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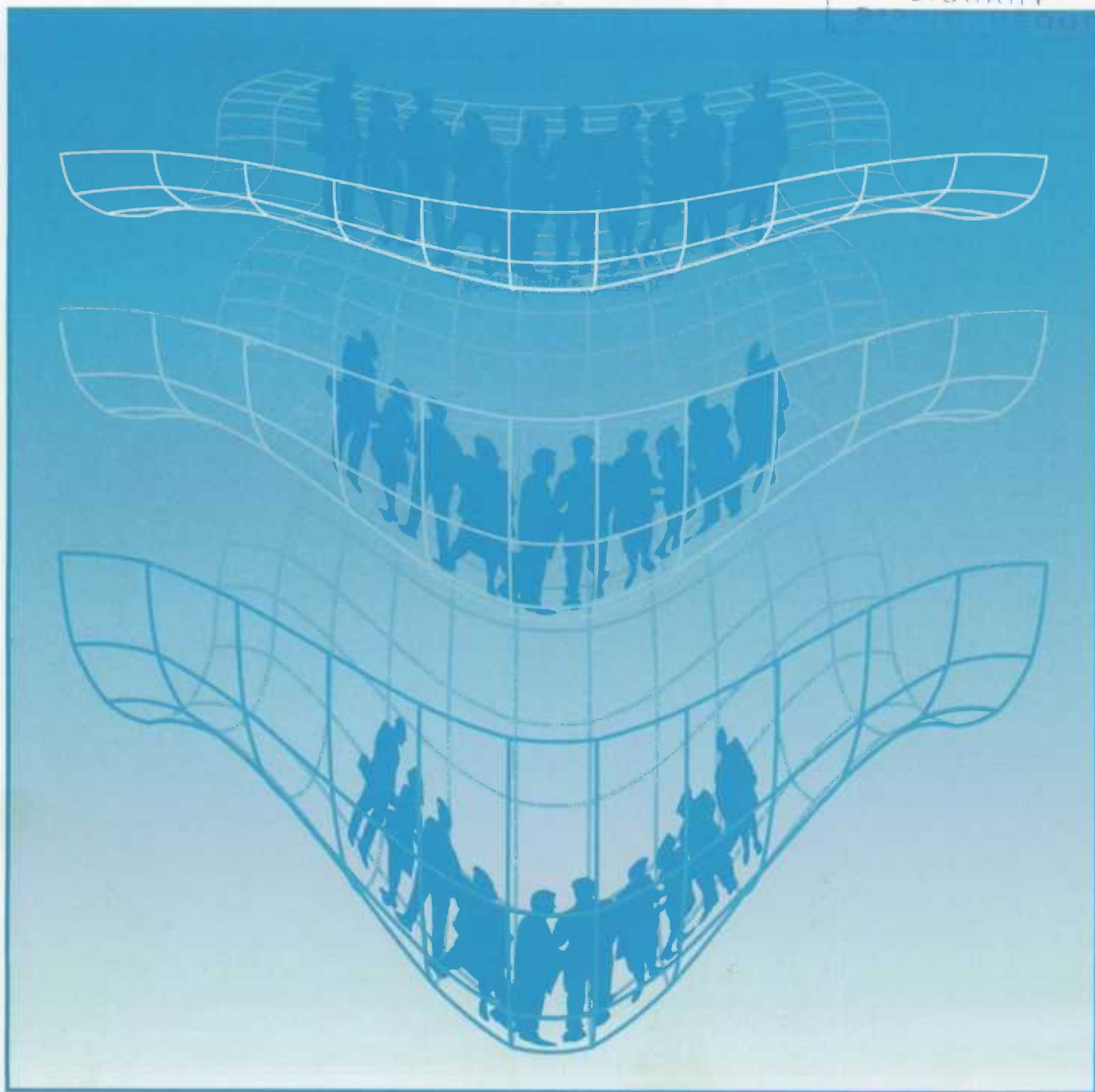
# Workers, Firms and Unemployment Insurance

Miles Corak  
Wendy Pyper

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# Workers, Firms and Unemployment Insurance

**Miles Corak and Wendy Pyper**  
**Business and Labour Market Analysis Division**

Published by authority of the Minister responsible for Statistics Canada

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## Preface

It is certainly not an exaggeration to suggest that Canadians are in the midst of reconsidering the social contract that governs their social security system. Unemployment Insurance (UI) has long been one of the pillars of this system. In fact, during the more than 50 years since its inception UI has evolved into the largest tax-transfer scheme administered by the Federal government. Almost all Canadians are influenced in some way by reforms to UI benefits or taxes, and therefore it should not be surprising that while changes have sometimes been incremental, and at other times comprehensive, they have always been controversial.

Recent experience has proven to be no exception. Two of the Federal government budgets since 1990 have involved important changes to benefit and tax rates, and the release of a green paper in the autumn of 1994 has fueled a debate over more fundamental reform that has been ongoing for years. What is the nature of unemployment? How and to what degree does UI alleviate the hardship associated with it? Do individuals and firms change their behaviour in response to the availability and generosity of the program? These questions lie at the very heart of this debate, and answers to them are central to an evaluation of any proposed reform.

The answers, however, must be based not only upon judicious value judgments, but also upon a comprehensive understanding of the facts. Statistics Canada has a long history of providing information on the operation of UI, and this publication continues this tradition by bringing together a series of analytical studies of the program produced over the course of the last three to four years.

The approach adopted is innovative in two respects. First, the operation of UI is examined using longitudinal administrative data, that is data through time at the micro level. Second, a perspective that incorporates both workers and firms, that is both the demand and the supply side of the labour market, is used. While there are many studies of UI and its interaction with the labour market, a good many of them deal with economy wide data on the total number of individuals collecting benefits, and are often focused just on workers. The premise of the research in this publication is that there is considerable scope to improve our understanding of the program by examining how individual workers and firms interact with it through time.

