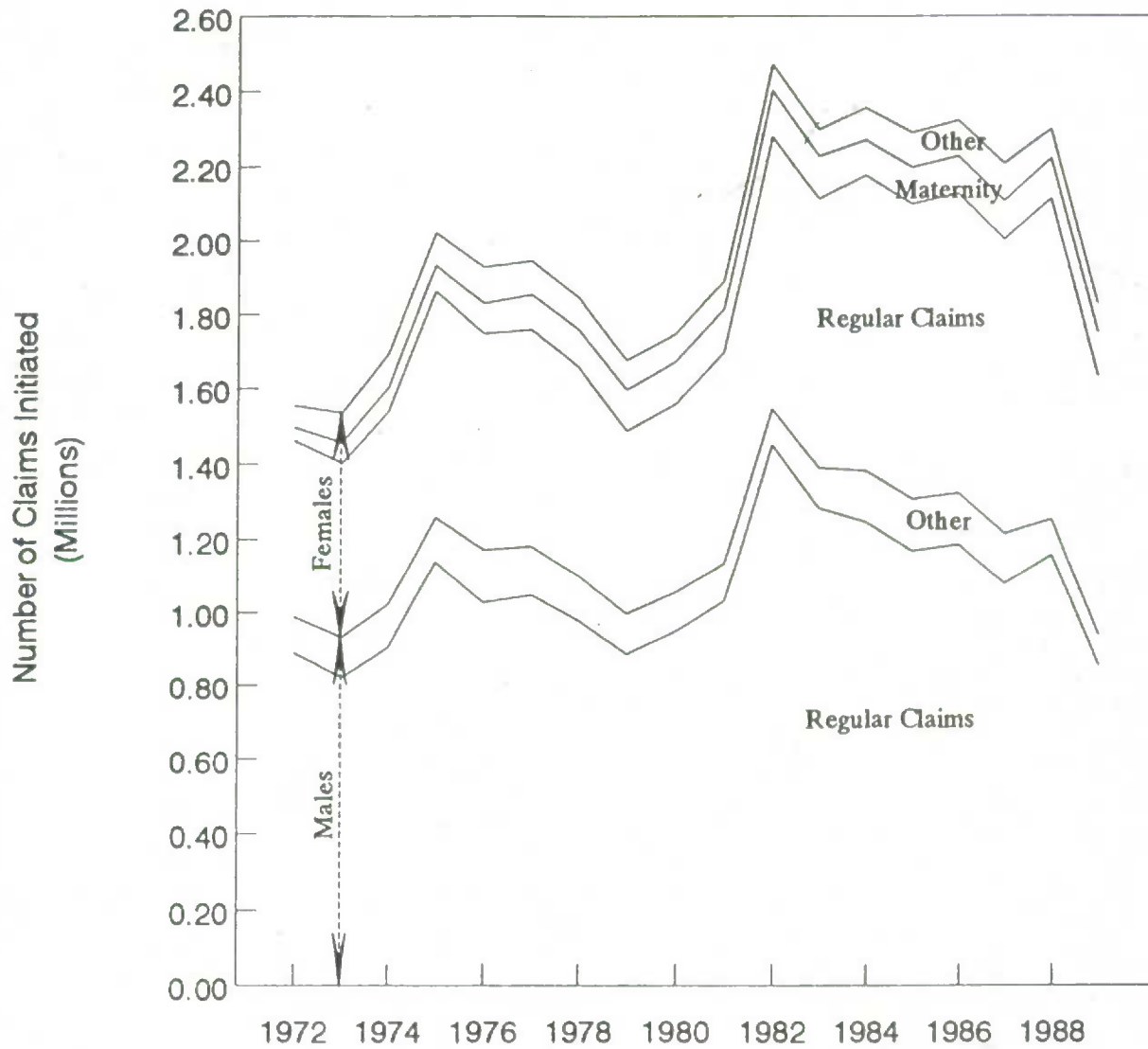
Table 1
PATTERNS OF PARTICIPATION IN THE CANADIAN UNEMPLOYMENT INSURANCE PROGRAM DURING THE 1970s AND THE 1980s

