A Data Story on Atlantic Canada at Work: Evolving Opportunities

A discussion with Statistics Canada

Anil Arora, Chief Statistician of Canada

Moncton, June 17, 2019

Delivering insight through data for a better Canada

Key challenges in today's labour market

- Population aging
- Immigration and retention
- Global market uncertainty and work precarity
- Increasingly digital economy
- Automation and specialization of work
- Labour shortages and skills mismatch
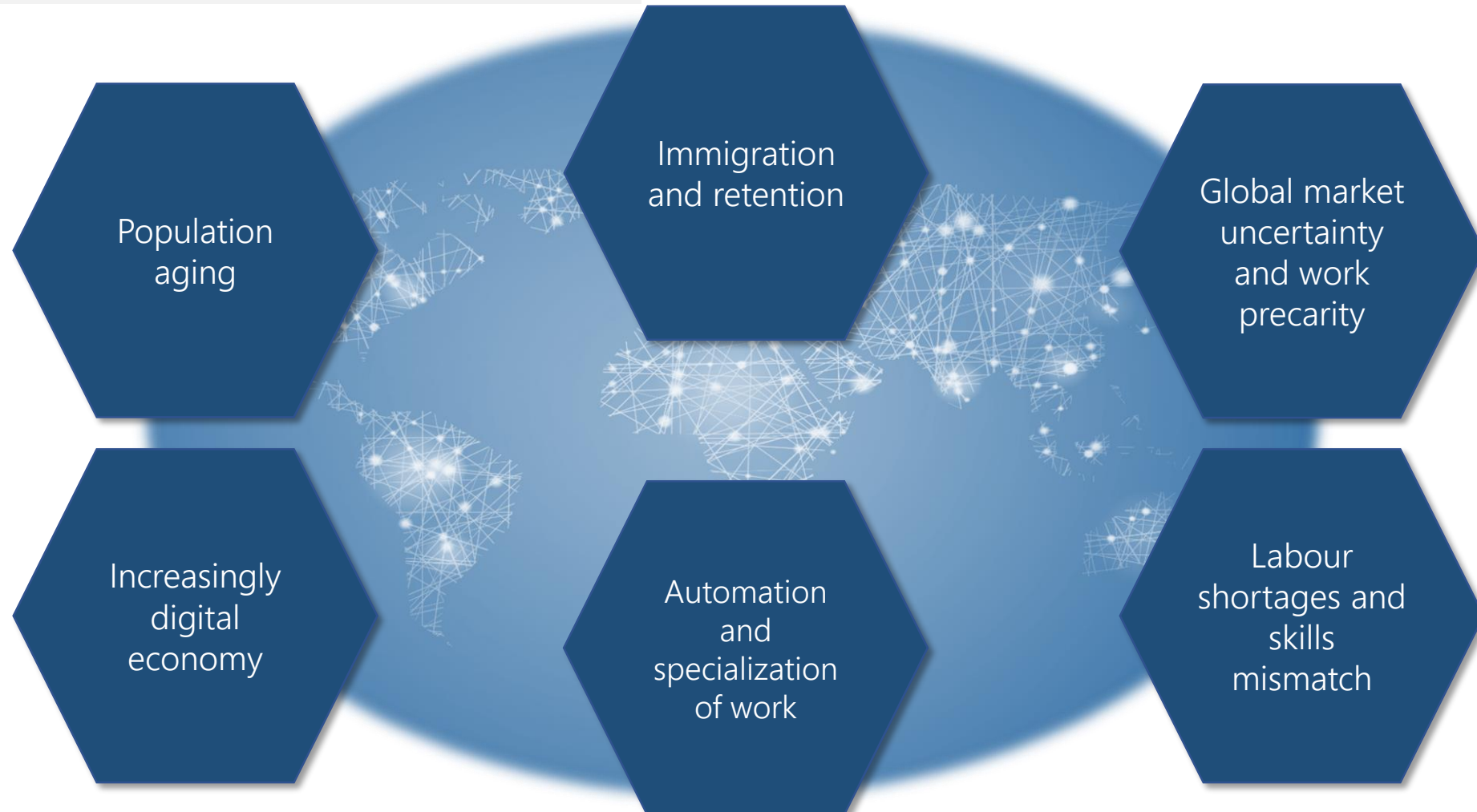
Atlantic Canada at Work: Evolving Opportunities

Recent trends in an evolving labour market

Population aging and immigration

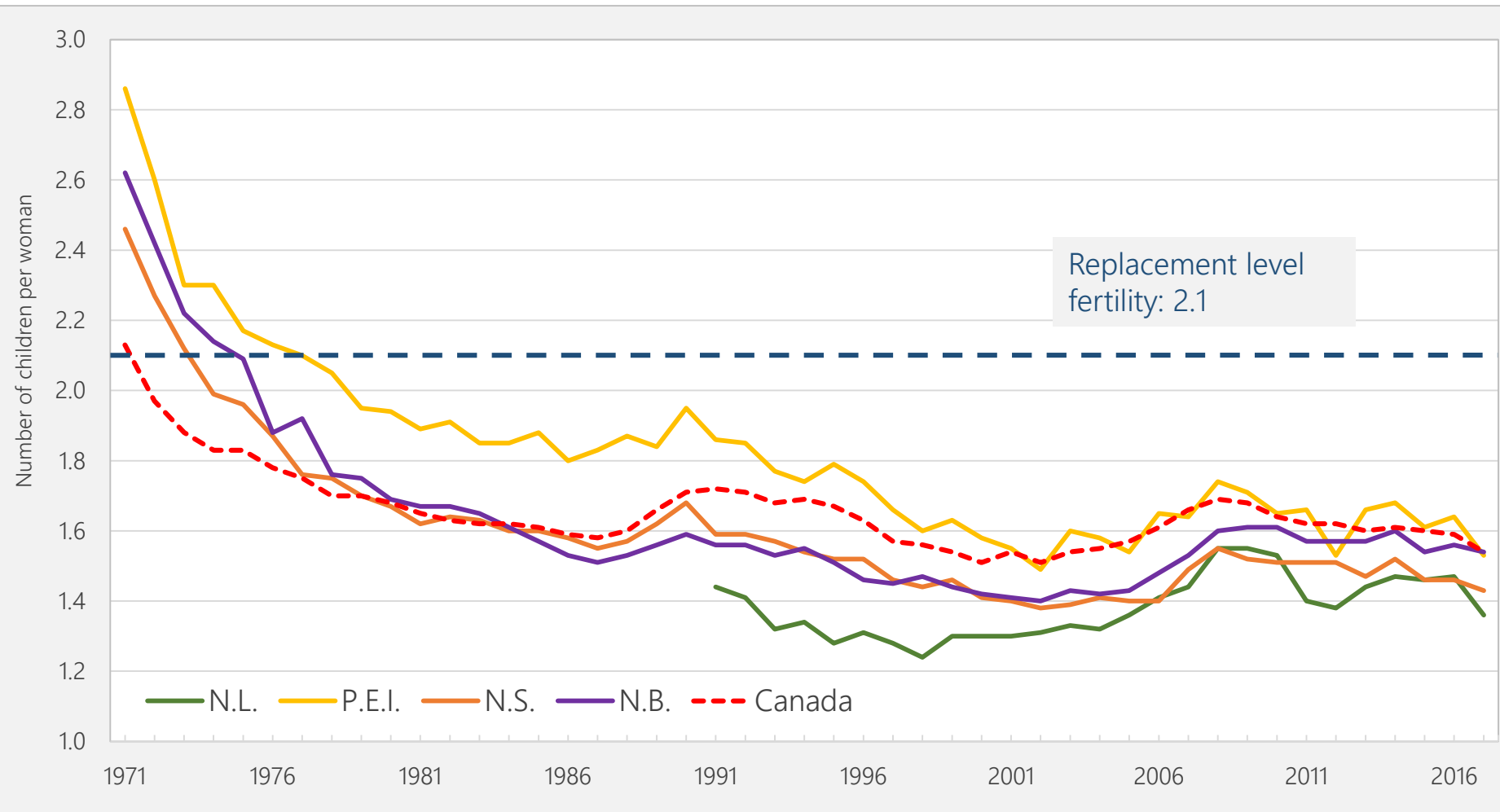Industries in transition

Vulnerability and quality of work

Labour market dynamics

Diverse landscape of regional labour markets

Vision for analyzing tomorrow's labour market

Statistics Canada / Statistique Canada

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Recent trends in an evolving labour market

Population aging and immigration

Shift in fertility rate in Atlantic Canada to **below the national average**

Replacement level fertility: 2.1

Number of children per woman

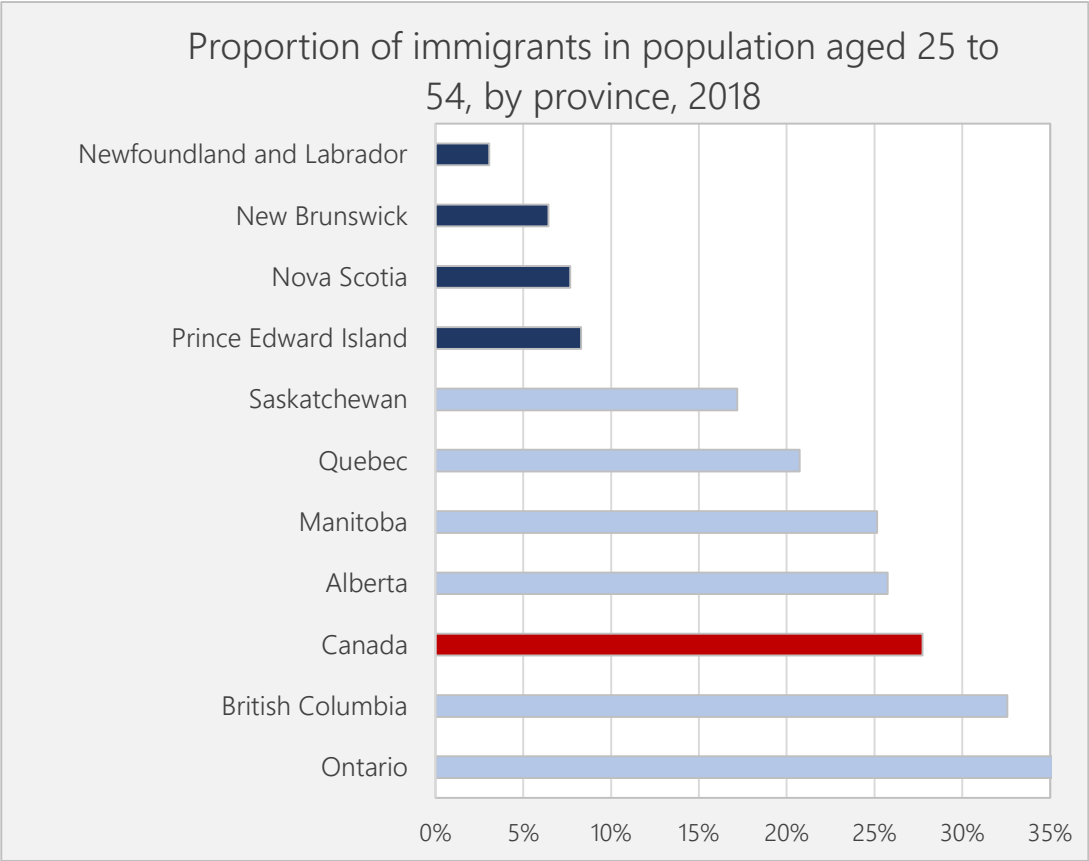N.L.   P.E.I.   N.S.   N.B.   Canada

Sources: Statistics Canada, Canadian Vital Statistics, Births Database, 1971 to 2017, and Demography Division, Demographic Estimates Program.

Population pyramids, 1988 and 2018

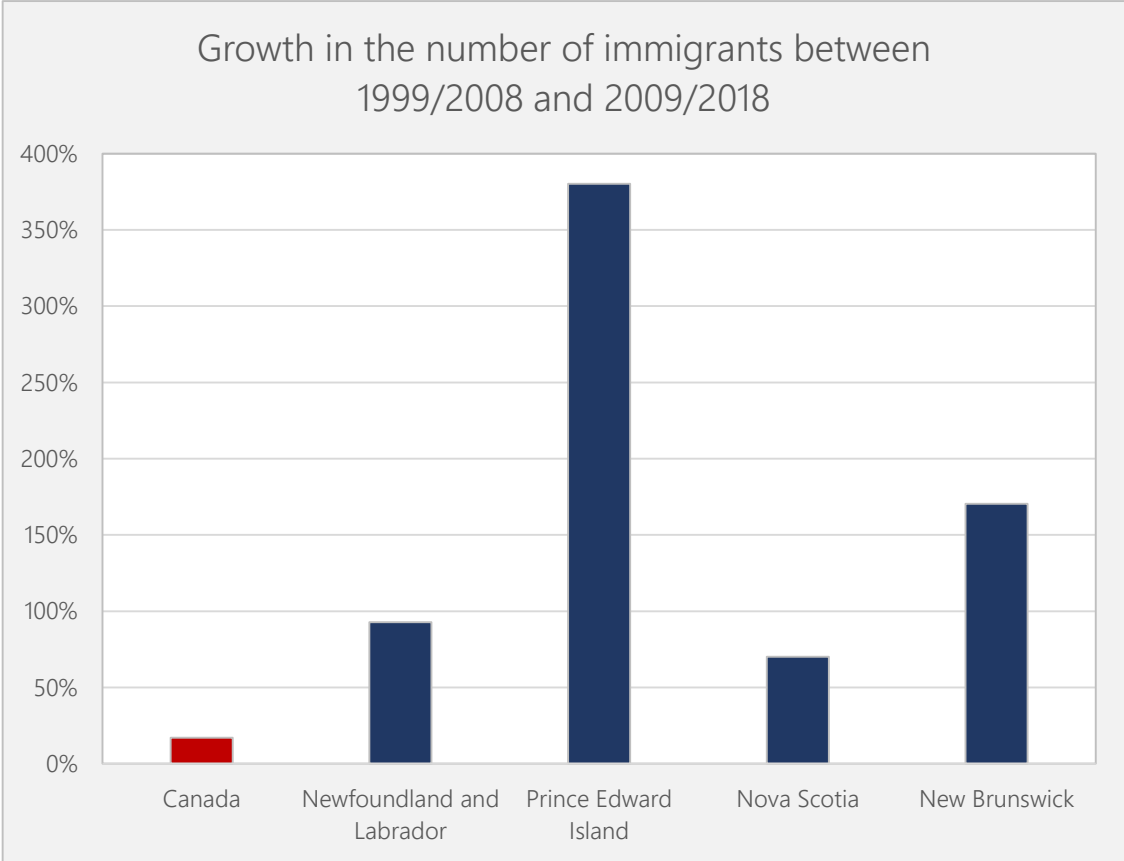Source: Statistics Canada, Demographic Estimates Program.