In particular, the study examines the extent and nature of frequent UI use. It documents the fact that there are two broad types of UI beneficiaries: those who rely on the program only occasionally during their working lives, and those who rely on it over and over again. While the factors associated with frequent UI use are examined in some detail, the analysis goes further to examine the interaction between UI and firms to find that some employers, not just some employees, should be thought of as frequent users. In fact, most frequent UI users support their claims from employment with the same relatively small number of firms. An understanding of frequent UI use requires an appreciation of not only the circumstances and behaviour of workers, but also of firms. In addition this publication contains a data appendix that documents the benefits and taxes paid at a detailed industry level.

This research illustrates the value of administrative data for analytical purposes, and is a good example, of the type of work undertaken by the Business and Labour Market Analysis Division. It is also hoped that it will help provide Canadians with some of the facts needed to design and assess future reforms to one of the most important elements of the country's social security system.

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National Accounts and Analytical Studies







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The background research was conducted as a series of joint projects with the Economic Council of Canada, and the Program Evaluation Branch of Human Resources Development Canada. In particular we wish to thank Surendra Gera, Harvey Lazar, and Ross Preston - who were then with the Economic Council - and Ging Wong of Human Resources.

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## Chapter 1

### INTRODUCTION AND OVERVIEW

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 praise, and much 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, one of the most notable occurring in the autumn of 1990.

An important amendment introduced by Bill C-21 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 broader proposals for such a re-orientation have been put forward by, among others, the Commission of Inquiry on Unemployment Insurance (1986), the Economic Council of Canada (1990, 1992), and by the Federal Government in its discussion paper on Social Security reform (Canada, 1994).

The rationale for such proposals is based upon the view that over the long-term unemployment insurance (UI) 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 Commission of Inquiry, for example, suggested that some individuals may be subject to a so-called "10-40 syndrome," working for what was then 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.

Just how prevalent is frequent use of the UI program, and what are the characteristics of the individuals involved? If some claimants are frequent users how should this be interpreted? Does it arise from changes in their behaviour in response to the availability and generosity of benefits, or does it reflect broader forces associated with the availability of jobs and the structure of employment relations between workers and firms? What role do firms play in determining how the program is used? These are some of the questions that the information provided in this publication may help to answer.

The UI program is large and complex. It is structured to achieve several objectives, and it probably has many unintended effects. A very broad overview of how it has operated over the course of the 1970s and 1980s is presented in Table 1-1.<sup>1</sup> About 85% of all claims are regular claims. This proportion has not changed much through time. Overall, men account for about 60% of the total number of claims initiated, but there is also a shift in the distribution of claims by gender. During the 1970s women 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 distribution of claims by province has been 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.

Changes in the distribution of claims by age are not as readily interpreted as the consequence of broad labour market developments. A large shift in the fraction of claims accounted for by middle-aged individuals has occurred. 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 aging during the 1980s. However, the developments presented in the table are also consistent with the possibility that the same individuals who made claims during the 1970s are also making them, at an older age, throughout the 1980s. This interpretation is given some credence by the extent of frequent use.

The data highlight that there is considerable frequent use associated with the operation of UI. Those having only one claim account for only 33.5% of all claims. In other words, the strong majority of claims (about 67%) were supported by individuals that had at least one other claim. Almost 23% of all claims were made by individuals who were collecting UI for at least the fifth time.

These patterns are explored in much more detail in Chapter 2. The extent of frequent use and some of the characteristics associated with it are documented. The chapter also addresses the question of whether or not individuals fall into a cycle of reliance on UI in which one spell of insured unemployment creates the preconditions for another spell in the future. The major findings include:

- (1) Seasonal factors are important in determining the chances that a claimant will have begun another claim

<sup>1</sup> For a more recent update that focuses on cyclical developments and particularly the recession of the early 1990s see Picard (1994) and also Roberge (1993).

TABLE 1-1

## Participation in the Canadian Unemployment Insurance Program During the 1970s and the 1980s

	1970s <sup>a</sup>	1980s <sup>b</sup>	1971-1989
Total Number of Claims	14,782,740	21,754,910	36,537,650
	<i>Percent of total</i>		
<b>Claim Type</b>			
Regular	84.6	85.9	85.3
Sickness	7.8	4.6	5.9
Maternity <sup>1</sup>	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 <sup>2</sup>	0.6	1.6	1.3
<b>Gender</b>			
Men	61.3	57.8	59.2
Women	38.7	42.2	40.8
<b>Region</b>			
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
British Columbia	12.1	12.1	12.1
N.W.T.	0.1	0.1	0.1
Yukon	0.2	0.2	0.2
<b>Age</b>			
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
<b>Frequency of Use</b>			
First Claim	47.8	23.8	33.5
Second Claim	24.0	18.9	20.9
Third Claim	12.8	14.4	13.7
Fourth Claim	7.1	10.6	9.2
Fifth or greater Claim	8.3	32.3	22.6
<b>Average Number of Benefit Weeks Paid per Claim</b>	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



within a very short time (14 weeks) of completing a previous claim.

- (2) The chances of having another claim over a longer period (within five years of a previous claim) is determined by industrial and regional factors. They are lowest in the service industries, and highest in the primary industries. They are also higher in the provinces east of the Ottawa River.
- (3) The generosity of UI benefits is not an important explanation of frequent use. Claimants who receive high benefit payments or collect benefits for longer periods of time are on average no more likely to be frequent users.
- (4) All these factors aside, a claimant's labour force history plays an important role in influencing the chances of having multiple claims. Those individuals with short intermittent jobs and past spells of insured unemployment are much more likely to be frequent users than those who held rather long jobs and did not collect UI in the past. In this sense there is a strong possibility that some individuals may experience continued reliance on the program.
- (5) The duration of benefit receipt increases with every subsequent claim. Women who are first time claimants spend an average of 22 weeks collecting benefits, but those collecting for the fifth time collect about 27 weeks of benefits. This pattern of longer benefit receipt with each subsequent claim is also evident for men.