	1970s[a]	1980s[b]	1971-89
TOTAL	14,782,740	21,754,910	36,537,650
		(per cent of total)	
CLAIM TYPE			
Regular	84.6	85.9	85.3
Sickness	7.8	4.6	5.9
Maternity[1]	4.2	5.0	4.7
Retirement	1.5	1.4	1.4
Fishing	1.3	1.5	1.4
A.O.T.A. Re-entry[2]	0.6	1.6	1.3
GENDER			
Males	61.3	57.8	59.2
Females	38.7	42.2	40.8
PROVINCE			
Newfoundland	4.1	4.9	4.6
P.E.I.	0.9	1.0	0.9
Nova Scotia	4.4	4.5	4.5
New Brunswick	4.3	4.5	4.4
Quebec	31.6	30.0	30.6
Ontario	31.8	28.9	30.1
Manitoba	3.3	3.5	3.4
Saskatchewan	2.4	2.7	2.6
Alberta	4.8	7.6	6.4
B.C.	12.1	12.1	12.1
N.W.T.	0.1	0.1	0.1
Yukon	0.2	0.2	0.2
AGE			
16-19	11.5	5.5	7.9
20-29	40.2	41.4	40.9
30-39	18.3	24.6	22.1
40-49	13.7	13.9	13.8
50-59	10.3	10.0	10.1
60 +	6.0	4.6	5.2

Table 1 (Concluded)

PATTERNS OF PARTICIPATION IN THE CANADIAN UNEMPLOYMENT INSURANCE PROGRAM DURING THE 1970s AND THE 1980s

	1970s[a]	1980s[b]	1971-89
TOTAL	14,782,740	21,754,910	36,537,650
	(per cent of total)		
FREQUENCY OF USE			
1st Use	47.8	23.8	33.5
2nd Use	24.0	18.9	20.9
3rd Use	12.8	14.4	13.7
4th Use	7.1	10.6	9.2
5th or greater	8.3	32.3	32.9
	(weeks)		
AVERAGE NUMBER OF BENEFIT WEEKS PAID	19.8	23.6	22.1

a   All claims initiated between July 1971 and December 1979.
b   All claims initiated between January 1980 and December 1989.

1   Includes Adoption and Paternity Claims.
2   Adult Occupational Training Act Re-entry Claims.

Table 2

NUMBER OF CLAIMS BY YEAR OF FIRST CLAIM: MALES

Year of First Claim	Number of Persons	Average Number of Claims	Distribution of Cohort by Number of Claims (row per cent)				
			1	2	3	4	5+
1971	401,710	6.06	14.8	13.0	11.4	9.84	51.0
1972	791,090	4.97	20.1	15.9	12.4	9.87	41.7
1973	473,510	4.27	25.1	17.3	12.7	9.67	35.2
1974	434,530	4.10	25.8	17.3	13.0	9.93	34.0
1975	496,340	3.67	27.2	19.9	13.7	10.1	29.1
1976	380,850	3.43	32.7	17.8	12.8	9.67	27.0
1977	363,620	3.31	32.3	19.0	13.3	10.1	25.3
1978	304,010	3.22	33.3	18.0	13.8	10.5	24.4
1979	240,360	3.01	35.6	18.1	13.9	10.7	21.7
1980	244,500	3.01	33.4	19.2	14.8	10.6	22.0
1981	266,090	2.83	33.7	20.7	16.1	11.0	18.5
1982	422,890	2.40	40.0	23.7	15.1	9.35	11.9
1983	312,230	2.21	45.0	23.0	14.1	8.47	9.43
1984	277,420	2.06	47.2	23.7	14.3	8.05	6.75
1985	247,150	1.88	50.5	24.8	14.4	7.41	2.89
1986	237,000	1.70	53.6	27.8	14.1	4.25	0.25
1987	208,910	1.50	59.8	31.2	8.57	0.40	0.03
1988	215,500	1.20	80.2	19.1	0.65	0.00	0.00
1989	166,980	1.01	99.1	0.95	0.00	0.00	0.00
Total	6484,690	3.33	36.1	19.2	12.6	8.64	23.5