Canada

Atlantic

Median age:
1988 - - -
2018 - - -
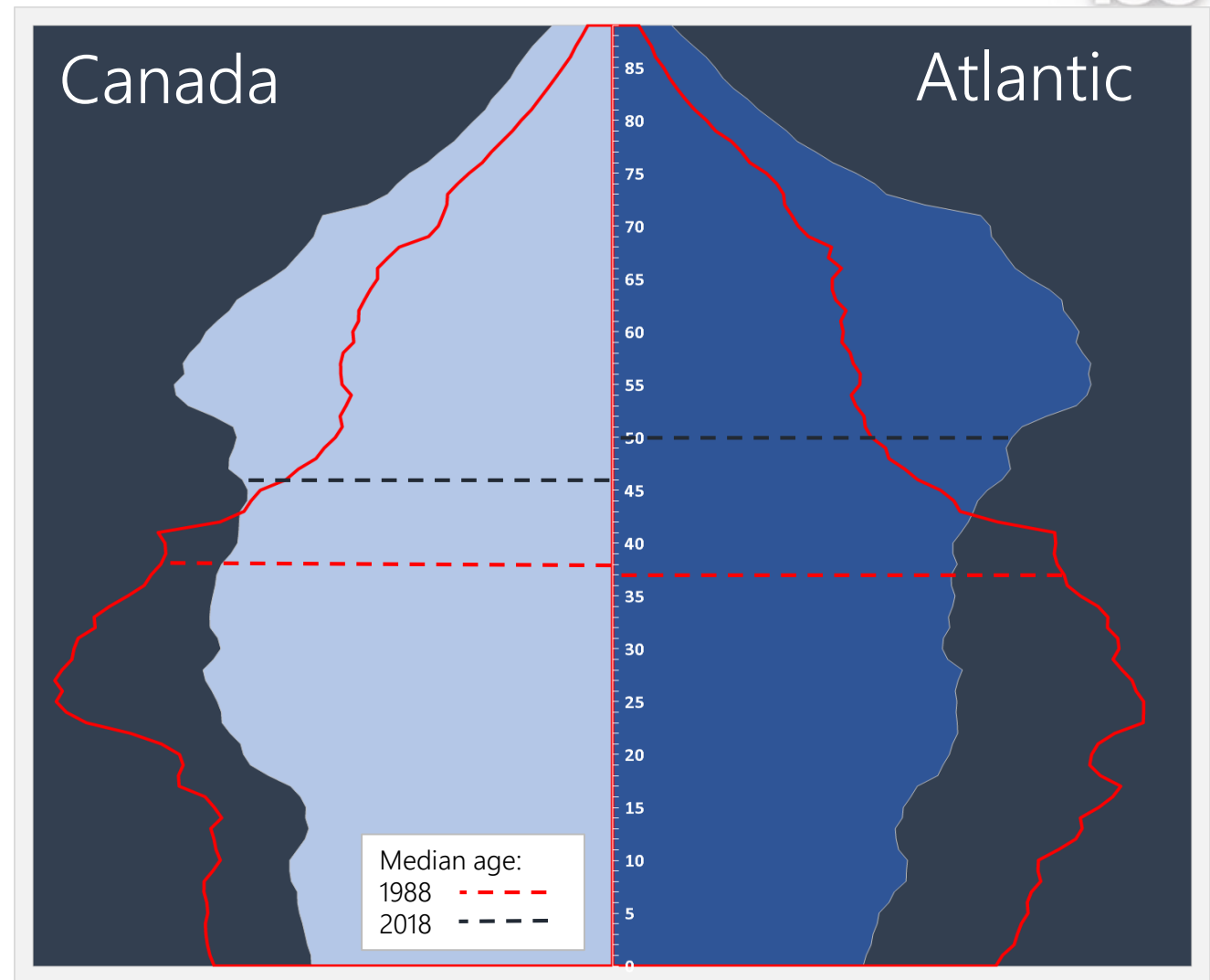
Lowest proportions of immigrants in the Atlantic provinces...

Proportion of immigrants in population aged 25 to 54, by province, 2018

Source: Statistics Canada, Labour Force Survey.

...but growth outpacing Canadian average

Growth in the number of immigrants between 1999/2008 and 2009/2018

Source: Statistics Canada, Demographic Estimates Program.

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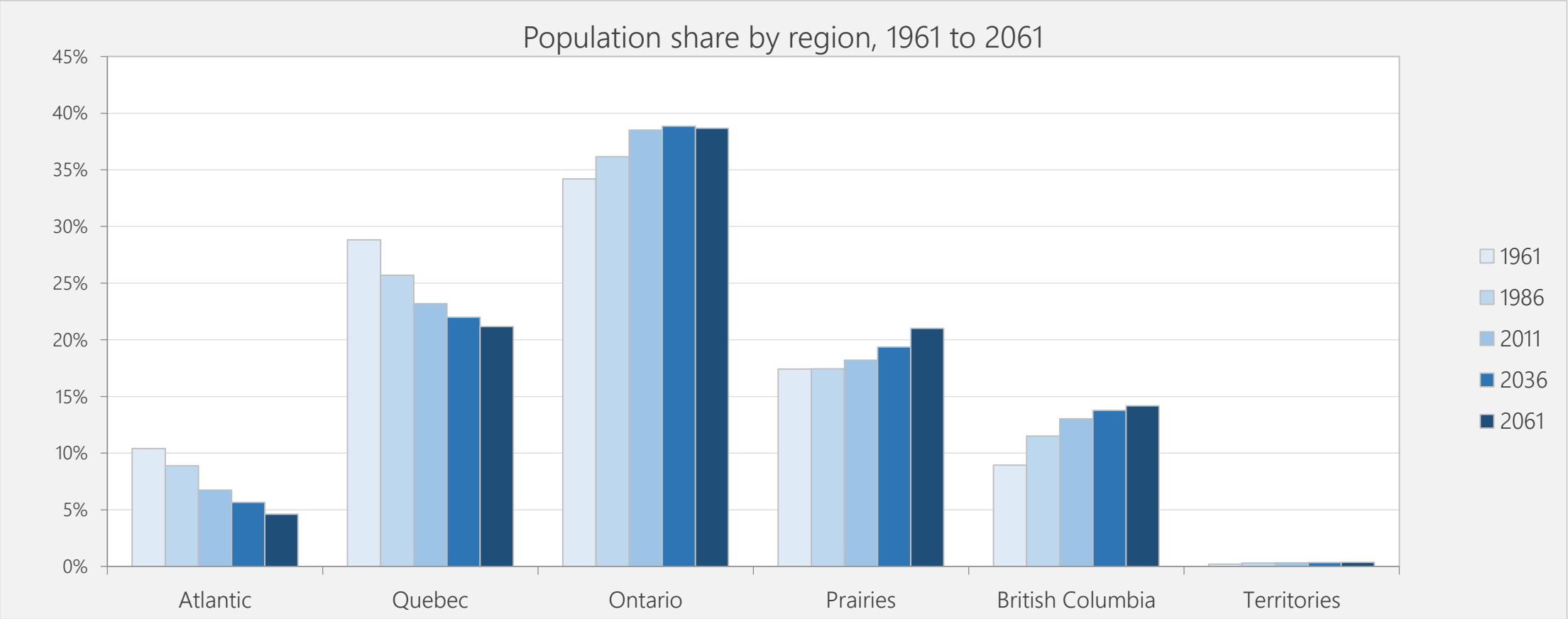Delivering insight through data for a better Canada

Population growth rates in 2018

- Slowest population growth in Atlantic provinces overall in 2018 (+0.5%)

- Moncton CMA's population grew almost three times as fast as New Brunswick in 2018 (+1.4%)
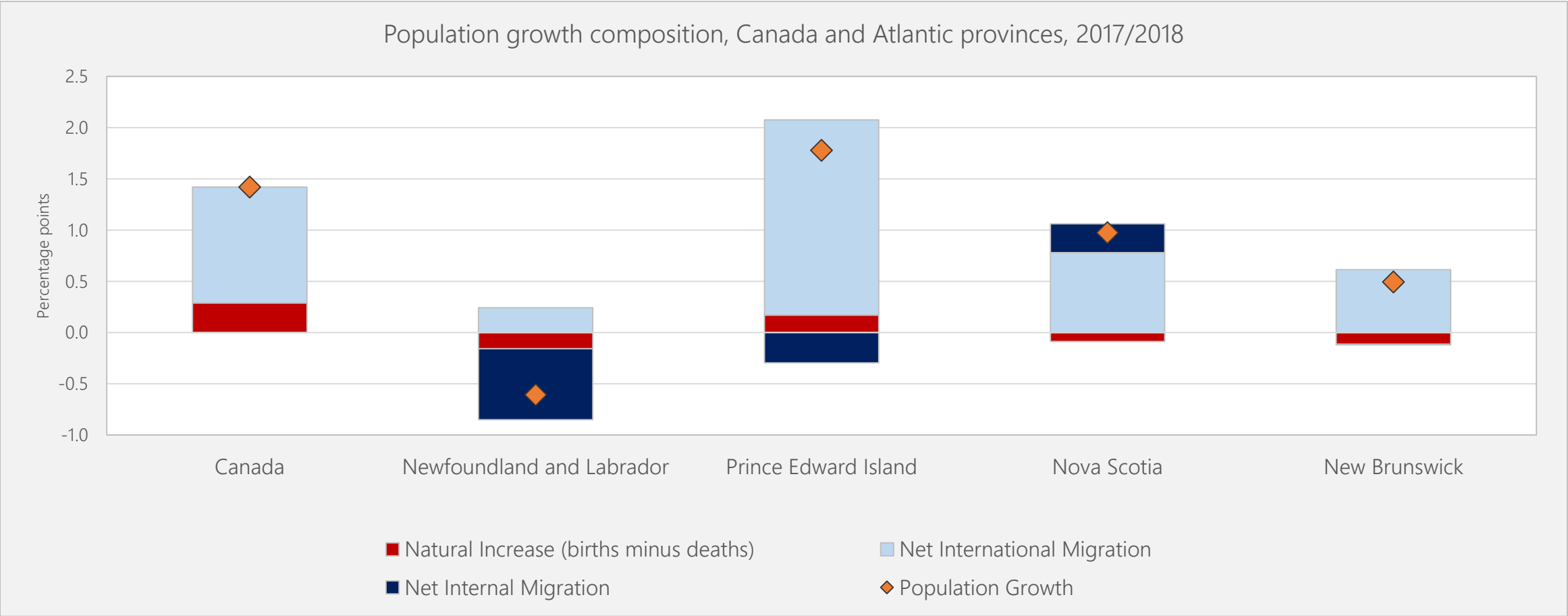

Population growth rates by province, 2018
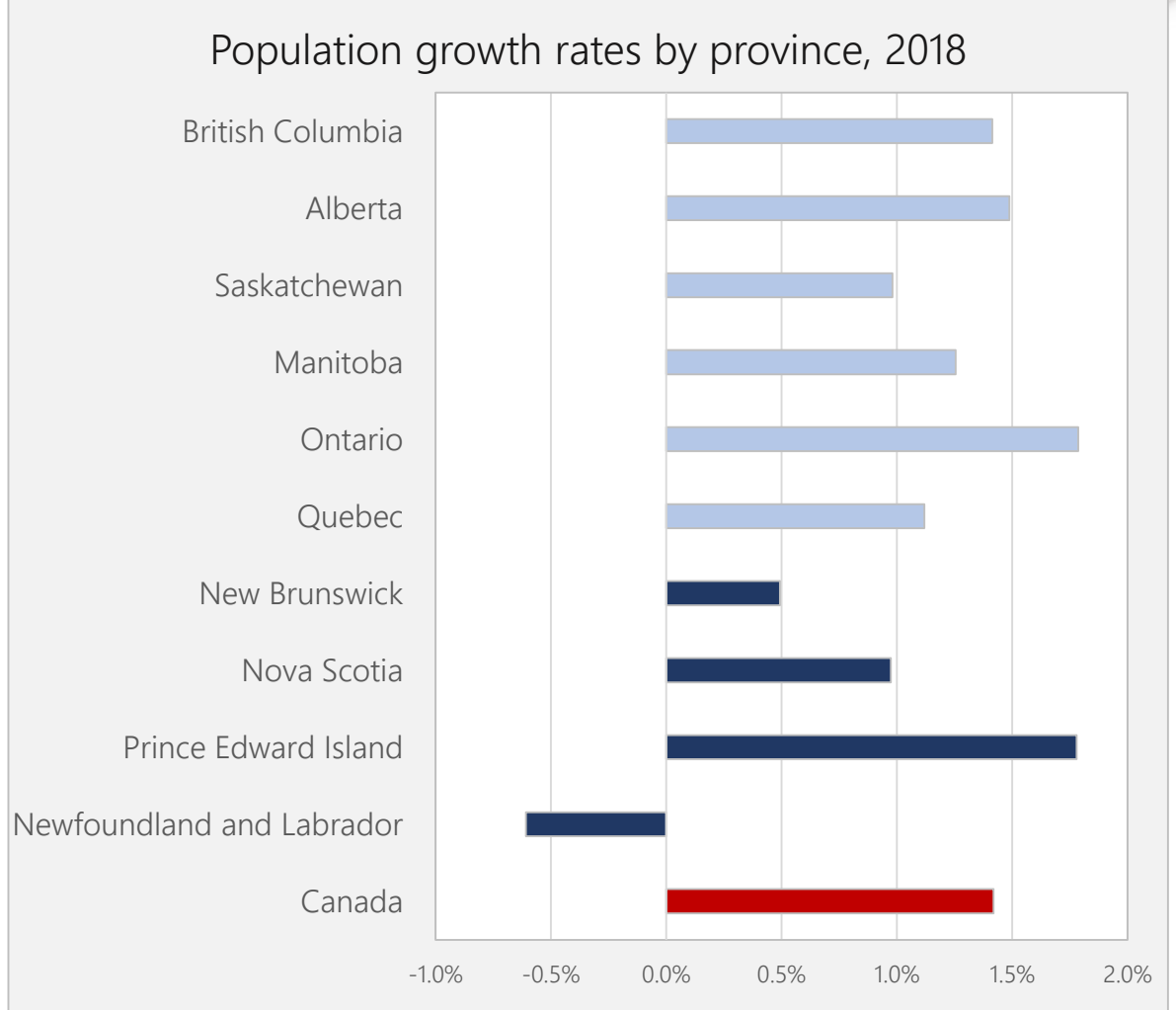
By 2061, the population share of the Atlantic provinces could be half of what it was in 1961

Population share by region, 1961 to 2061

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Immigration driving population growth in most Atlantic provinces

Population growth composition, Canada and Atlantic provinces, 2017/2018

Percentage points

Legend:
- ■ Natural Increase (births minus deaths)
- ■ Net Internal Migration
- ■ Net International Migration
- ◆ Population Growth