The focus shifts from individuals to firms in Chapter 3. The main objective is to document the distribution of benefits and contributions between and within industries. Firms are characterized as either being net contributors to the program (when the UI contributions made by the firm and its workers exceed the amount of benefits collected by workers) or as net recipients (contributions are less than benefits). The major finding is that firms, not just workers, should also be thought of as frequent users. The results include:

- (1) The UI program redistributes a significant amount of money between firms, industries, and provinces. Primary and construction industries are the major net recipients as are the provinces east of the Ottawa River. The major net contributors are the service industries and Ontario.

- (2) Only 12% of firms are net recipients year-in, year-out. They account for only 14% of all jobs, but are associated with more than 38% of all UI benefits paid. Over 40% of firms are never net recipients. They represent 56% of all jobs but account for only 31% of all benefits.
- (3) While firms that are always net recipients tend to be concentrated in particular industries (especially in construction), a significant fraction of the firms in most industries are of this sort. That is, in addition to considerable between-industry transfers, the UI program also entails considerable within-industry transfers.

The findings of these two chapters raise the possibility that it is both the behaviour of workers and the decisions of firms that determine the way the UI program is used. In fact, a significant fraction of frequent UI use is a result of firms temporarily laying off and then recalling employees. This is explored in Chapter 4, which also illustrates that frequent UI claimants are generally employed with firms that are frequent net recipients.

The length of time that claimants collect benefits is also addressed in this chapter. The most important determinant of the number of weeks of benefits collected is the type of separation that the individual has experienced. The characteristics and behaviour of claimants are distinctly secondary in their influence. It is also found that:

- (1) Those expecting to be recalled by their former employer collect fewer benefits than those permanently laid off. However, those claimants that have an expectation of recall that proves to be incorrect are prone to particularly long claims.
- (2) Some firms actually time their recall notices to coincide with the exhaustion of UI benefits by their laid off employees.

The UI program likely serves the broad majority of Canadians in the way in which it was intended: as a source of temporary income support during a period of involuntary unemployment. The major message of this publication, however, is that many individuals have come to frequently rely on it. To some important degree this reflects the structure of jobs and the human resource decisions of firms, in particular the decision to rely on temporary layoffs as a means of adjusting to periods of depressed sales.



## Chapter 2

### WORKERS AS FREQUENT UI USERS

The purpose of this chapter is to document the extent of frequent UI use, and to examine some of the circumstances associated with it. The focus of the analysis is on individuals as opposed to firms. There are five major findings:

- (1) The share of all UI claimants that are frequent users is substantial. Over 80% of the claims made by men are made by those who have had at least one other claim. About 48% of claims are made by those who have had at least five claims. Claims made by women are also characterized by a great deal of frequent use. Only 22% are first time claimants, with about 30% experiencing their fifth or greater claim.
- (2) Seasonal factors are very important in determining the chances that a representative male will start another claim within 14 weeks from the end of his first.
- (3) The probability of having a second claim within five years of completing the first 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.
- (4) An individual's labour force and UI history are important in determining frequent use. The length of time spent employed before the beginning of a claim is strongly associated with whether or not the individual will have another claim. Those with rather long jobs (greater than one year in length) are much less likely to do so than

those who had short, intermittent jobs. Similarly those with past claims are more likely to have more claims. In this sense there is evidence that individuals, independent of their region of residence or industry of employment, may fall into a cycle of repeated reliance on UI.

- (5) Frequent users tend to collect benefits for a longer and longer period of time with each successive claim, particularly so in the case of women claimants. First time female claimants collect about 22 weeks of benefits on average, but those experiencing their fifth claim collect 27 weeks of benefits.

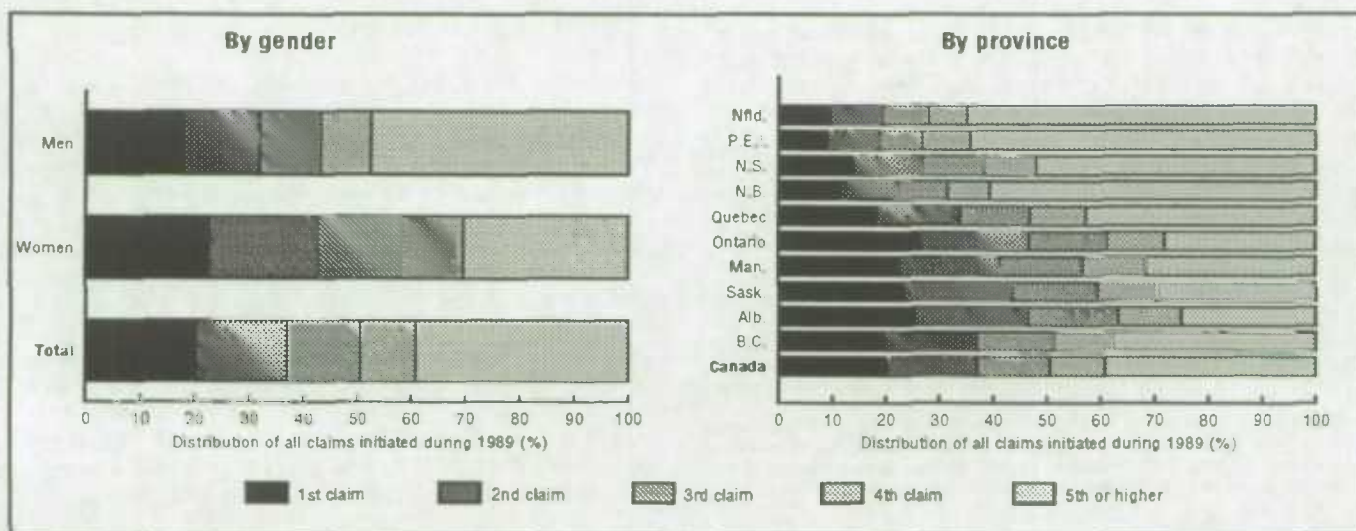
It is one thing to document these facts, but quite another to interpret the underlying causes. This is particularly so concerning the sense in which reliance on UI should be viewed as a "trap". The chapter concludes with some cautionary notes on this issue.