Table 3

NUMBER OF CLAIMS BY YEAR OF FIRST CLAIM: FEMALES

Year of First Claim	Number of Persons	Average Number of Claims	Distribution of Cohort by Number of Claims (row per cent)				
			1	2	3	4	5+
1971	182,530	4.06	22.5	19.3	15.5	11.6	31.1
1972	520,350	3.58	24.7	21.5	16.3	11.8	25.7
1973	430,730	3.29	27.3	22.4	16.8	11.1	22.4
1974	403,380	3.22	28.0	22.6	16.6	11.3	21.5
1975	408,620	3.12	28.0	23.1	17.3	11.3	20.3
1976	354,970	2.97	30.8	23.4	16.6	11.0	18.2
1977	329,850	2.88	30.6	24.3	17.3	11.1	16.7
1978	299,850	2.80	31.9	24.6	17.3	10.6	15.6
1979	246,070	2.63	33.6	25.7	17.2	10.1	13.4
1980	236,380	2.58	34.0	26.0	17.7	9.81	12.5
1981	248,260	2.55	33.3	27.4	17.4	10.0	11.9
1982	314,170	2.37	34.9	29.0	18.1	9.15	8.85
1983	279,320	2.17	38.8	30.7	16.4	7.46	6.64
1984	274,190	2.01	42.9	31.0	15.1	6.04	4.96
1985	259,800	1.81	47.8	32.3	12.8	4.77	2.33
1986	253,030	1.62	54.8	31.7	10.1	3.37	0.03
1987	234,260	1.41	65.3	28.5	5.98	0.17	0.05
1988	241,070	1.17	83.3	16.4	0.32	0.00	0.00
1989	199,620	1.01	99.3	0.66	0.00	0.00	0.00
Total	5716,450	2.61	38.8	24.4	14.6	8.57	13.6

Figure 2: Incidence of Repeat U.I. Use,
Males 1989

1st Spells
(17.8%)

2nd Spells
(14.1%)

3rd Spells
(11.3%)

4th Spells (9.3%)