Categories: Canada, Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick
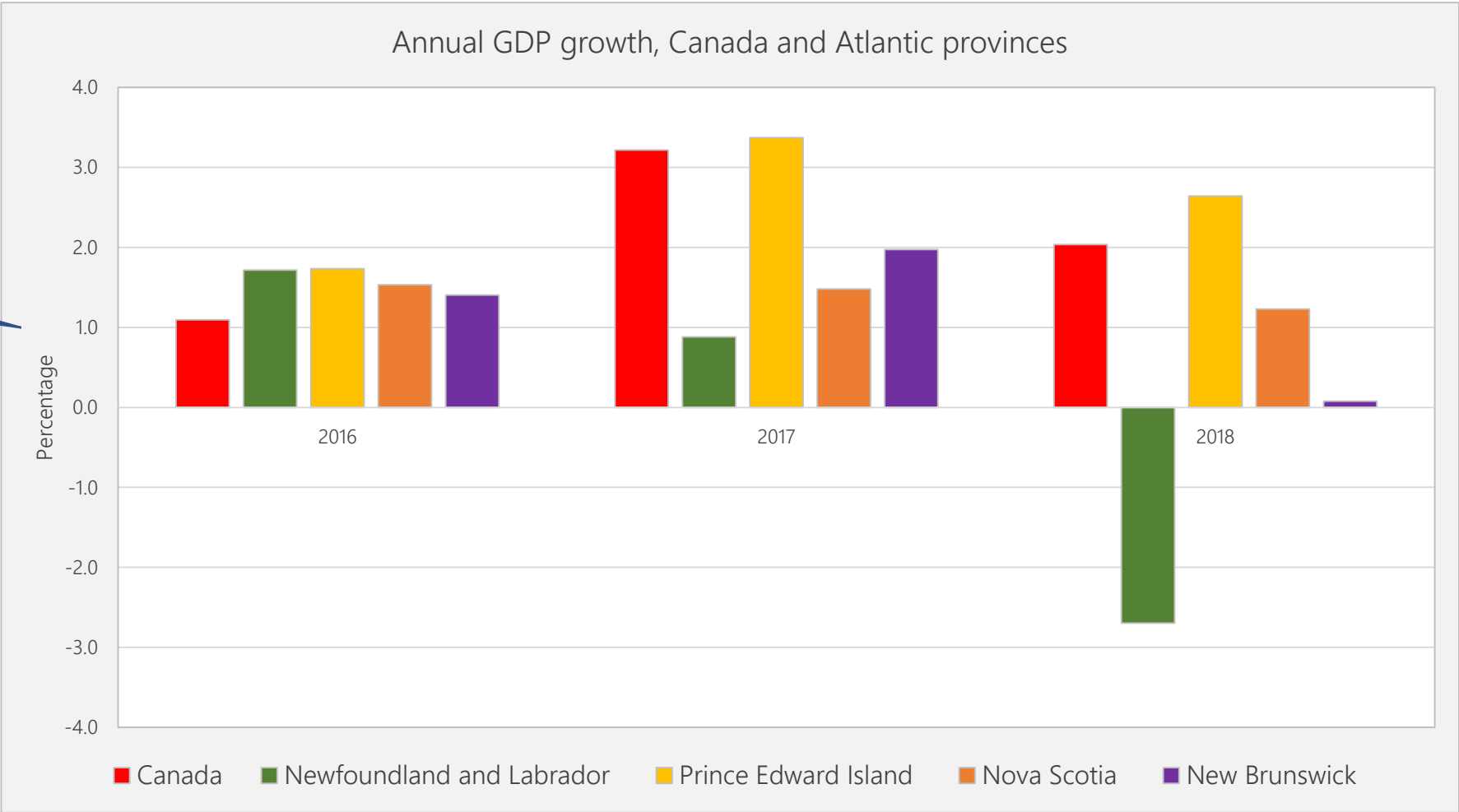
Source: Statistics Canada, Demographic Estimates Program.

Recent trends in an evolving labour market

Industries in transition

Above national annual GDP growth for P.E.I. in the last 4 years

Annual GDP growth, Canada and Atlantic provinces

Legend: Canada, Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick

Source: Statistics Canada, Gross domestic product (GDP) at basic prices, by industry.

Recent GDP growth in most Atlantic provinces **driven by services-producing industries**, while decline in Newfoundland and Labrador driven by goods-producing industries


Decomposition of annual GDP growth by industry, 2018

Percentage points

- ■ Services
- ■ Goods
- ◆ All industries

Newfoundland and Labrador / Prince Edward Island / Nova Scotia / New Brunswick
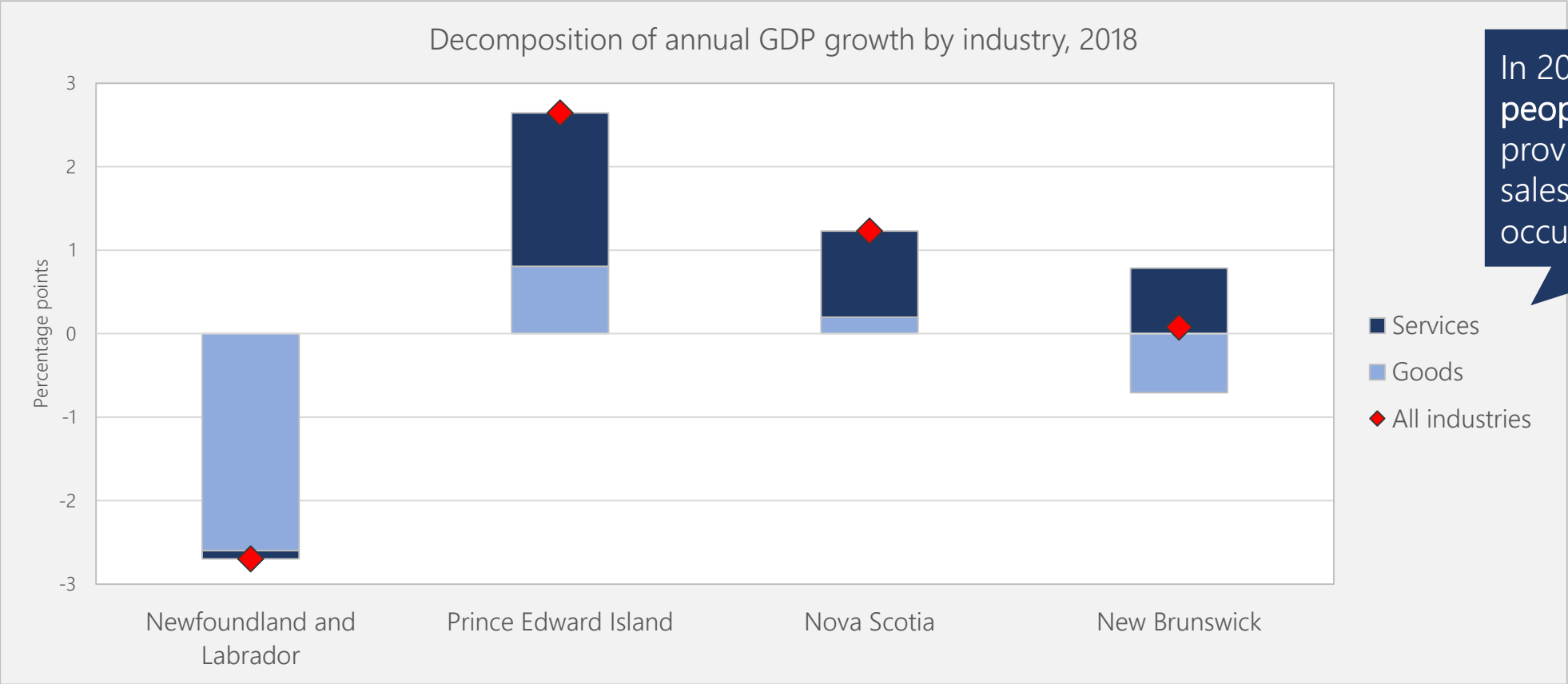
In 2018, about **1 in 4 people** in the Atlantic provinces worked in sales and service occupations

Source: Statistics Canada, Labour Force Survey.

Source: Statistics Canada, Gross Domestic Product by Industry – Provincial and Territorial.

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Distribution of employment within the goods-producing sector experienced trade-offs between 1976 and 2018 in most Atlantic provinces

Newfoundland and Labrador

Prince Edward Island

Nova Scotia
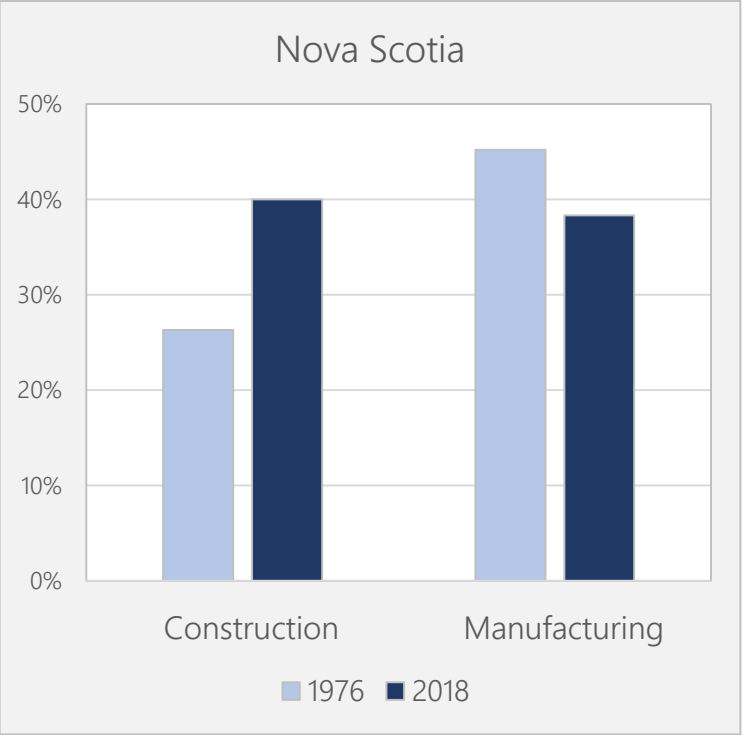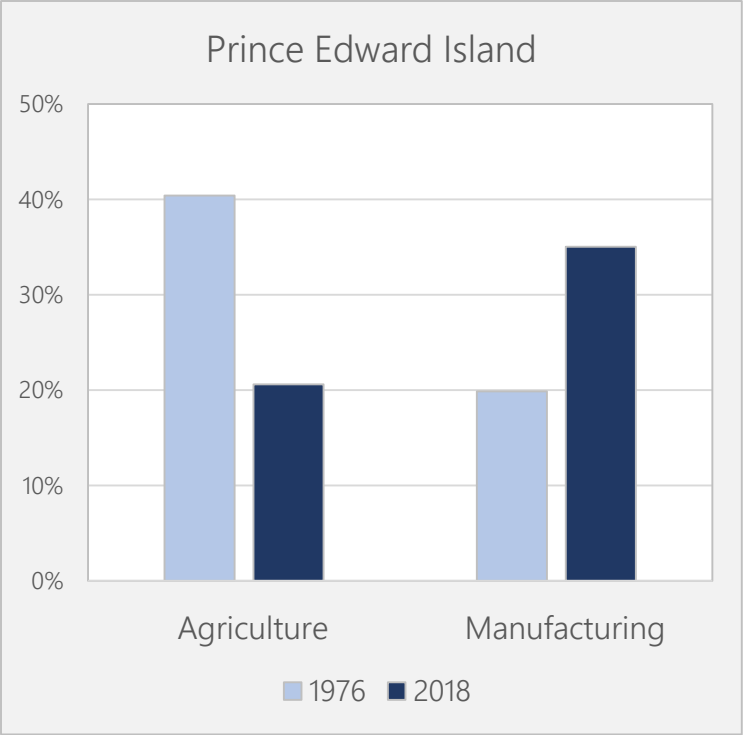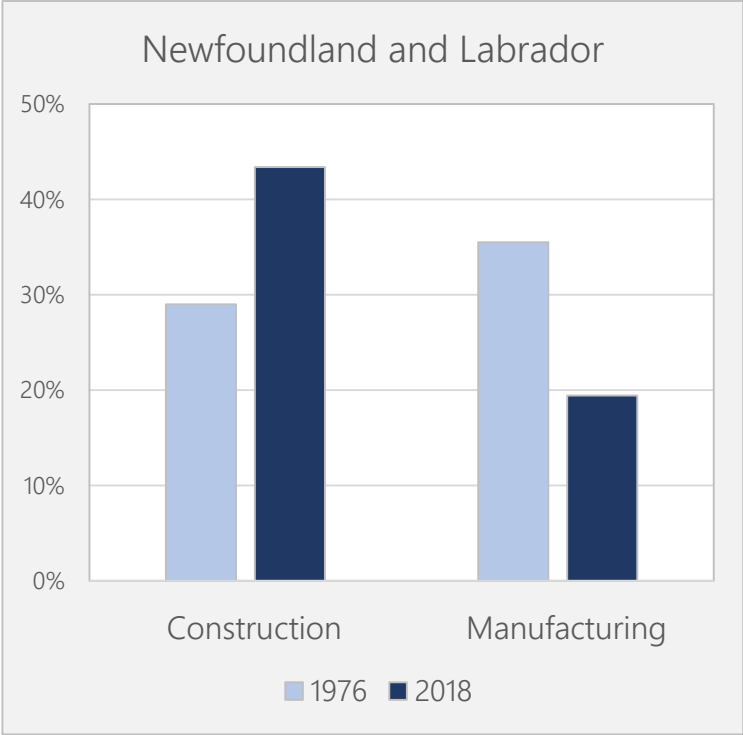
Exports from Newfoundland and Labrador and New Brunswick highly concentrated since the early 2000s
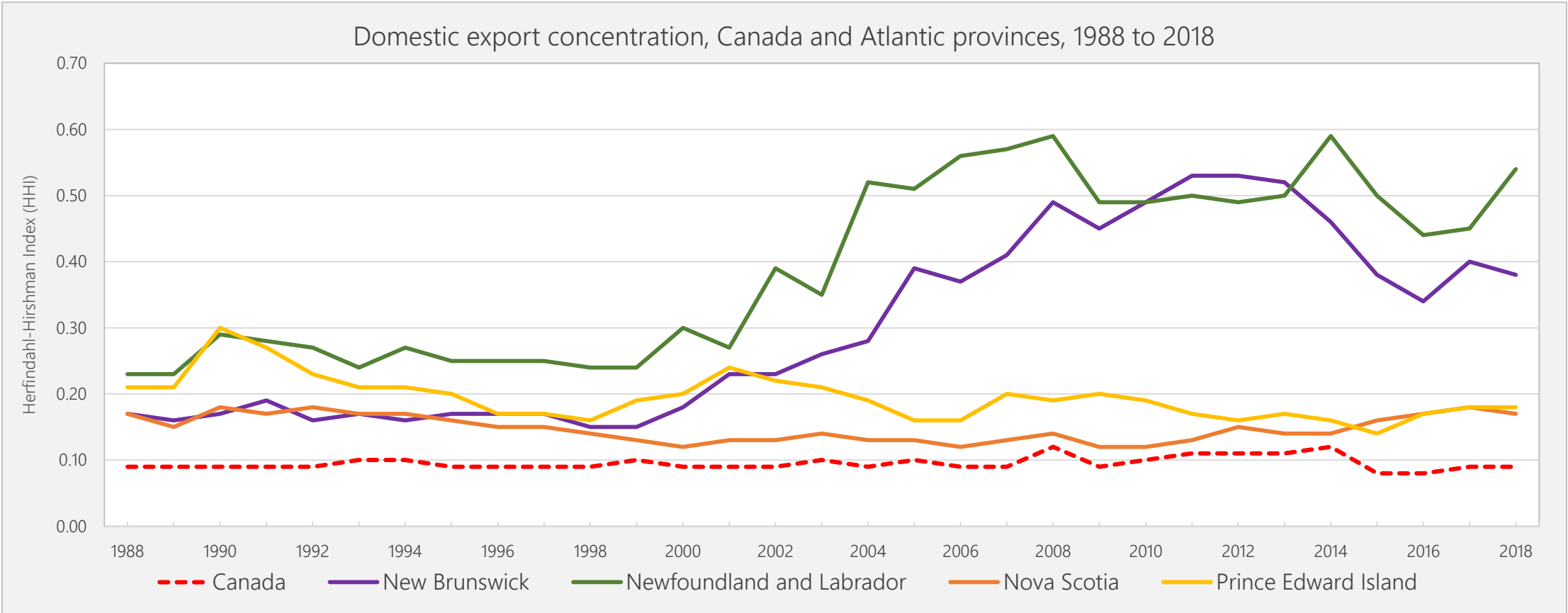
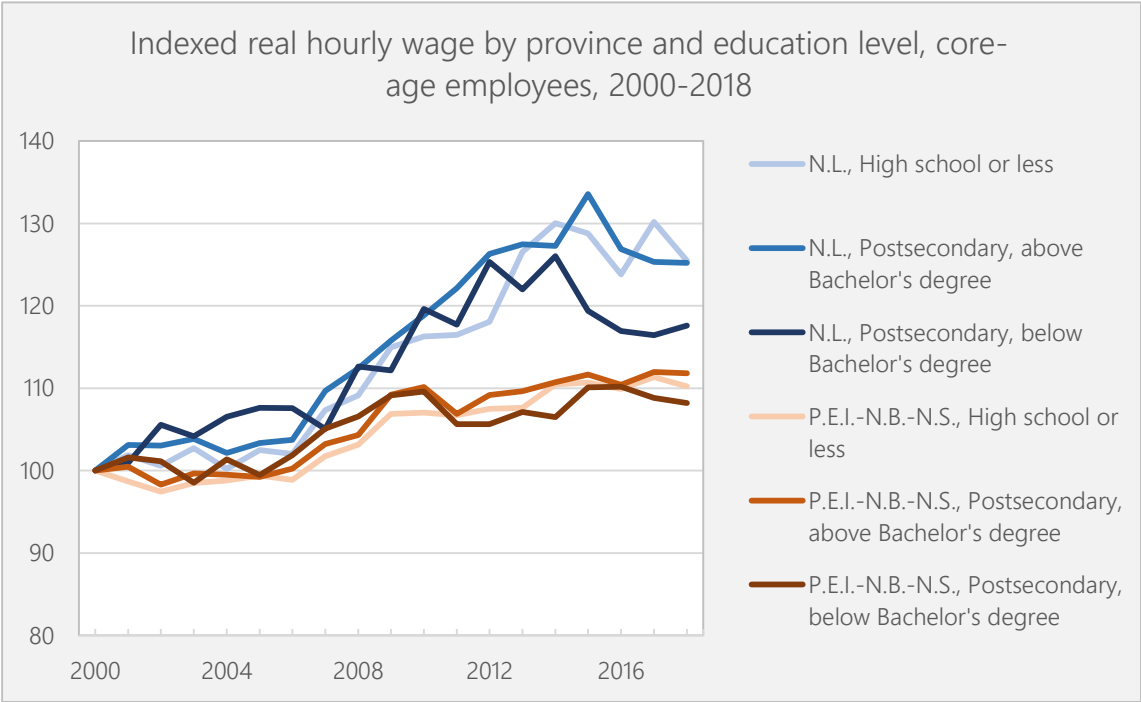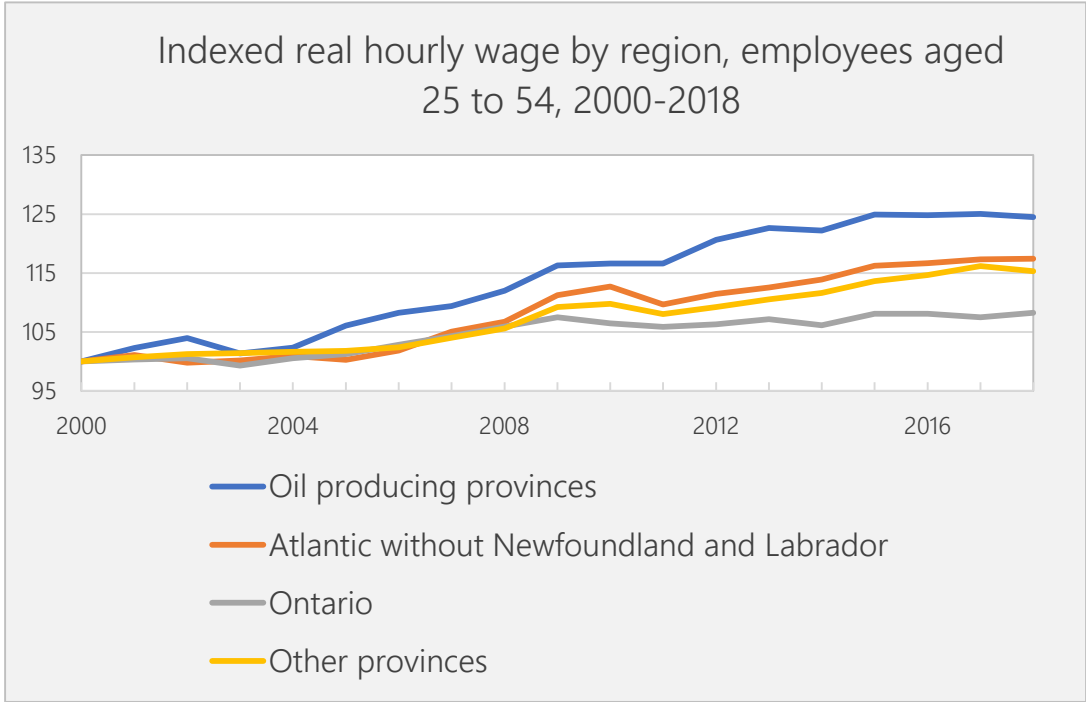Domestic export concentration, Canada and Atlantic provinces, 1988 to 2018