### THE SCOPE OF FREQUENT USE

Participation in the UI program is characterized by considerable frequent use. This is illustrated by the distribution of claimants according to the number of their past claims. The data are presented in Figure 2-1 by gender of the claimant and by province of residence.

During 1989 there were about 940,500 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

Figure 2-1  
Frequent UI use





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 who were beginning their fifth or even higher claim.

The data for females does not reveal as extreme a pattern, but even so, a significant fraction of claimants were frequent users. While there were about 887,500 claims initiated by women during 1989, only 23% of claimants were experiencing their first claim, and 30% were experiencing their fifth or greater claim.

There are very clear differences in the distribution of claims between the provinces. Over 90% of the claims made in Newfoundland and in PEI were made by individuals that had at least one other claim. In fact, of all the claims that were made by Newfoundlanders 65% were made by individuals that were experiencing their fifth or greater claim. This figure is similar for PEI and New Brunswick, and slightly less for Nova Scotia. Ontario and the Western provinces display a much lower rate of frequent use. In these provinces, 20 to 25% of claimants were first-time UI recipients, with 28 to 38% experiencing their fifth claim.

## FACTORS ASSOCIATED WITH FREQUENT USE

There are two limitations to these results. First, they control for individual characteristics that influence the risk of having another claim 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 frequent UI user: someone who experiences at least two claims between 1971 and 1989. This may mask the underlying process. For example, some individuals may be subject to very extensive reliance on UI, being inclined to start another claim soon after completing one. Seasonal workers might be one possible example. Other individuals may be employed in a cyclically sensitive industry, and as a result will require UI support over the course of the business cycle.

In order to overcome these problems, the likelihood of having another UI claim is modeled using multivariate techniques, and by considering four different categories: (1) short-term users, those experiencing a second claim within 14 or fewer weeks from the end of their previous claim; (2) annual users, those having another claim within 52 weeks or less; and longer term users, consisting of (3) those who have another claim within two years, and (4) those who have another within five years of a previous claim.<sup>2</sup>

<sup>2</sup> The first group may be thought of as referring to claimants who support a subsequent claim with the minimum number of weeks of employment needed to qualify. (The number of weeks of employment required to be eligible for UI during the period under study ranged from 10 to 14 weeks depending upon the regional unemployment rate). The first three groups together may be considered as roughly the target group that the Federal Government has focused attention on in its discussion paper, those with at least three claims within a span of five years.

The major results of this exercise are presented in Tables 2-1 and 2-2 for men and women, 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, defined to be a 33-year old working in the Ontario manufacturing sector who had a UI claim that began in the first quarter of the year. For example, the probability that a male with these characteristics will begin another claim within 14 weeks of the end of his first claim is 21%. The influence of different individual characteristics on this probability is given in the second panel of the table. The probability that a male residing in Newfoundland (all other things unchanged) will experience a second claim within 14 weeks of the end of the first is almost 27% (21.0%+5.87%).

Seasonal influences are the major factors distinguishing the behaviour of males and females over a horizon as short as 14 weeks. Indeed, the pattern for men is dominated by seasonal factors in the short-term. The probability of another claim within 14 weeks falls by 4.5% and almost 6% as claims that begin in the second and third quarters are considered, and by over 8% if a claim begins in the fourth quarter. Seasonality is not an important influence for women. The probability of a claim being followed by another within 14 weeks is about the same in all quarters, around 13%.

The seasonal pattern evident for men, however, 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 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 having another claim 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 a male who 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 women. The chances of another claim are highest in the short-term for those employed in manufacturing, but over time the industry influence diminishes. Generally, women employed in services will have lower probabilities of having another claim when a horizon as long as five years is considered. Interestingly enough, the probability of another claim within five years is higher for women than for men: 68.9% versus 60.8%.

Provincial differences are quite evident, with the main line of demarcation being drawn by the Ottawa River. Individuals living to the east have higher chances of being frequent users than those living to the west. Newfoundlanders clearly have a higher probability when a longer horizon is considered, while there does not appear



**TABLE 2-1**  
**Chances of Another UI Claim: Men**

	Within 14 weeks	Within 1 year	Within 2 years	Within 5 years
<b>Probability of Another Claim</b>	21.0	40.9	42.1	60.8
<b>Change in Probability</b>				
Dependents	-1.34	0.00	6.33	4.52
Student	0.00	0.00	0.00	0.00
Unemployment Rate <sup>1</sup>	0.95	1.49	0.75	0.00
Census Metropolitan Area	0.00	-4.41	-4.47	-2.97
Newfoundland	5.87	19.70	23.10	24.20
Maritimes	5.91	14.40	15.70	14.53
Quebec	4.33	6.82	8.36	5.86
Manitoba-Saskatchewan	0.00	0.00	0.00	0.00
Alberta	0.00	0.00	0.00	0.00
British Columbia	5.83	0.00	0.00	0.00
Agriculture-Forestry-Fishing	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
Distributive Services	-4.57	-3.08	0.00	0.00
Non-Market 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 <sup>2</sup>	0.00	0.50	0.00	0.00
Benefit Weeks <sup>2</sup>	0.92	-2.24	-1.70	-1.77
Employed More than 52 Weeks	0.00	-9.62	-9.35	-9.38
Two Previous UI Claims	4.21	7.24	7.32	8.40

Probability of another claim is for an individual with standard characteristics, defined to correspond roughly to the average as: age - 33 years; unemployment rate - 10%; benefit rate - \$167 per week; benefit weeks - 22; a claim that began during the first quarter; one previous claim.