5 Spells or More
(47.5%)
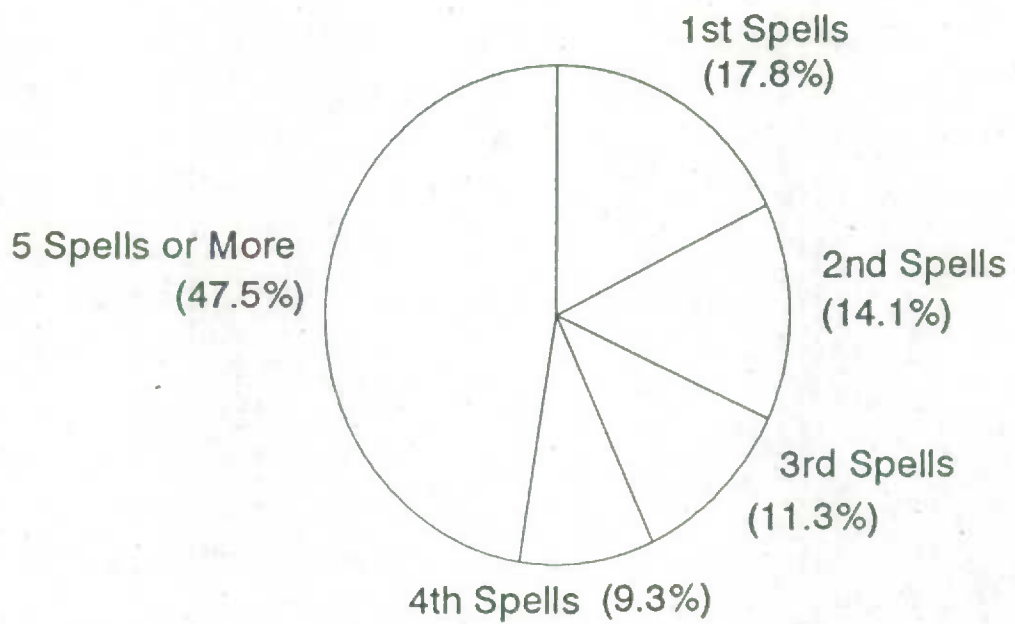
Figure 3: Incidence of Repeat U.I. Use,
Females 1989

- 1st Spells (22.5%)
- 2nd Spells (20.1%)
- (15.7%) 3rd Spells
- 4th Spells (11.4%)
- 5 Spells or More (30.3%)
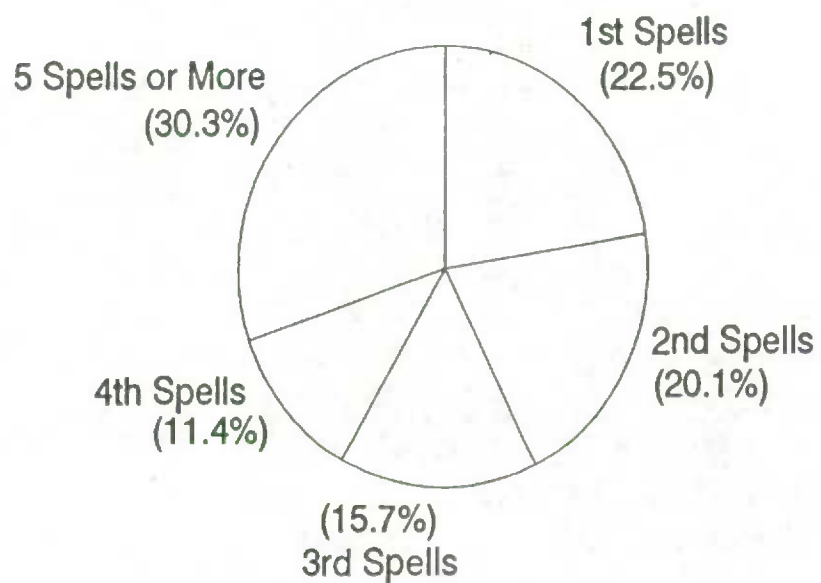
Figure 4: Incidence of Repeat U.I. Use,
By Province 1989

Distribution of Claims by Sequence Number
(Per Cent of Province Total)
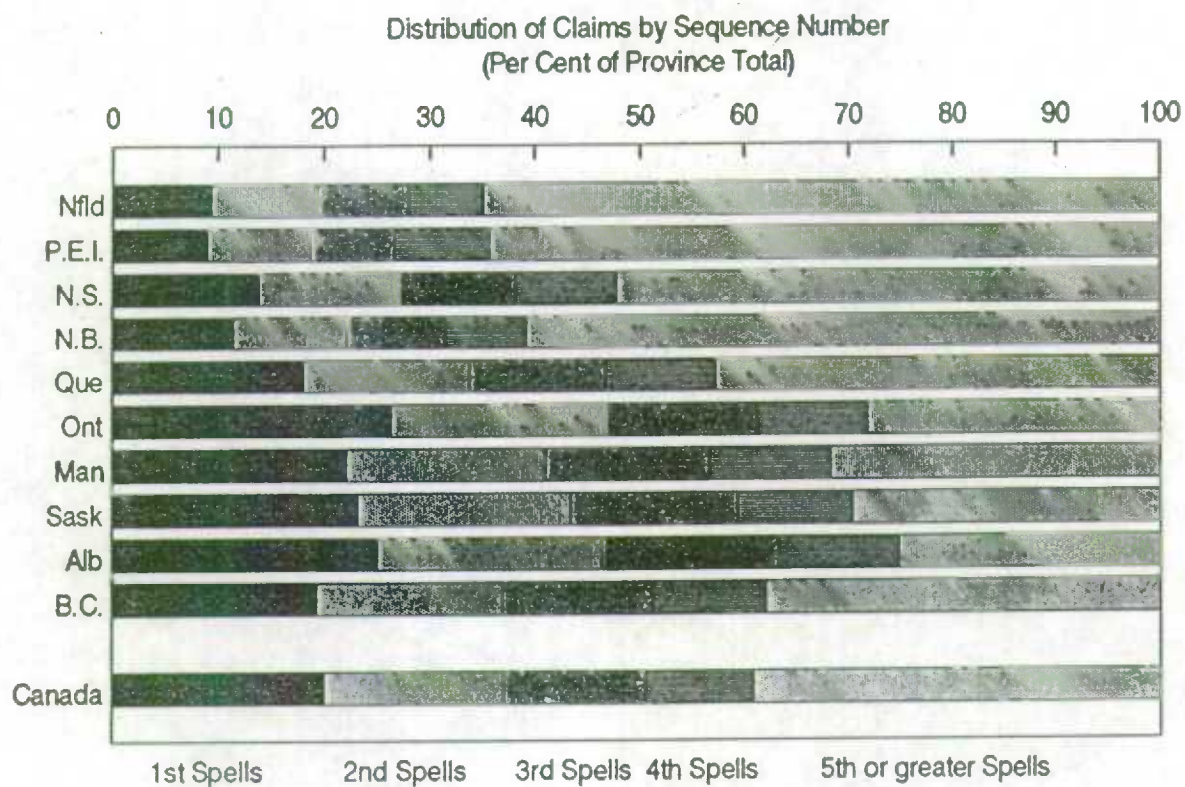
Table 4
PROBABILITIES OF REPEAT UI USE:
MALES