Recent trends in an evolving labour market

Vulnerability and quality of work

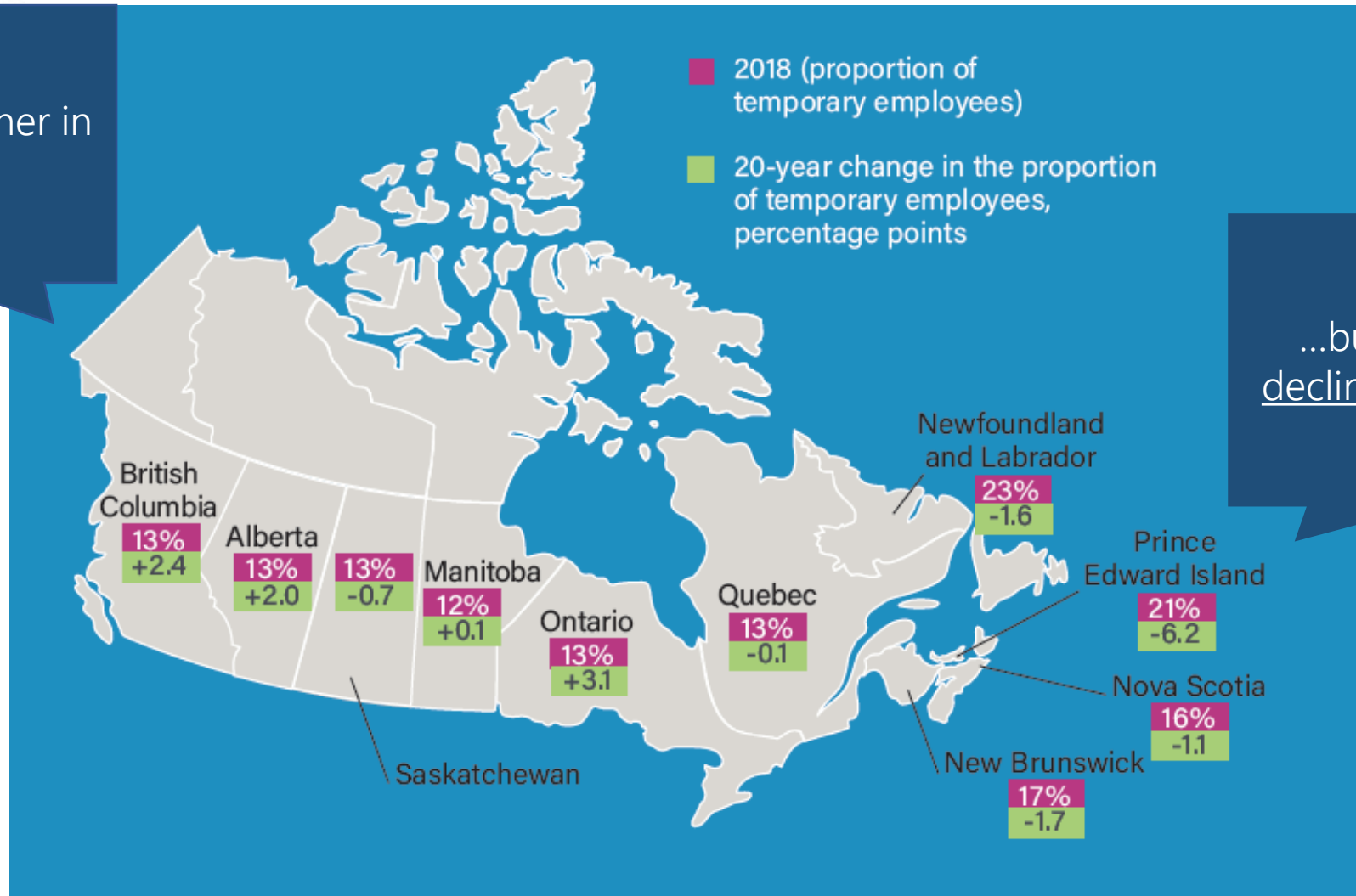# Wage growth in Canada is subject to regional and cyclical variations

In the 2000s wage growth was **driven by the oil-sector** ...

... and workers with **higher levels of education** were the most affected by downturn in the industry

Indexed real hourly wage by region, employees aged 25 to 54, 2000-2018

- Oil producing provinces
- Atlantic without Newfoundland and Labrador
- Ontario
- Other provinces

Indexed real hourly wage by province and education level, core-age employees, 2000-2018

- N.L., High school or less
- N.L., Postsecondary, above Bachelor's degree
- N.L., Postsecondary, below Bachelor's degree
- P.E.I.-N.B.-N.S., High school or less
- P.E.I.-N.B.-N.S., Postsecondary, above Bachelor's degree
- P.E.I.-N.B.-N.S., Postsecondary, below Bachelor's degree

Source: Statistics Canada, Labour Force Survey.

Temporary employment higher in the Atlantic provinces...

...but the share has declined over the years

■ 2018 (proportion of temporary employees)

■ 20-year change in the proportion of temporary employees, percentage points

British Columbia
13%
+2.4

Alberta
13%
+2.0

13%
-0.7

Manitoba
12%
+0.1

Saskatchewan

Ontario
13%
+3.1

Quebec
13%
-0.1

Newfoundland and Labrador
23%
-1.6

Prince Edward Island
21%
-6.2

Nova Scotia
16%
-1.1

New Brunswick
17%
-1.7

Source: Statistics Canada, Labour Force Survey.

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Involuntary part-time converging towards the national average, except in Newfoundland and Labrador

Proportion of total part-time workers who are involuntary part-time workers, 1997 to 2018

Legend: Canada (red dashed), Newfoundland and Labrador (green), Prince Edward Island (yellow), Nova Scotia (orange), New Brunswick (purple)