1 Change in probability of another claim for a 1 percentage point change.

2 Change in probability of another claim for a 10 unit change.

**TABLE 2-2**  
**Chances of Another UI Claim: Women**

	Within 14 weeks	Within 1 year	Within 2 years	Within 5 years
<b>Probability of Another Claim</b>	13.1	39.9	35.0	68.9
<b>Change in Probability</b>				
Dependents	-2.93	-3.23	0.00	0.00
Student	0.00	5.47	5.32	0.00
Unemployment Rate <sup>1</sup>	1.74	2.59	1.89	0.99
Census Metropolitan Area	0.00	-4.61	-2.81	0.00
Newfoundland	0.00	11.50	11.60	8.28
Maritimes	6.17	12.60	11.30	8.51
Quebec	5.69	5.00	5.49	4.24
Manitoba-Saskatchewan	0.00	0.00	0.00	0.00
Alberta	0.00	-11.10	-7.19	0.00
British Columbia	0.00	-4.73	0.00	0.00
Agriculture-Forestry-Fishing	-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
Distributive Services	-7.80	-10.60	-8.67	-8.21
Non-Market 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 <sup>2</sup>	0.00	0.00	0.00	0.00
Benefit Weeks <sup>2</sup>	-0.04	-4.00	-3.29	-3.39
Employed More than 52 Weeks	-4.55	-12.80	-7.63	-5.55
Two Previous UI Claims	2.50	5.97	5.93	6.04

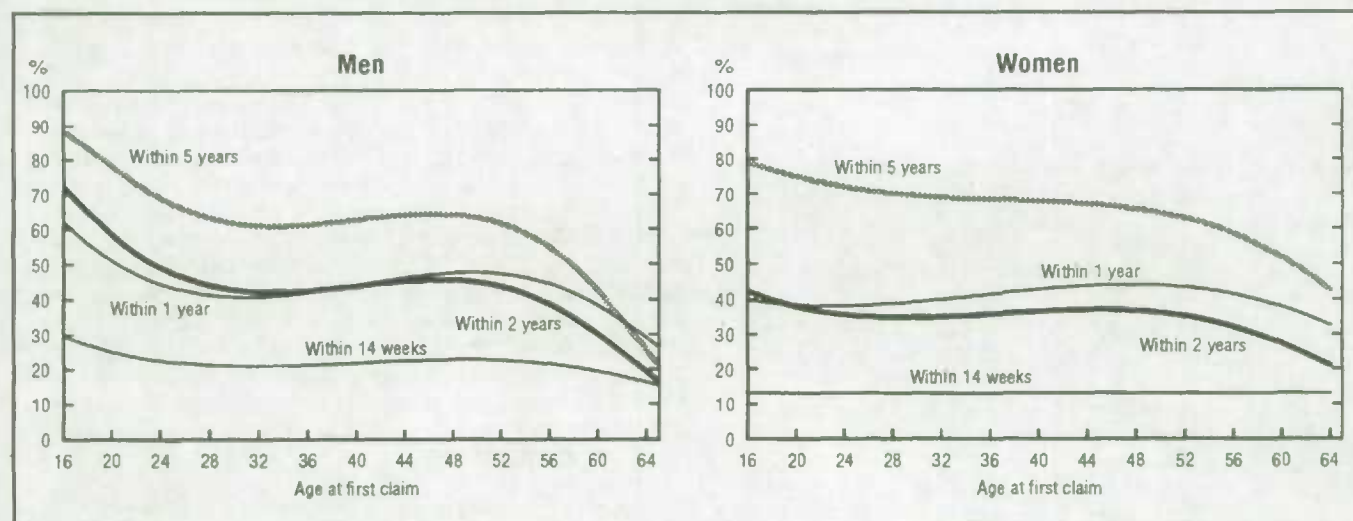
Probability of another claim is for an individual with standard characteristics defined to correspond roughly to the average as: age - 33 years; unemployment rate - 10%; benefit rate - \$167 per week; benefit weeks - 22; a claim that began during the first quarter; one previous claim.

1 Change in probability of another claim for a 1 percentage point change.

2 Change in probability of another claim for a 10 unit change.

Figure 2-2

## Chances of a second UI claim by age at first claim



to be a great deal to distinguish those living in Ontario and in the Western provinces. With some exceptions this is true for both sexes.

The influence of age on the probability of another claim is best illustrated graphically. Figure 2-2 depicts the relationship between the probability of having a subsequent claim for each of the four time horizons 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. It 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.

The amount of weekly benefits collected during a first claim (which is labeled in Tables 2-1 and 2-2 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 (labeled as "Benefit Weeks") actually tends to reduce the probability of repetition slightly. In other words, a more generous benefit structure does not predispose the average individual to make more frequent use of the program.

Finally, it should be noted that the labour market experience of the individual has a relatively large impact on the probability that he or she will start another claim. In particular, individuals who were employed for 52 weeks or more before they made their UI claim have much lower probabilities of having another. Over the longer term, men who had at least 52 weeks of insured employment prior to beginning their UI claim were about 9 to 10% less likely to have a subsequent claim. This relationship is much more variable in the case of women, but still quite significant at between

4.6 to 12.8%. These magnitudes are second only to province of residence in their importance.

The likelihood of having another UI claim is higher the greater the number of past claims. For example, the chances of having another claim within 14 weeks are 4.2 percentage points higher for a male experiencing his second claim than they are for an otherwise identical individual experiencing his first claim. This figure doubles when a five year horizon is considered. Similar results apply for females, with each additional past claim being associated with a roughly 6 percentage point increase in the likelihood of another claim.

## FREQUENT USE AND THE DURATION OF CLAIMS

Frequent users tend to collect benefits for longer and longer periods with each successive claim. This fact is documented in Table 2-3.<sup>3</sup> First time male claimants collect about 23 weeks of benefits on average. This increases gradually, reaching 25.2 weeks during the fifth claim. This pattern is even more pronounced for women. First time female claimants collect 22.4 weeks of benefits, but five-time claimants collect almost 5 more weeks of benefits on average.