	14 WEEKS	1 YEAR	2 YEARS	5 YEARS
PROBABILITY OF REPEATING[1]	21.0	40.9	42.1	60.8
CHANGE IN PROBABILITY				
Dependents	-1.34	0.00	6.33	4.52
Student	0.00	0.00	0.00	0.00
Unemployment Rate[3]	0.95	1.49	0.75	0.00
Census Metropolitan Area	0.00	-4.41	-4.47	-2.97
Newfoundland	5.87	19.7	23.1	24.2
Maritimes	5.91	14.4	15.7	14.3
Quebec	4.33	6.82	8.36	8.56
Man-Sask	0.00	0.00	0.00	0.00
Alberta	0.00	0.00	0.00	0.00
BC	5.83	0.00	0.00	0.00
Ag-For-Fsh	0.00	4.68	5.86	9.22
Mining	0.00	0.00	0.00	3.88
Construction	2.43	3.32	4.91	6.31
Distrib Services	-4.57	-3.08	0.00	0.00
Non-Mrkt Services	-2.36	0.00	-3.68	-7.09
Other Services	0.00	-3.34	-3.11	-5.60
2nd Quarter	-4.54	-5.44	-3.16	-3.80
3rd Quarter	-5.85	-4.73	-2.65	0.00
4th Quarter	-8.03	0.00	2.01	0.00
Benefit Rate[2]	0.00	0.50	0.00	0.00
Benefit Weeks[2]	0.92	-2.24	-1.70	-1.77
Employed>52	0.00	-9.62	-9.35	-9.38

---

1 For an individual with standard characteristics defined as:
   age — 33 years;   Unemployment Rate - 10 per cent;
   Benefit Rate - $167;   Benefit Weeks — 22;
   Spell Count - 1;   all indicator variables set to zero.
2 Change in probability for a 10 unit change in the independent variable.
3 Change in probability for a 1 unit change in the independent variable.

Source: Corak (1991, table 4).

Table 5
PROBABILITIES OF REPEAT UI USE:
FEMALES

	14 WEEKS	1 YEAR	2 YEARS	5 YEARS
PROBABILITY OF REPEATING[1]	13.1	39.9	35.0	68.9
CHANGE IN PROBABILITY				
Dependents	-2.93	-3.23	0.00	0.00
Student	0.00	5.47	5.32	0.00
Unemployment Rate[3]	1.74	2.59	1.89	0.99
Census Metropolitan Area	0.00	-4.61	-2.81	0.00
Nfld	0.00	11.5	11.6	8.28
Maritime	6.17	12.6	11.3	8.51
Quebec	5.69	5.00	5.49	4.24
Man-Sask	0.00	0.00	0.00	0.00
Alberta	0.00	-11.1	-7.19	0.00
BC	0.00	-4.73	0.00	0.00
Ag-For-Fsh	-3.88	0.00	0.00	0.00
Mining	-5.56	0.00	0.00	-5.13
Construction	-5.84	0.00	-9.66	0.00
Distrib Services	-7.80	-10.6	-8.67	-8.21
Non-Mrkt Services	-4.56	0.00	-3.44	0.00
Other Services	-6.47	-8.02	-7.47	-6.36
2nd Quarter	-2.00	3.47	0.00	0.00
3rd Quarter	0.00	0.00	0.00	0.00
4th Quarter	0.00	4.19	0.00	0.00
Benefit Rate[2]	0.00	0.00	0.00	0.00
Benefit Weeks[2]	-0.04	-4.00	-3.29	-3.39
Employed>52	-4.55	-12.8	-7.63	-5.55

---

1 For an individual with standard characteristics defined as:
  age - 33 years;   Unemployment Rate - 10 per cent;
  Benefit Rate - $167;   Benefit Weeks - 22;
  Spell Count - 1;   all indicator variables set to zero.
2 Change in probability for a 10 unit change in the independent variable.
3 Change in probability for a 1 unit change in the independent variable.