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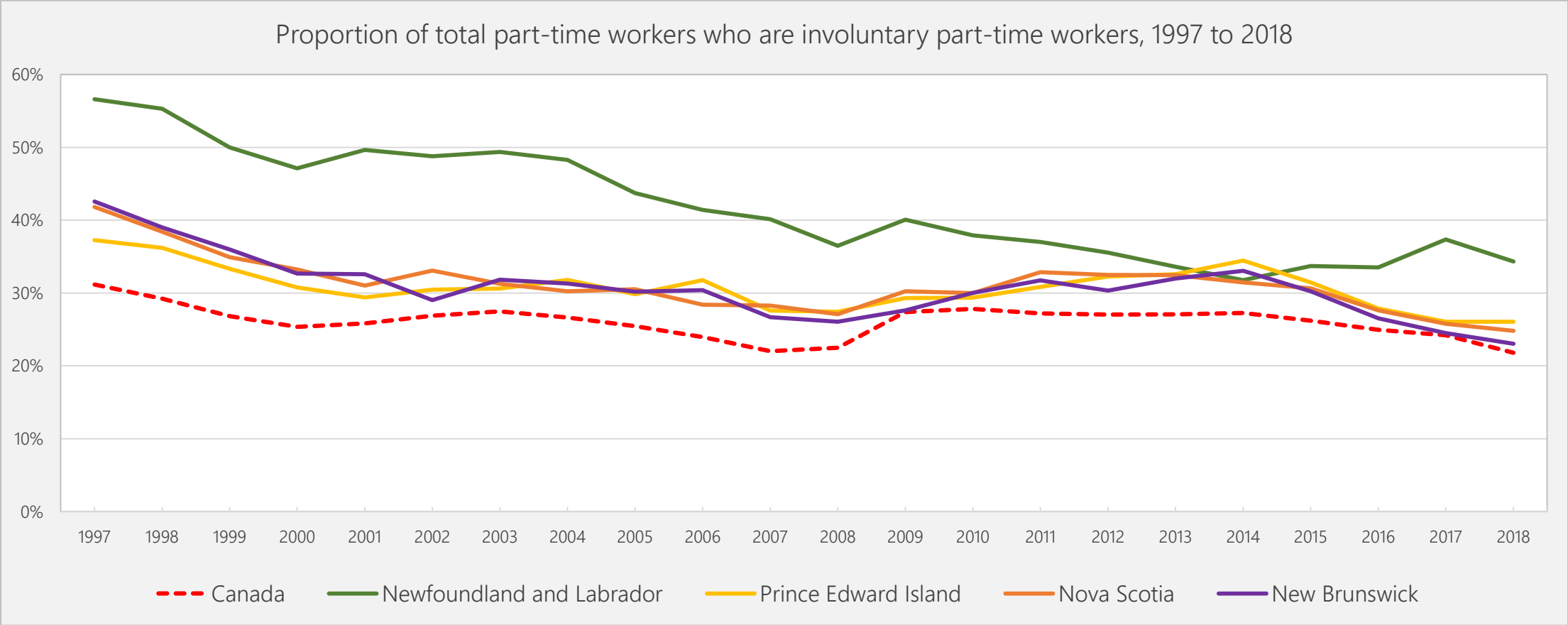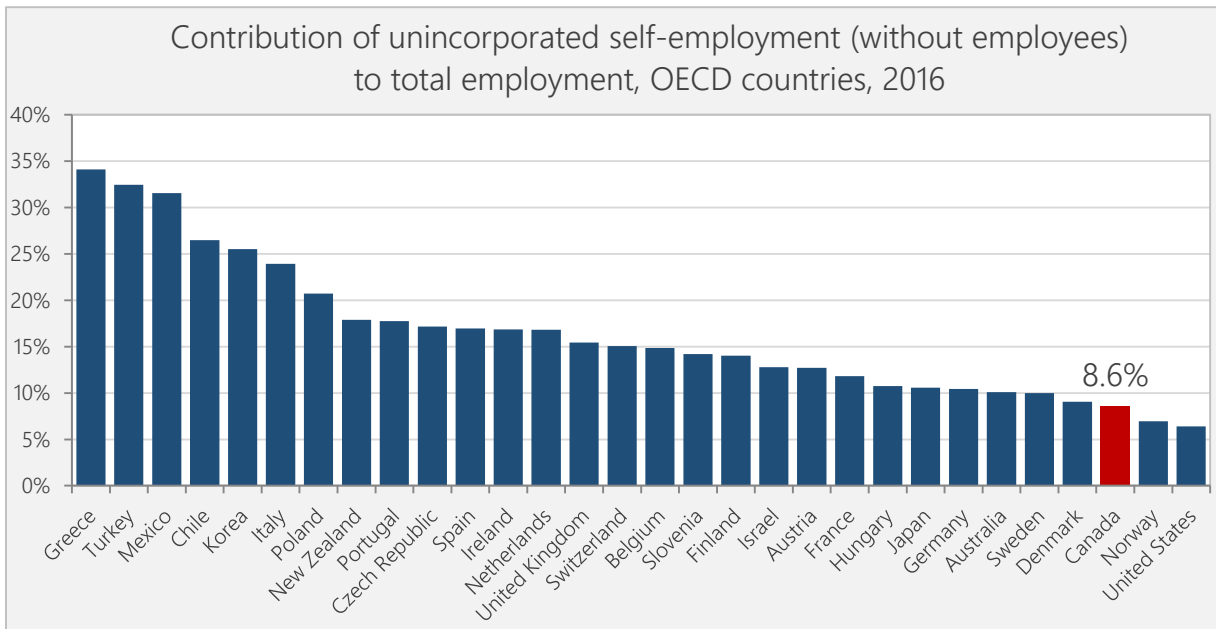
Forms of employment associated with the digital economy may increase precarity

- STC is collaborating on the development of international standards and approaches to the measurement of **new forms of employment** and other aspects of an **increasingly digital economy**

- **Work obtained via digital platforms** — and performed either in-person or virtually — is a small but potentially fast-growing component of total employment in Canada

- This form of work **may increase precarity** by exposing self-employed workers to risks and dependencies without corresponding social protections

In 2016, forms of employment which may be associated with gig employment **were less common in Canada** than in other OECD countries
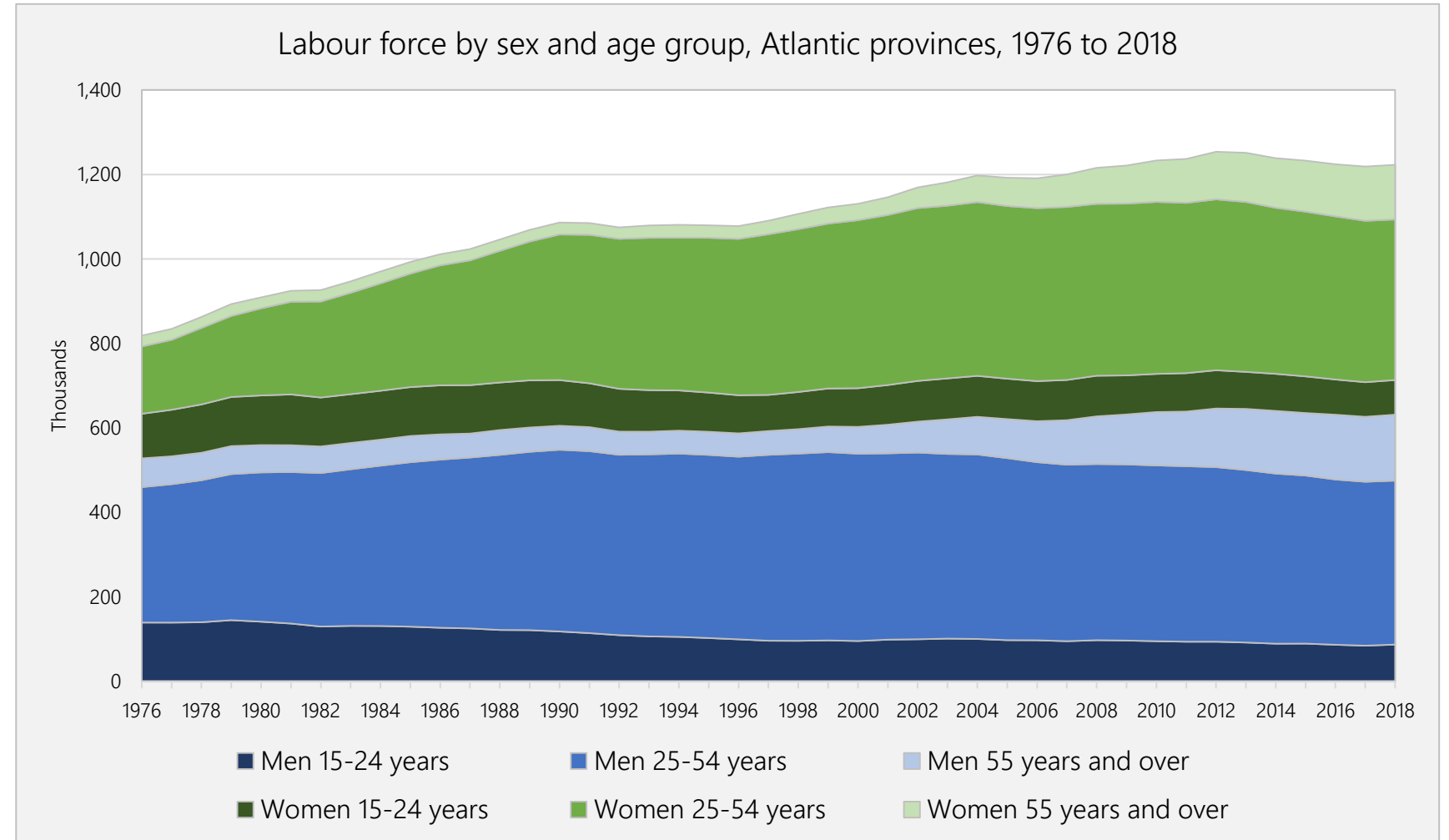
Contribution of unincorporated self-employment (without employees) to total employment, OECD countries, 2016
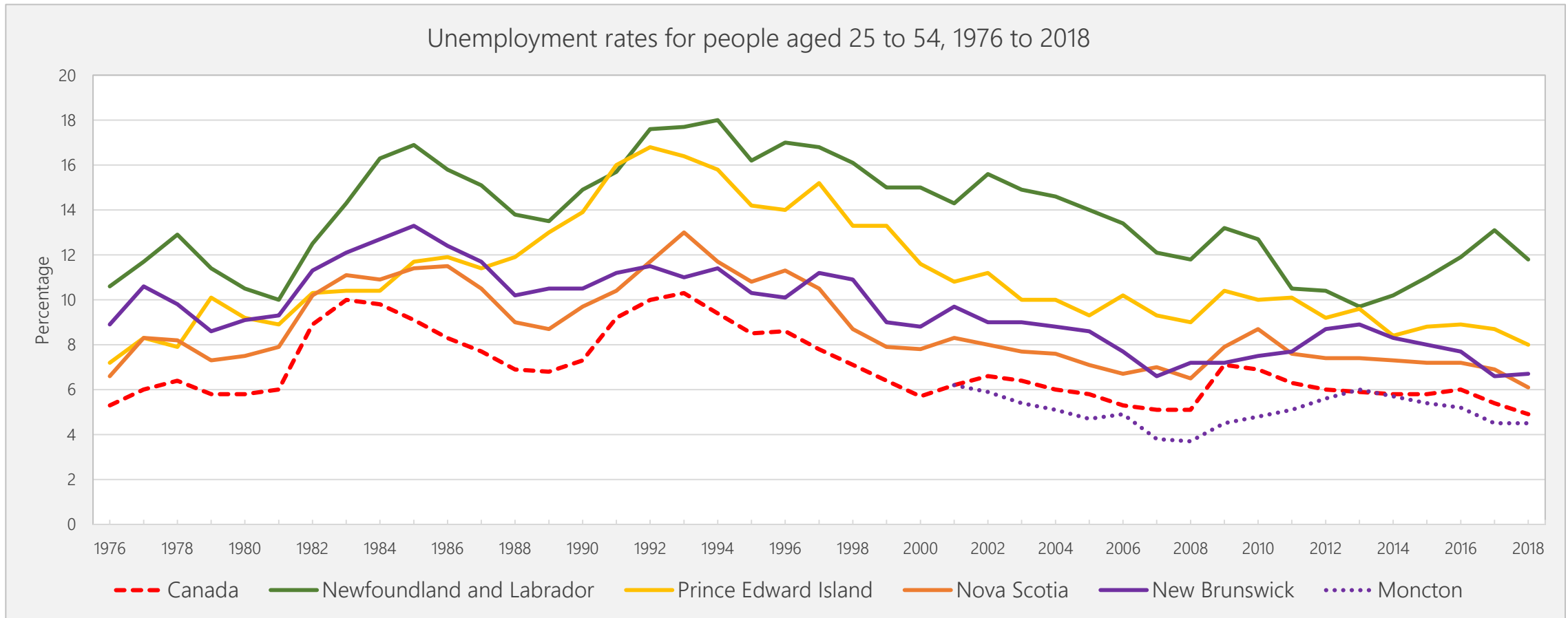

8.6%

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Labour market dynamics

Core-aged and older women account for most of the labour force increase in the Atlantic provinces between 1976 and 2018
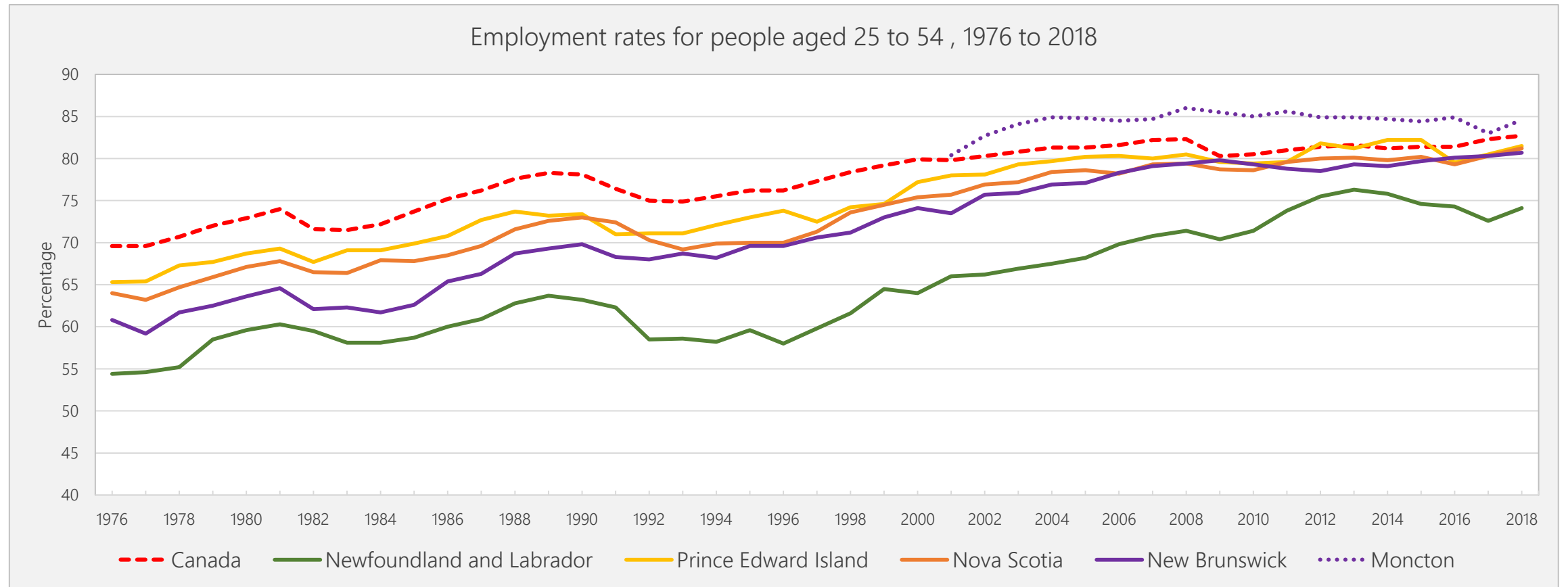
Labour force by sex and age group, Atlantic provinces, 1976 to 2018

Thousands

Men 15-24 years
Men 25-54 years
Men 55 years and over
Women 15-24 years
Women 25-54 years
Women 55 years and over

Source: Statistics Canada, Labour Force Survey.