A much more detailed analysis reveals that these patterns are not simply a reflection of a general deterioration in the macroeconomic climate that has led to longer and longer unemployment spells.<sup>4</sup> All other things constant, the repeated interaction of claimants with the UI program leads to longer periods of benefit receipt with each subsequent claim.

3 The information in this table is restricted to those individuals who were 16 years of age or younger in 1971, the year that administrative UI data first become available. This ensures that the analysis deals with individuals who do not have a history of previous claims.

4 See Corak (1993a).



**Table 2-3**  
**Average Duration of UI Benefits for Successive**  
**Claims: Men and Women, 1971-1990**

		Number of Claims	Average Number of Weeks of Benefits Collected
Men	1st Claim	149,930	22.9
	2nd Claim	101,280	23.7
	3rd Claim	68,670	24.2
	4th Claim	46,300	25.0
	5th Claim	32,050	25.2
Women	1st Claim	120,010	22.4
	2nd Claim	69,050	24.1
	3rd Claim	37,320	25.3
	4th Claim	21,040	26.5
	5th Claim	11,880	27.0

For those 16 years of age or younger in 1971

## MATTERS OF INTERPRETATION

How should these patterns be interpreted? They do not, in and of themselves, lend support to any one single interpretation of the relationship between the UI program, individual behaviour, and the structure of the labour market. There exists in the academic 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 frequent UI use may reflect the possibility that the burden of unemployment is highly concentrated among a minority of the labour force. In this case frequent reliance on UI is simply a reflection of the nature of unemployment. For example, research has found that as few 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 (Corak 1991, pp. 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, and the high degree of frequent UI use simply reflects this.

Second, as has been argued by the Commission of Inquiry and the Economic Council, the generosity of unemployment insurance payments may cause individuals to use the program as a type of guaranteed income. The results presented here do not support a simple version of this interpretation. The level and duration of benefit payments do not greatly influence the probability of repeated UI use. This is not to say, however, that this influence does not occur over the longer term. The availability of UI may, over time, alter the habits and work patterns of individuals in a way that causes them to make future claims. From this perspective the relationship between a claimant's UI history and the likelihood of future UI use could be viewed as a "trap." The program engenders a type of dependency in which one bout of insured unemployment induces future bouts that are even longer in length. If this is so then it may be a particularly important issue for the young, since it has been observed that their probability of frequent UI use is very high. As a result a spell of insured unemployment at a young age may send an individual down a career path entailing more unemployment.

The results reported in this chapter do not contradict such an interpretation. At the same time, however, they do not support it either. Caution is needed before accepting such a view because it is not clear if the influence of the number of past UI claims on the probability of having another claim represents a causal relationship, as the "trap" interpretation would suggest, or a spurious relationship, reflecting the fact that the underlying analysis has not controlled for all the possible influences on the likelihood of having a subsequent claim. If this is the case then past UI experience may simply be a proxy for these other unobserved influences.

One important factor that has not been accounted for is the human resource practices of the claimant's employer. Indeed, the third possible explanation of these results suggests that frequent UI use has as much to do with the decisions made by firms, as with the choices of individuals. For example, the UI premiums that firms pay are not tied to the number of times that their employees have made use of the program. This may lead some firms to adopt a policy of temporarily laying off employees during a period of depressed sales rather than using other adjustment policies such as altering their product mix, retraining employees for other tasks, building up inventories, or marketing their products more aggressively. Firms can lay-off employees and expect that they will be available for rehire in the future. This could lead to the distinct patterns of UI use observed by industry. Further, if individuals stay with the same firms through time it could also be reflected in the relationship between their labour market history and future UI use. A more detailed examination of this possibility is begun in the next chapter.



## Chapter 3

### FIRMS AS FREQUENT UI USERS

Like any insurance program UI transfers income to those suffering a loss from those not suffering one. In Canada, however, UI contributions are not based upon the risk of unemployment. As a result there is a persistent pattern of transfers built into the way the program operates.

The purpose of this chapter is to document the extent and nature of these income transfers. The focus is on firms, and in particular on the benefit-tax ratio (the amount of benefits received per tax dollar paid) and the factors determining it. There are five major findings:

- (1) UI redistributes significant money between industries. The primary and construction sectors are the major recipients while the service industries are the main contributors. Benefits paid to construction exceed contributions by an average of over \$1.2 billion annually, while in services they fall short of contributions by over \$700 million. Forestry receives the greatest amount of benefits per dollar of contributions made (\$6.17), while finance receives the lowest (\$0.51).
- (2) There are also significant transfers between provinces. Each year almost \$2.3 billion is transferred from Ontario to points eastward. For every dollar of contributions, Newfoundlanders receive \$4.32 in benefits, while Ontarians receive only \$0.58.
- (3) These patterns have been ongoing for at least the last 15 years. Virtually all of the industries that were net recipients during the 1975-82 period were also net recipients during 1986-90. Similarly, those industries that were net contributors during the earlier period were also net contributors during the latter.
- (4) Not only do the same industries and provinces receive a transfer year-in, year-out but so do the same firms. Only 12% of firms representing 14% of all jobs consistently receive a transfer each year, but they account for more than 38% of all UI benefits paid. On the other hand over 40% of firms never receive a transfer, and they represent 56% of all jobs but account for only 31% of UI benefits.
- (5) In addition to considerable between-industry transfers, the UI program also entails considerable within-industry transfers. For example, almost 26% of all construction firms are always net recipients, but just as large a proportion (23%) are always net contributors. This pattern is evident even in industries that are net contributors overall. In public administration, for example, fully 22% of employers are always net recipients.

What are the implications of these findings? In what sense should firms, not just workers, be thought of as frequent users of UI? Whether these patterns should be viewed as a desired result or an unintended consequence with potentially negative implications for the capacity of the labour market to adjust to change is a matter that has been extensively debated. The concluding section of the chapter addresses these and other related questions.

### AN OVERVIEW

The analysis is based upon data that offer universal coverage of firms, their workers, and UI beneficiaries from 1986 to 1990 inclusive. These years span the height of an expansion as well as the onset of a recession.