Figure 5: Probability of Repeat U.I. Use, Males by Age at First Claim
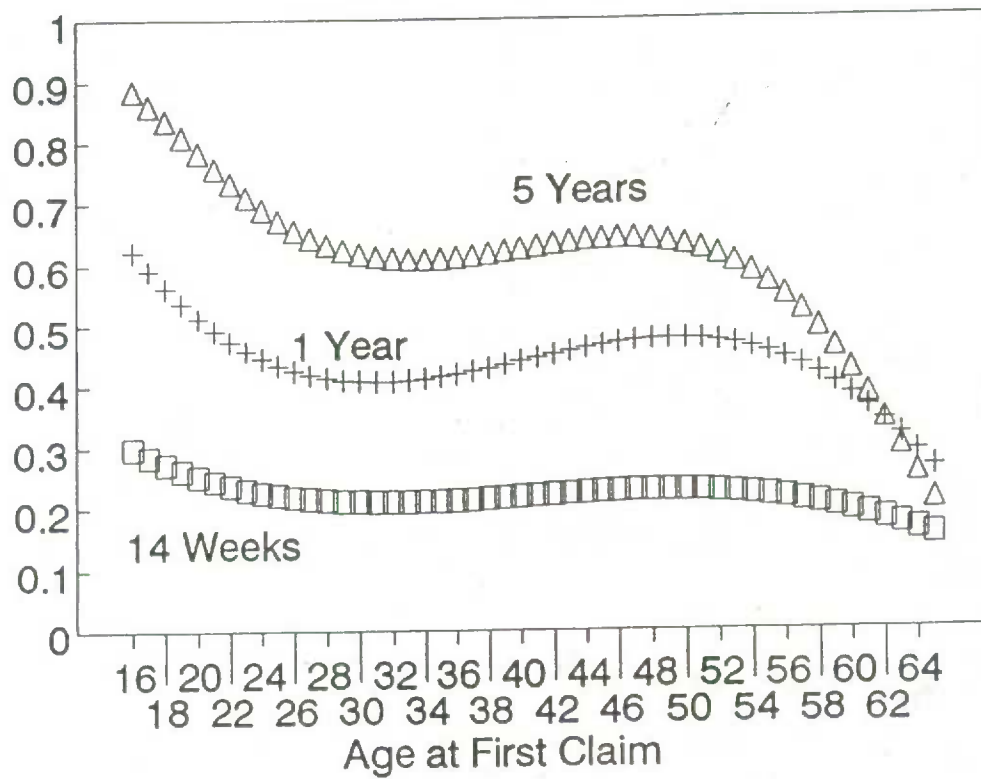
Figure 6: Probability of Repeat U.I.
Use, Females by Age at First Claim
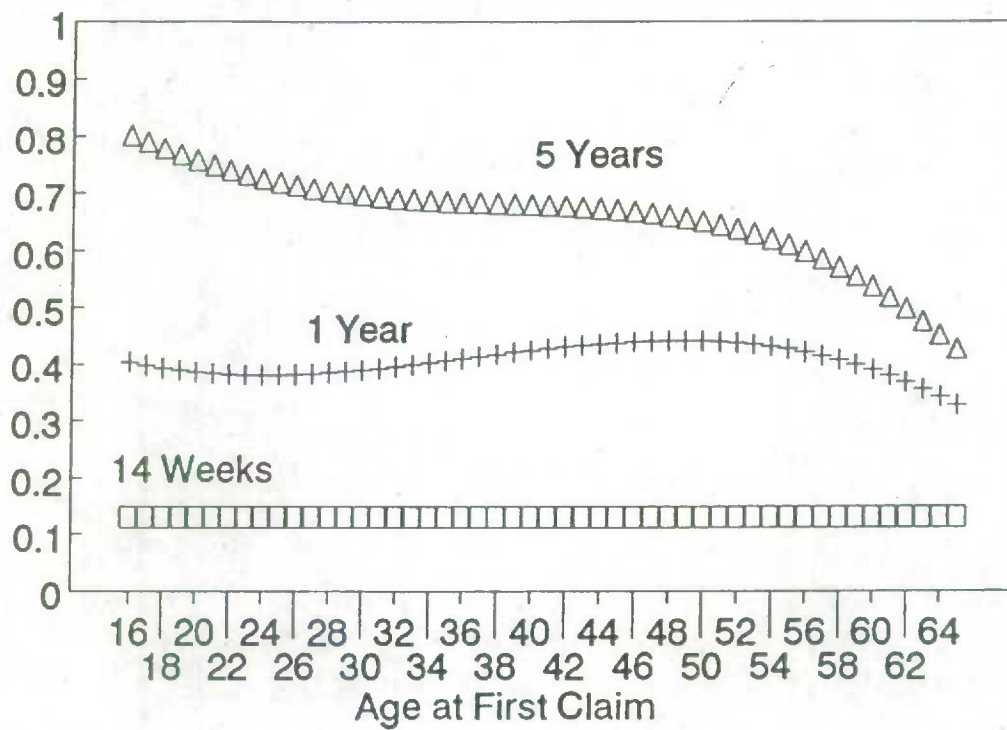
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