Unemployment rates historically above the national average

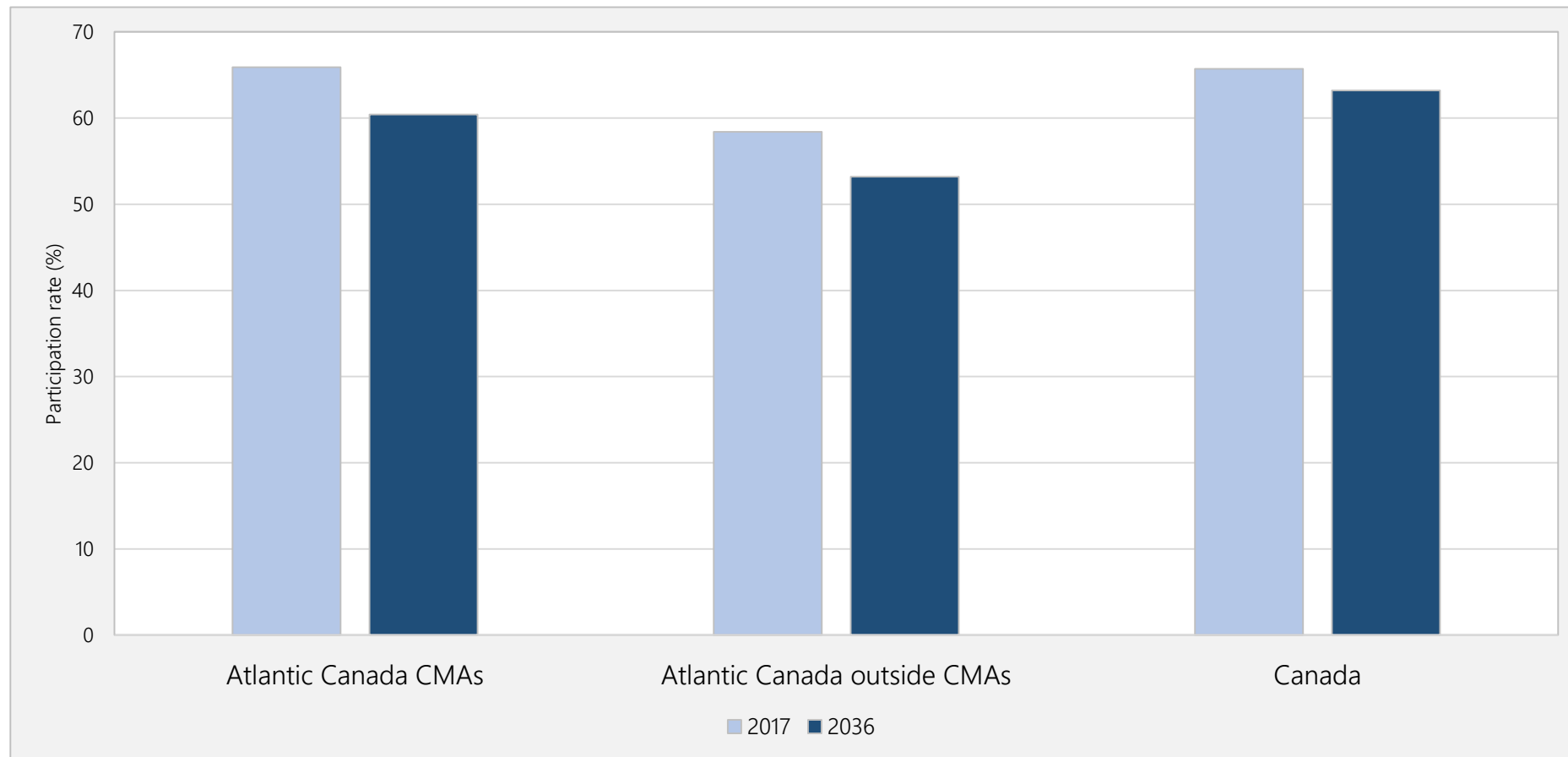Unemployment rates for people aged 25 to 54, 1976 to 2018

Legend: Canada, Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick, Moncton

Employment rates for people aged 25 to 54 , 1976 to 2018

Legend: Canada · · · — Newfoundland and Labrador — Prince Edward Island — Nova Scotia — New Brunswick · · · · Moncton
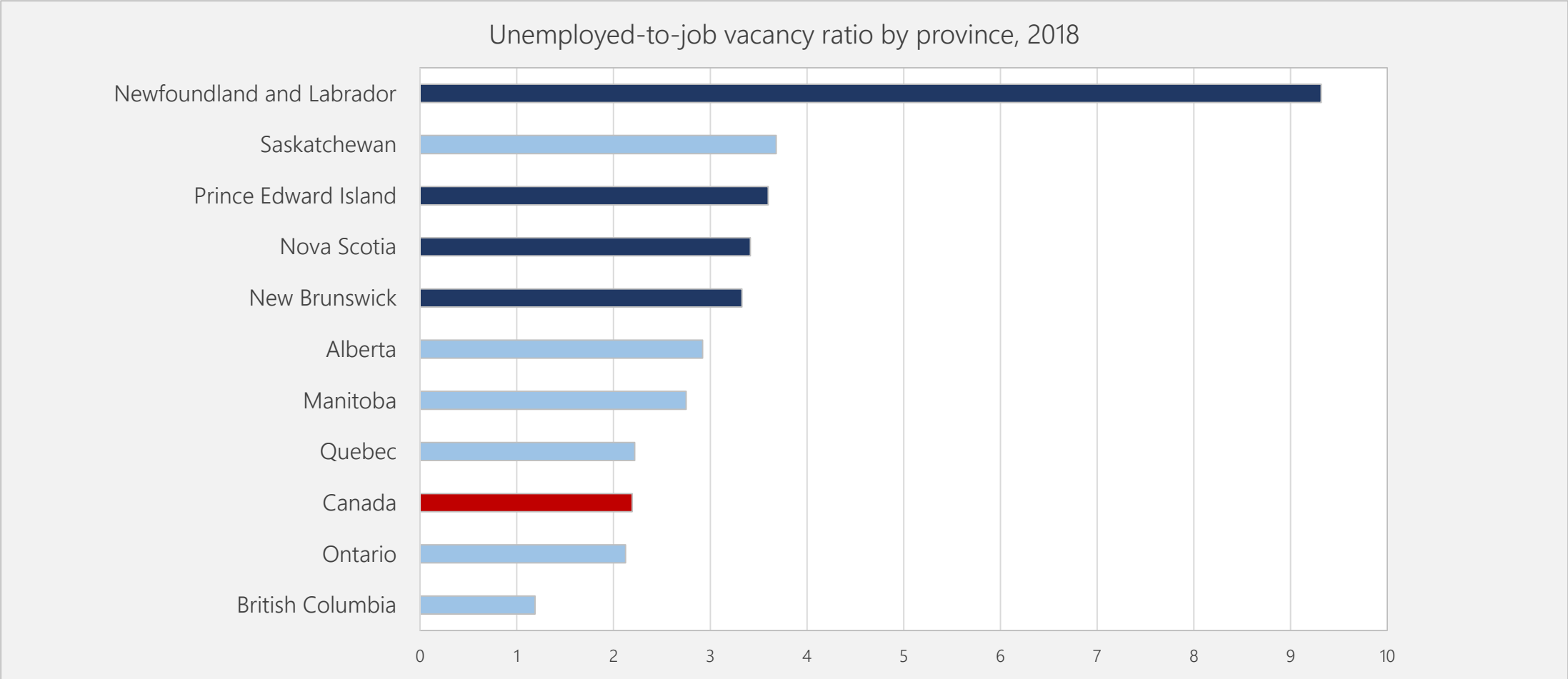
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Lower projected labour force participation in Atlantic Canada outside CMAs

Note: Reference scenario.
Source: Statistics Canada, Labour Force Survey and Demosim 2017 (2036).
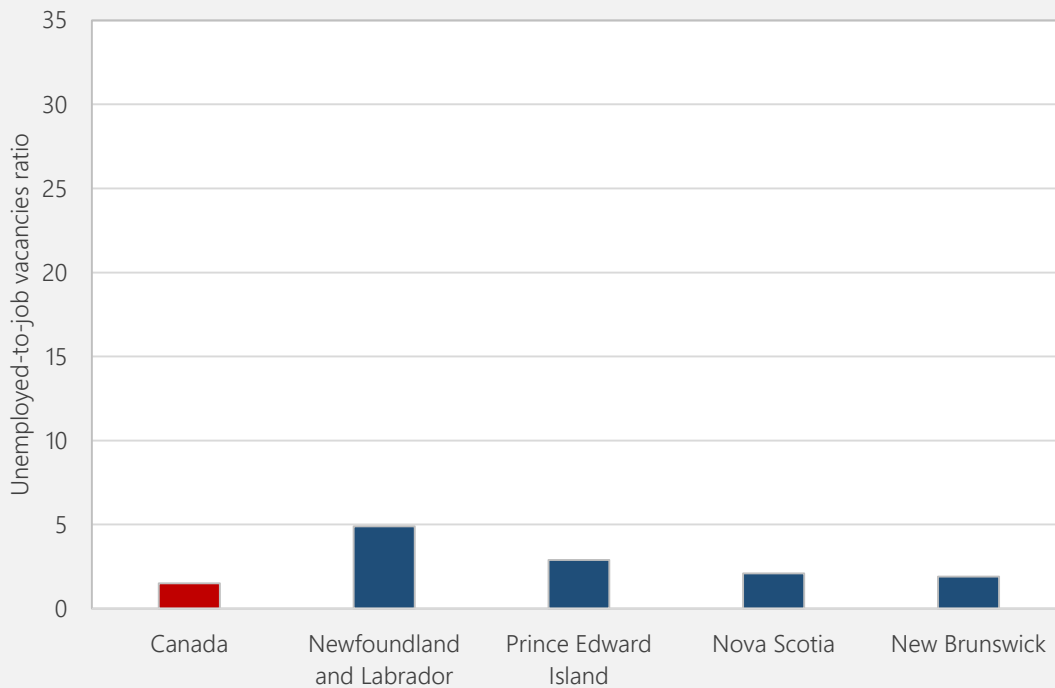
# Unemployed-to-job vacancy ratio higher in Atlantic Canada

Unemployed-to-job vacancy ratio by province, 2018

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Unemployed-to-job vacancy ratio in the Atlantic provinces varies considerably by occupation

Business, finance and administration occupations, 2018

Natural resources, agriculture and related production occupations, 2018
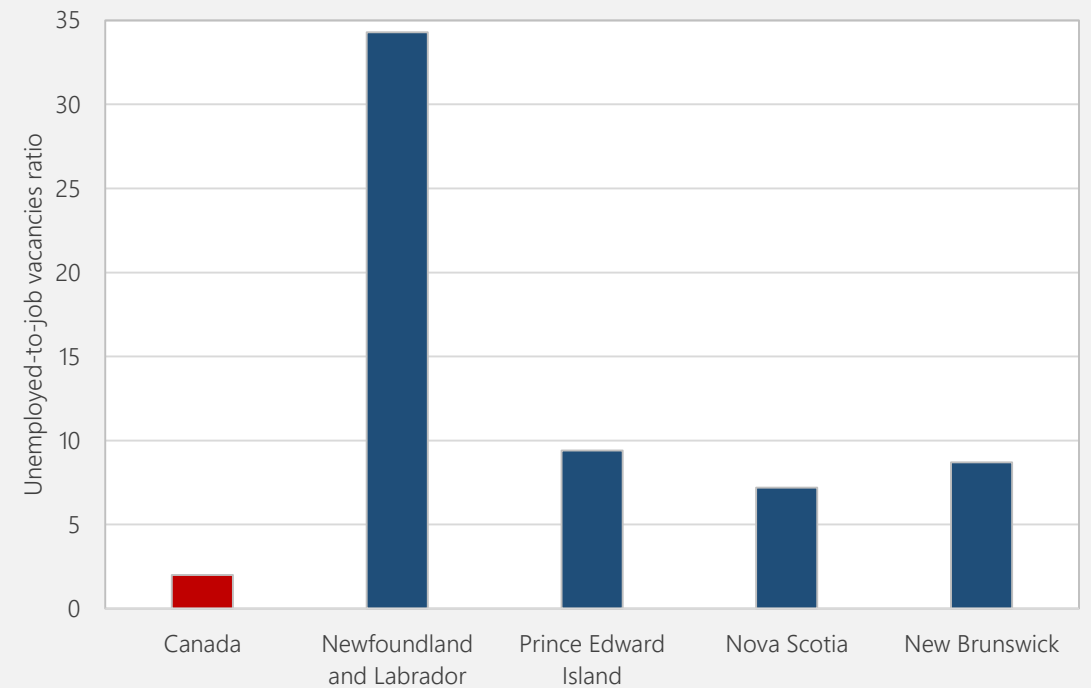
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Recent trends in an evolving labour market

Diverse landscape of regional labour markets

Statistics Canada / Statistique Canada

Canada

Regional labour markets in the Atlantic provinces

- Labour market indicators tend to **vary greatly between regional labour markets** in the Atlantic provinces

- Similar to what is observed across Canada, unemployment rates tend to be **higher in regions outside large population centers**.
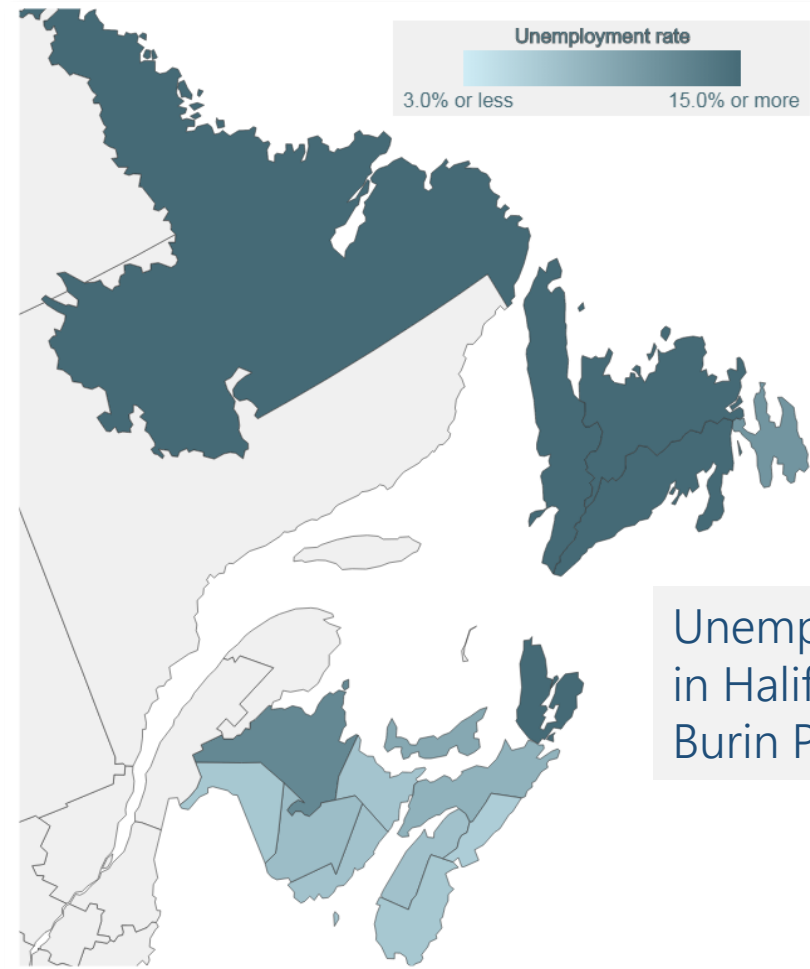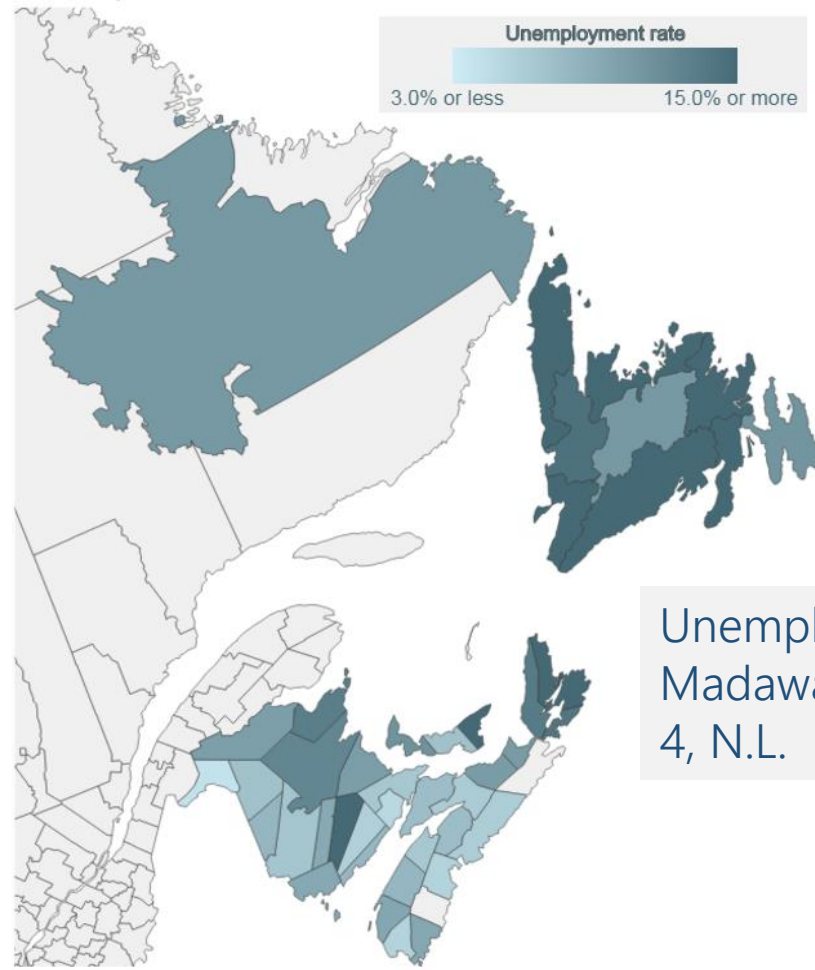

Unemployment rates ranging from 6.0% in Halifax, N.S. to 18.6% in South Coast-Burin Peninsula, N.L.