The UI account was roughly in balance over this period, having collected about \$11.3 billion in contributions from firms and workers, and paid out an average of about \$11.5 billion in benefits each year.<sup>5</sup> The redistribution of these funds by industry and province is presented in the first panel of Table 3-1. The entries in the table can be interpreted as the absolute annual net transfer to (+) or net contribution from (-) each industry and province: total UI benefits received by the workers in that industry and province less total UI taxes paid.<sup>6</sup>

Canada-wide, the pattern is of a transfer of funds from services and manufacturing to the primary (that is natural resources) and especially construction industries. On average, construction receives \$1.2 billion more than it contributes annually, while forestry and agriculture receive annual amounts of \$265 and \$222 million. The most notable net contributors are the Community, Business, and Personal Services (CBPS) industry which pays a surcharge of \$710 million annually, and Public Administration which pays \$660 million. Transportation as well as Finance also contribute substantially more than they withdraw.

The general pattern at the provincial level is of a transfer of money from Ontario to points eastward. About \$2.3 billion is taken out of the Ontario economy each year by the UI program, while about the same amount is put into the economies east of the Ottawa River. Quebec is the largest recipient. The western provinces, with the exception of British Columbia, are net contributors.

<sup>5</sup> All amounts are adjusted for inflation, and expressed in 1991 dollars.

<sup>6</sup> In actual fact the taxes paid are adjusted by the country wide benefit-tax ratio in order to account for the fact that the UI account was not exactly in balance over the period. Thus the table entries represent the distribution of transfers as they would appear during a year in which the aggregate UI fund was in balance.

TABLE 3-1

## UI Income Transfers Between Industries and Provinces, Annual Average (1986-1990)

	Nfld	PEI	NS	NB	Quebec	Ontario	Man	Sask	Alberta	BC	NWT	Yukon	Canada
<b>A. UI Benefits Less UI Taxes (millions of 1991 dollars)<sup>1</sup></b>													
Agriculture	7.7	12.1	10.0	19.4	74.0	16.9	7.4	11.8	4.7	58.1	0.0	0.1	222.3
Forestry	21.4	1.3	15.4	44.1	101.2	7.4	1.5	3.3	3.1	66.0	0.2	0.2	265.1
Fishing and Trapping	13.1	15.7	20.5	28.7	13.7	3.2	0.7	-0.5	0.6	1.6	0.0	0.0	97.0
Mining	2.9	0.6	2.8	4.7	15.5	-28.9	-1.4	3.2	-21.0	5.2	-1.7	1.7	-16.7
Manufacturing	209.6	26.1	59.2	88.9	106.6	-625.4	-10.0	-6.1	-15.7	34.3	-0.6	0.5	-132.9
Construction	98.3	14.5	74.9	97.4	416.5	195.0	44.4	40.0	103.1	139.5	0.6	3.2	1,227.6
Transportation	22.4	2.7	-3.8	3.0	-92.1	-266.1	-30.4	-17.5	-47.8	-41.8	-1.2	-0.4	-473.2
Trade	77.3	12.5	31.9	37.7	108.2	-336.0	-19.9	-13.6	-40.9	14.3	-1.2	0.5	-129.2
Finance	3.2	0.0	-5.3	0.6	-59.6	-283.3	-15.8	-11.5	-27.3	-28.2	-0.3	0.0	-427.7
Comm Bus & Per Serv	85.3	11.2	19.4	29.3	40.4	-753.6	-42.5	-41.7	-88.4	26.8	-0.9	2.3	-712.8
Public Administration	46.0	9.0	-34.2	13.4	-100.2	-372.5	-30.9	-12.5	-89.7	-67.4	-6.2	-0.1	-665.7
Other (unclassified)	78.7	8.0	36.4	28.0	242.1	137.7	18.8	14.7	53.8	104.6	1.7	1.4	726.0
All Industries	665.9	113.7	227.2	395.2	866.3	-2,305.7	-78.2	-30.4	-165.6	313.3	-9.5	9.4	0.0
<b>B. Dollars of UI Benefits per Dollar of UI Contributions<sup>2</sup></b>													
Agriculture	15.72	9.32	4.60	9.75	5.80	1.52	2.88	3.33	1.48	5.55	3.65	10.48	3.58
Forestry	18.15	18.13	8.05	8.79	9.87	2.01	5.40	5.41	2.98	4.20	6.13	7.37	6.17
Fishing and Trapping	3.31	11.70	3.91	11.00	8.79	4.17	2.01	0.46	2.19	1.29	4.82	2.02	4.70
Mining	1.49	13.31	1.36	1.66	1.43	0.57	0.84	1.23	0.80	1.19	0.43	2.06	0.94
Manufacturing	8.85	6.57	2.03	2.85	1.15	0.57	0.86	0.82	0.89	1.13	0.61	2.60	0.95
Construction	11.81	6.38	4.71	7.40	3.91	1.69	3.37	3.38	2.47	3.13	1.27	4.72	2.90
Transportation	2.20	1.76	0.88	1.11	0.67	0.39	0.49	0.57	0.56	0.72	0.59	0.81	0.59
Trade	4.01	3.11	1.63	1.98	1.24	0.55	0.74	0.76	0.77	1.07	0.63	1.27	0.93
Finance	1.46	0.99	0.73	1.05	0.69	0.33	0.48	0.52	0.60	0.71	0.80	0.98	0.51
Comm Bus & Per Serv	2.90	1.88	1.20	1.40	1.04	0.49	0.69	0.67	0.76	1.06	0.86	2.00	0.81
Public Administration	1.86	1.73	0.62	1.24	0.70	0.33	0.61	0.76	0.50	0.62	0.55	0.99	0.59
All Industries	4.32	3.42	1.59	2.36	1.28	0.58	0.84	0.92	0.87	1.22	0.72	1.57	1.00