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Regional labour markets in the Atlantic provinces

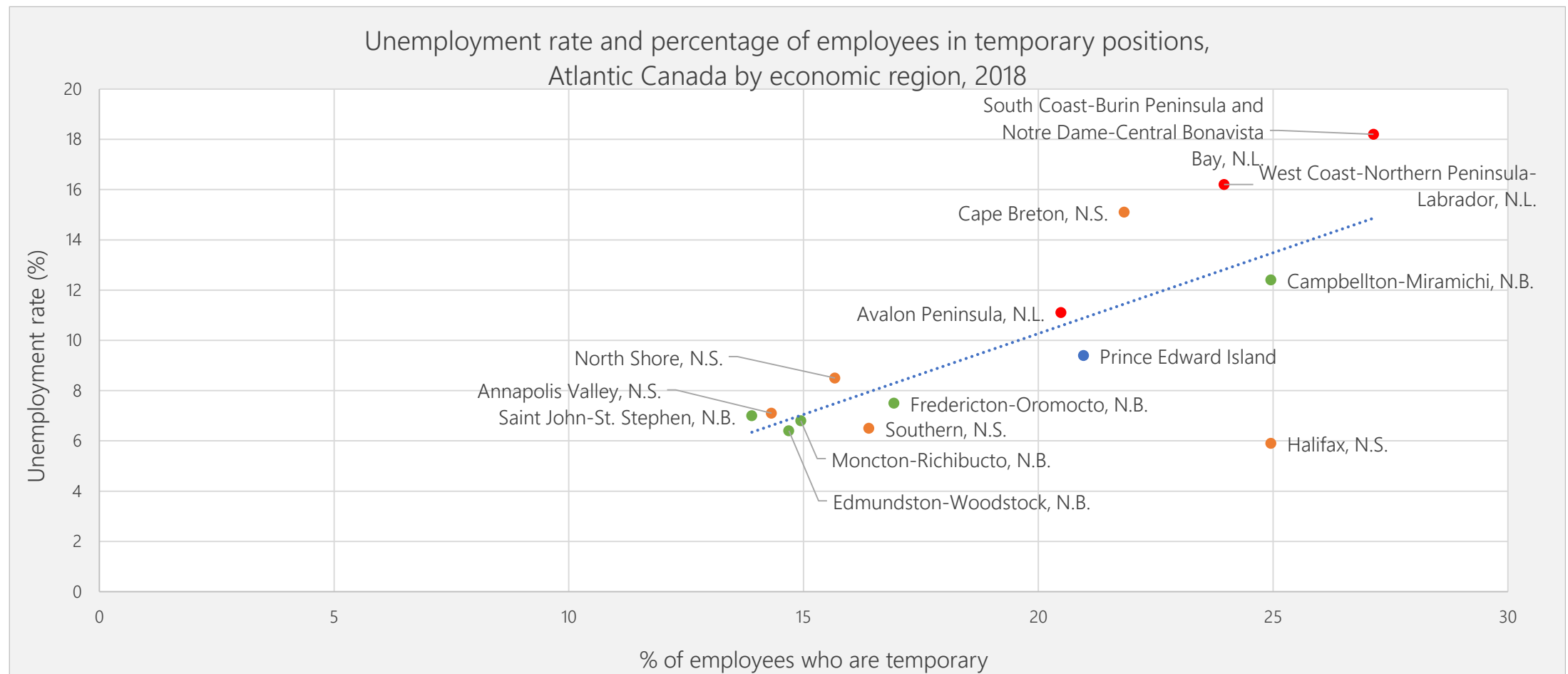- Even **more diversity** within regions...

Unemployment rates ranging from 4.1% in Madawaska, N.B. to 24.2% in Division No. 4, N.L.

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In economic regions with high unemployment, jobs are more likely to be temporary

Unemployment rate and percentage of employees in temporary positions,
Atlantic Canada by economic region, 2018

Population aging and its impact on participation rates

- Not all regional labour markets facing the same challenge when it comes to population aging

- Participation rates **generally lower than the national average** (65.4%) in the Atlantic economic regions

- However, some regions show **participation rates close to or above the national average**:
  - Halifax: 68.1%
  - Prince Edward Island: 66.7%
  - Moncton-Richibucto: 63.5%

Participation rate
50.0% or less — 70.0% or more

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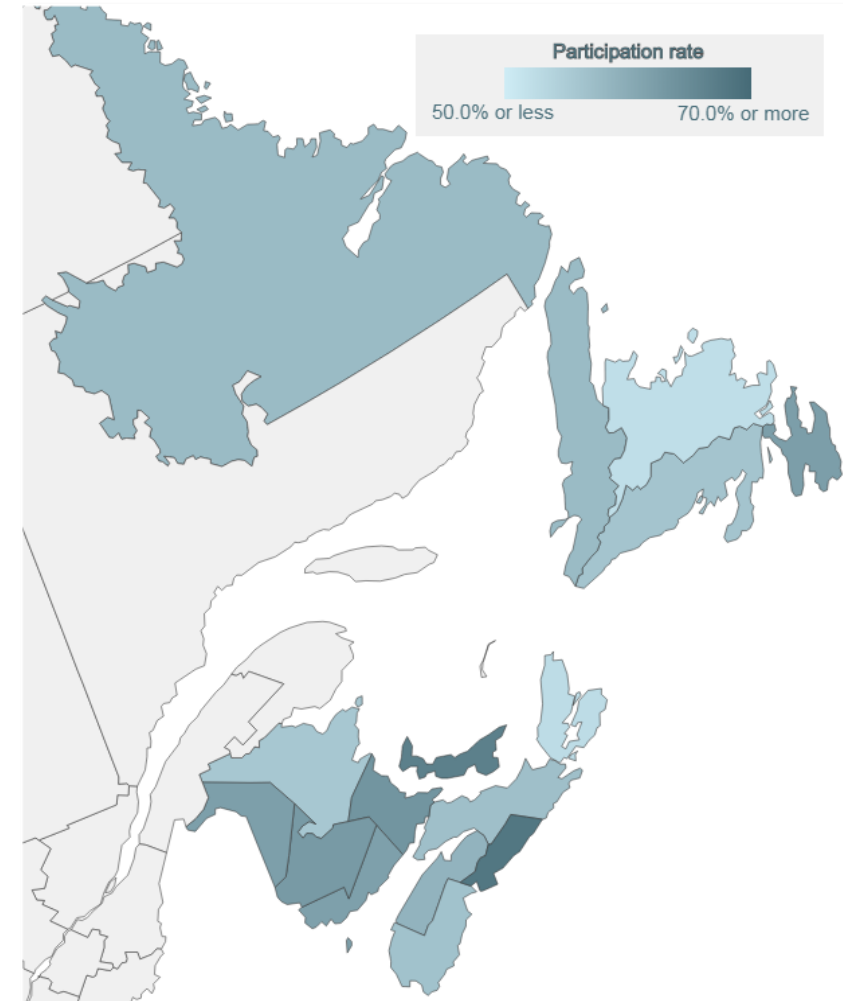
Proportion of immigrants in total population and proportion of workers 55 years and over by economic region, 2018
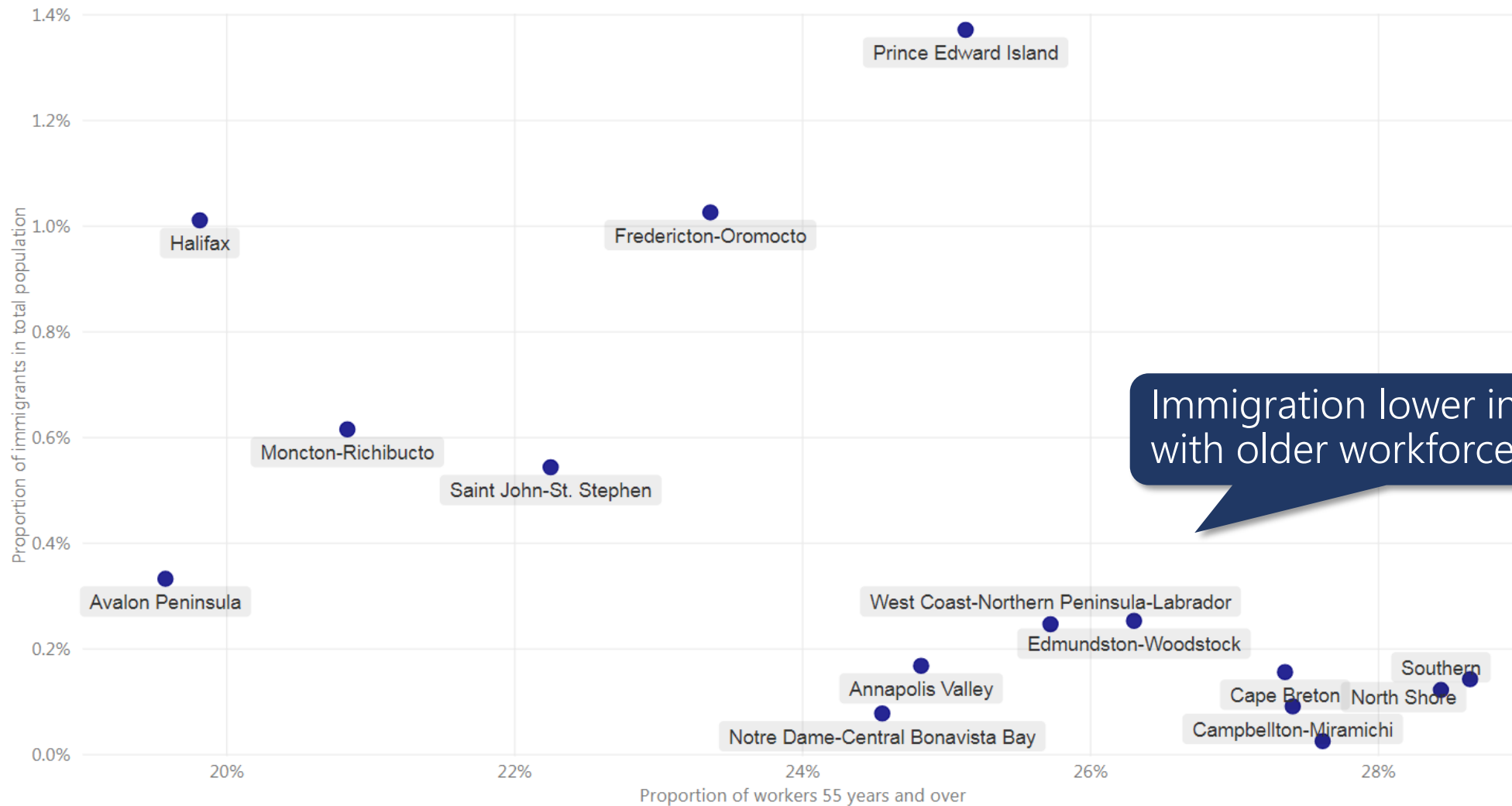
Immigration lower in regions with older workforce

Source: Statistics Canada, Labour Force Survey.
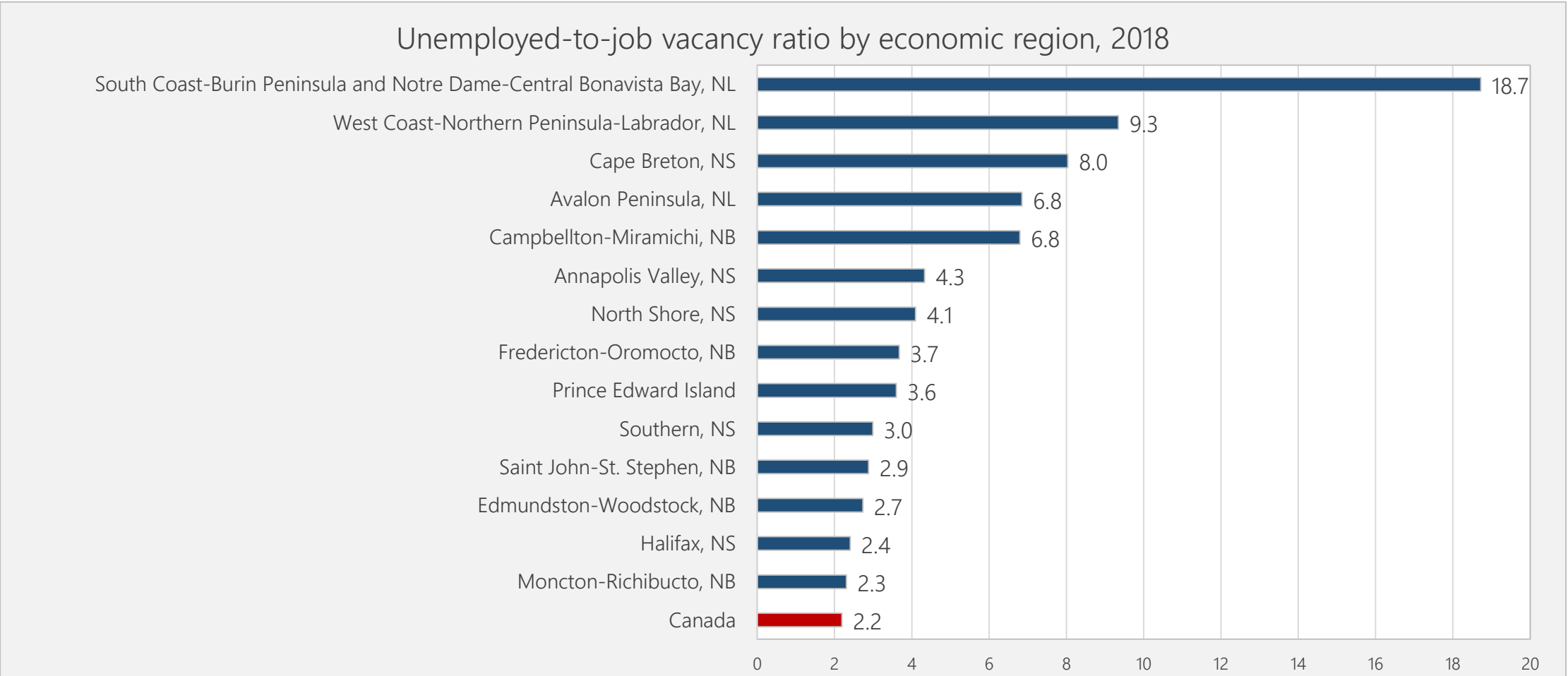
Unemployed-to-job vacancy ratio by economic region

Unemployed-to-job vacancy ratio by economic region, 2018

Region	Ratio
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay, NL	18.7
West Coast-Northern Peninsula-Labrador, NL	9.3
Cape Breton, NS	8.0
Avalon Peninsula, NL	6.8
Campbellton-Miramichi, NB	6.8
Annapolis Valley, NS	4.3
North Shore, NS	4.1
Fredericton-Oromocto, NB	3.7
Prince Edward Island	3.6
Southern, NS	3.0
Saint John-St. Stephen, NB	2.9
Edmundston-Woodstock, NB	2.7
Halifax, NS	2.4
Moncton-Richibucto, NB	2.3
Canada	2.2

Source: Statistics Canada, Labour Force Survey and Job Vacancy and Wage Survey.

Opportunities in the Atlantic region

In 2017, **116** instances for which the average wage paid for an occupation was **higher in an Atlantic economic region than the national average wage paid** for that same occupation.

MACHINING, METAL FORMING, SHAPING AND ERECTING TRADE +47%

SPECIALIZED OCCUPATIONS IN PERSONAL AND CUSTOMER SERVICES +43%

HUMAN RESOURCES AND BUSINESS SERVICE PROFESSIONALS +12%

ADMINISTRATIVE SERVICES SUPERVISORS +36%

MANAGERS IN AGRICULTURE, HORTICULTURE AND AQUACULTURE +25%
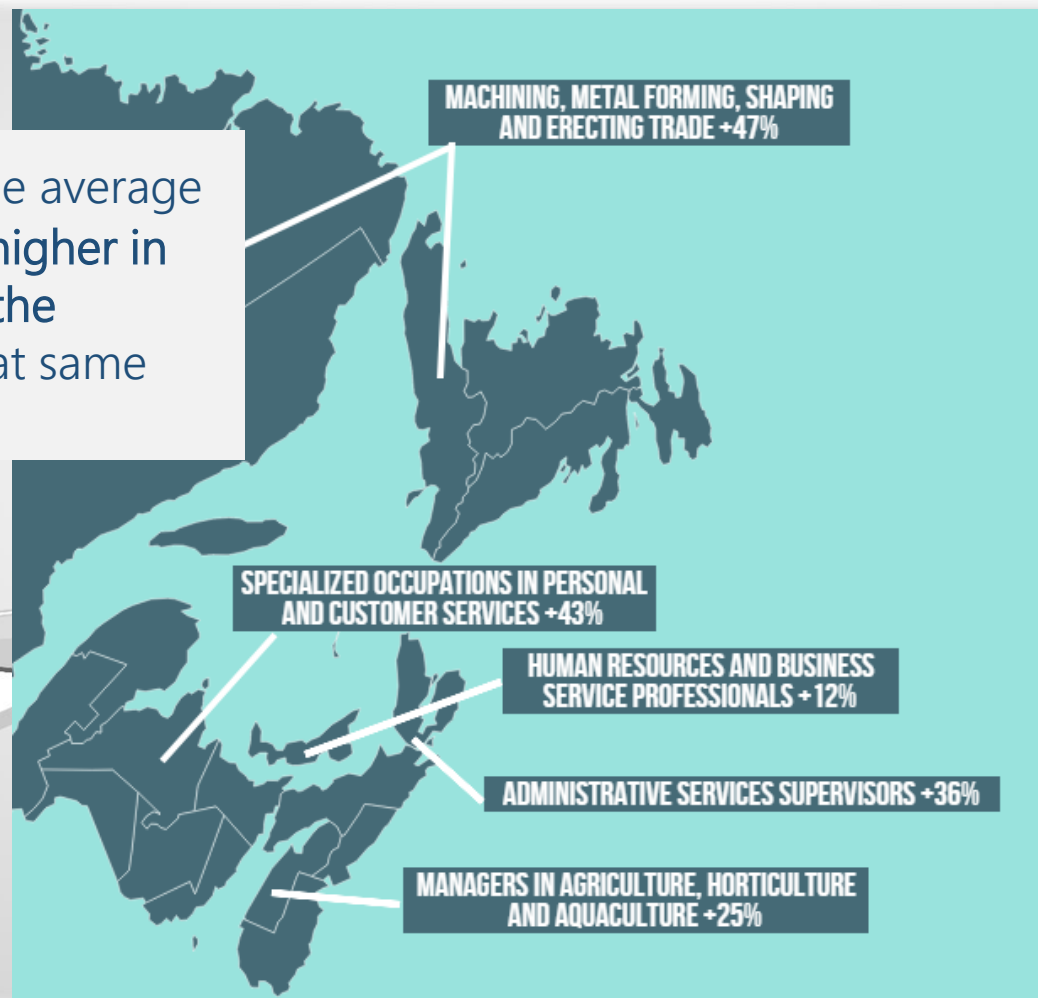
Source: Statistics Canada, Job Vacancy and Wage Survey.

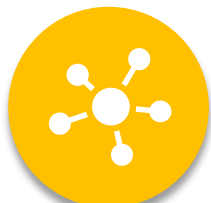# Vision for analyzing tomorrow's labour market

Modernizing every step of the cycle to improve our products....Creating the foundation for a digital government, society and economy

Generation and Collection
From survey-first segregated collection to maximizing the use of administrative/big data

Integration
From fragmented to modern methodologies to better integrate data from a variety of sources

Dissemination
From limited to significantly expanded access and responsive, high value products and services
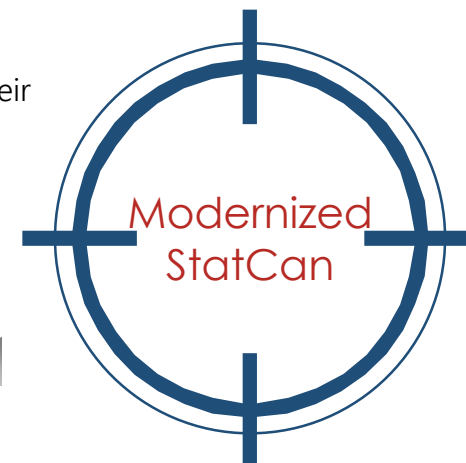
Analysis and visualization
From static data tables and analysis to provision of tools to evaluate and support responsible data use

Consumption
Supporting quality decisions by citizens, their governments and businesses based on evidence

Modernized StatCan

User Centric Service Delivery

Statistical Capacity Building & Leadership

Sharing & Collaboration

Leading Edge Methods & Data Integration

Flexible & Modern Workplace

Statistics Canada   Statistique Canada

Canada

Vision for analyzing tomorrow's labour market

Statistics Canada is committed to modernizing and building on existing labour market measures by:

Adapting measures of employment and quality of work to fully capture the effects of **globalisation and the digital economy**

Addressing data gaps related to automation, technological change and skills

Facilitating decision-making with increased **local and granular labour market information**
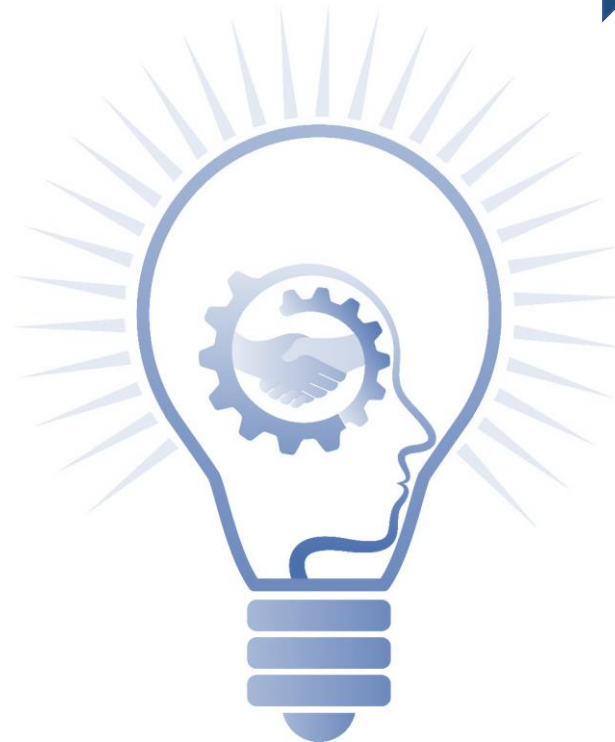
Testing new questions for the 2021 Census in order to update labour and journey to work content

Continuing to build and foster relationships with our partners and stakeholders

Ongoing consultation on …

- Concepts, measures and indicators

- Data sources

- New questions and updated content for the 2021 Census

- Alternative collection methods

With…

- Governmental and community partners, such as **Employment and Social Development Canada (ESDC)** and the **Atlantic Canada Opportunities Agency**

- Independent agencies, such as the **Labour Market Information Council**

- **Data users across the country,** such as students, academic experts and survey participants

Statistics Canada / Statistique Canada

Canada

Going forward: Measuring new forms of employment

- **One-time basis** questions added in September 2018

  - Reasons for working for population aged 60 and over
  - Young people not in employment, education or training (NEET)
  - Trends in temporary employment
  - Self-employed Canadians: Who and why?

- Beginning in November 2019, 5 questions will be added to the LFS on an **on-going basis**

  - Multiple job holders
  - Earnings of self-employed
  - Access to employment benefits
  - Main activity of those not in the labour force
  - Reasons for working beyond age 60

- Statistics Canada – ESDC **Working Group on Quality of Employment**

  - Indicators of job precarity
  - Skills and skills mismatches
  - Electronically mediated employment

Small Area Estimation: Increasing precision of sub-provincial labour market indicators

Combining **multiple data sources**

Increasing both the **quality and availability** of CA and CMA estimates

Successful pilot project conducted in 2017

Transition to standard product: **Available to the public on the Statistics Canada website** by the end of 2019

Dissemination of new data, analytical and reference products

Innovative tools for a comprehensive picture of regional labour markets

Labour Force Survey in Brief: Interactive App

AMA

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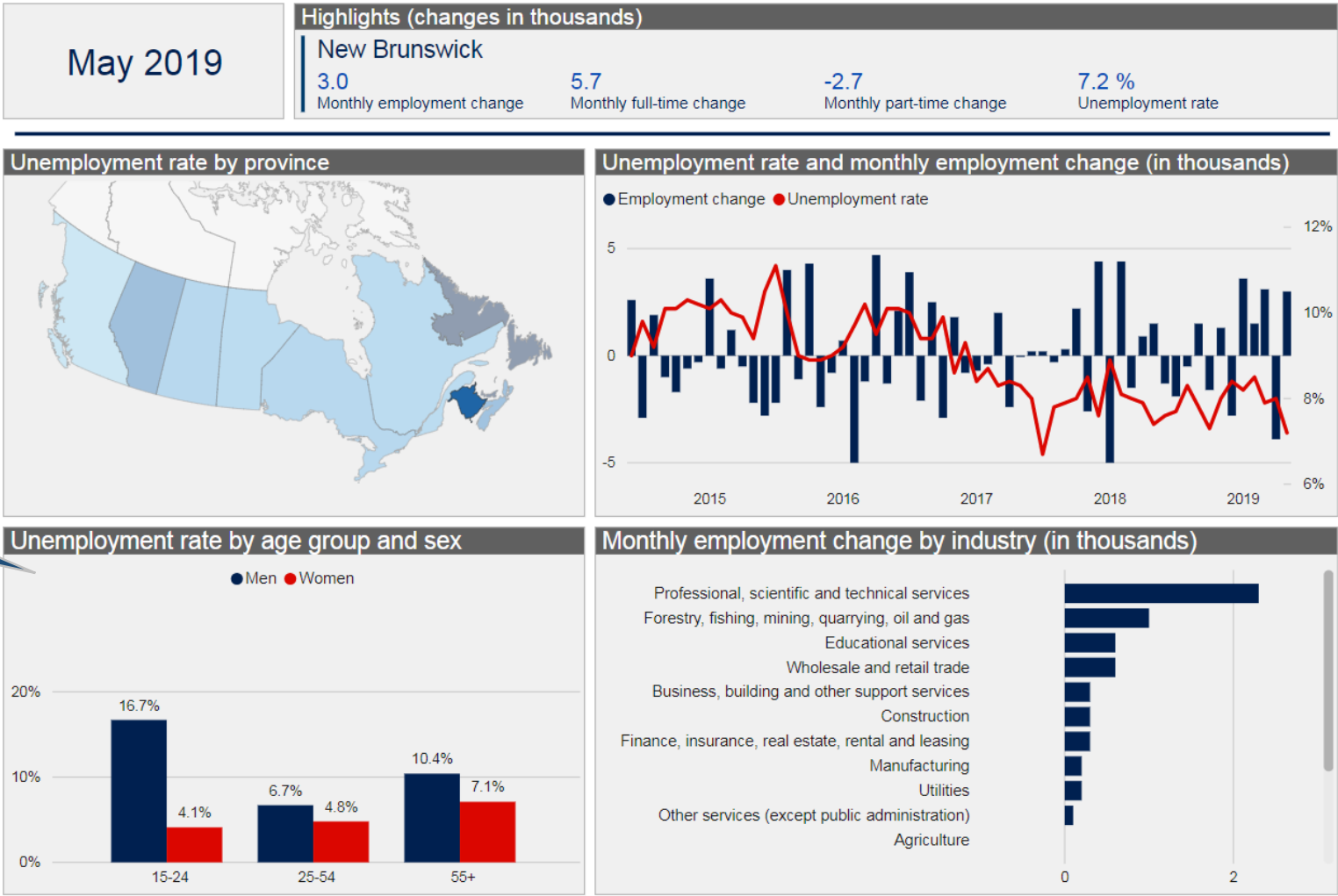
THANK YOU!

For more information,
please visit www.statcan.gc.ca

#ADataStory