1 A positive value indicates a net transfer, a negative value a net contribution.

2 A value greater than one indicates a net transfer, a value less than one a net contribution.



TABLE 3-2

**Dollars of UI Benefits per Dollar of UI Contributions**  
**(Relative benefit-tax ratios by Industry and Region, 1975-1982)**

	Atlantic	Quebec	Ontario	Prairies	British Columbia	Canada
Agriculture	4.89	6.14	2.42	1.45	3.01	2.99
Forestry	7.65	8.62	2.91	2.66	3.29	4.93
Fishing and Trapping	6.76	16.74	2.69	11.42	4.28	6.90
Mining	2.14	1.47	0.80	0.44	1.03	0.88
Manufacturing	2.46	1.50	0.85	0.70	1.22	1.12
Construction	5.66	4.55	2.50	1.74	2.92	3.03
Transportation	1.67	1.06	0.60	0.51	0.79	0.80
Trade	1.49	1.36	0.67	0.47	0.97	0.90
Finance	1.50	0.96	0.48	0.45	0.81	0.70
Comm Bus & Per Serv	1.61	1.10	0.55	0.42	0.86	0.78
Public Administration	0.82	0.78	0.37	0.38	0.61	0.54
All Industries	1.87	1.38	0.74	0.59	1.08	1.00

Source: Karagiannis (1986, Table 4)

The primary sector in all the provinces receives a positive transfer. This is also the case for construction, where Quebec (at \$417 million) receives the largest transfer of all. CBPS in Ontario pays the largest surcharge (\$754 million), followed by manufacturing in Ontario (\$625 million). Almost every industry in the Atlantic provinces receives a positive transfer through UI, with manufacturing in Newfoundland being the largest recipient (\$210 million) due to fish processing. Most industries in Quebec also receive a transfer: the only exceptions are Public Administration, Transportation, and to a lesser extent Finance. In Western Canada, the pattern of transfers to the primary and construction industries paid for by surcharges on manufacturing and services holds up (again with some exceptions in BC).

This information provides a sense of the magnitude and distribution of the transfers embodied in the operation of the UI program, but does not necessarily capture the economic incentives in place and does not correct for the fact that some provincial economies are simply bigger than others. An alternative indicator that accounts for these issues is the benefit-tax ratio, which is defined as the amount of benefits received for every dollar contributed. A value greater than 1.0 indicates a positive net transfer, while a value below 1.0 indicates a net contribution. Strictly speaking, in what follows the relative benefit-tax ratio is used. This is defined as  $RBT_i = (B_i / T_i) / (B/T)$ , the ratio of benefits to taxes for industry  $i$  divided by the Canada wide ratio. Using this rather than simply the benefit-tax ratio corrects for the possibility that the overall program account may not be in balance.

The  $RBT$  by industry and province is presented in the second panel of Table 3-1. The general patterns described above are evident: the primary sector and construction are subsidized at the expense of services. At the extremes,

Forestry receives \$6.17 in UI benefits for every dollar contributed, while in Finance only \$0.51 of benefits are received per dollar contributed. Newfoundlanders receive \$4.32 in benefits for every dollar contributed, while Ontarians receive only \$0.58.

Furthermore, these patterns have persisted through time. Table 3-2, which is drawn from Karagiannis (1986), shows the relative benefit-tax ratios by industry and region for the period 1975 to 1982. When a comparable regional breakdown is employed those industries that have been identified as receiving a positive transfer during the 1986-90 period were also receiving a transfer during 1975-82; while those that were net contributors during the most recent period also were net contributors then.<sup>7</sup> Only four of the 57 industry-regions changed status between these periods. Of the 32 industries receiving a net positive transfer in Karagiannis's study, 31 were still receiving a transfer in more recent times; of the 23 paying a surcharge then, 20 continued to do so. Transportation in Quebec is the only industry to move from being a net recipient to being a net contributor in this interval of time (its  $RBT$  fell from 1.06 to 0.67). Public Administration in the Atlantic region moved in the opposite direction, as did Trade and CBPS in British Columbia. Over the last 20 years, it also appears that the primary industries have been receiving ever-larger transfers, while industries that were net contributors during the 1970s (particularly Transportation and Finance) were even larger net contributors during the 1980s.

<sup>7</sup> Karagiannis's calculations underestimate the premiums paid by the fishing industry. This implies that the  $RBT$  for this industry (and overall for some of the Atlantic provinces) is overstated in Table 3-2. In comparing this table with Tables 3-1 the conclusion should not be drawn that the fishing industry receives less of a subsidy now than it did during the 1970s and early 1980s, indeed just the opposite is likely the case. This bias, however, does not alter the conclusions drawn in the text.



TABLE 3-3

## Relative Benefit Tax Ratios and Components for Highly Subsidized Industries (1986-1988)

Industry Code (SIC-1970)	Industry	Relative Benefit Tax Ratio ( $B_i/T_i$ )/( $B/T$ )	Relative Number of Claims ( $n_i/n$ )	Relative Duration of Claims ( $d_i/d$ )	Relative Benefit Rate ( $b_i/b$ )	Relative Taxes Paid ( $tw_i/t_i w_i$ )	Contribution of Temporary Separations ( $nt_i/n$ )	Contribution of Permanent Separations ( $np_i/n$ )
102	Fish Product Industries	13.04	5.45	1.27	1.09	1.73	3.22	2.24
047	Hunting and Trapping	9.08	4.38	1.18	1.08	1.63	1.62	2.76
039	Forestry Services	8.56	1.77	1.31	1.28	2.87	0.98	0.79
072	Peat Extraction	7.58	3.65	1.27	1.22	1.34	2.96	0.69
031	Logging	6.43	2.76	1.14	1.32	1.55	1.57	1.19
884	Camping Grounds and Trailer Parks	6.32	1.49	1.24	0.97	3.52	0.86	0.63
606	Wholesalers of Coal and Coke	5.23	1.94	1.28	1.01	2.09	0.77	1.17
010	Farms	4.41	1.52	1.17	0.90	2.75	0.79	0.73
406	Highway, Bridge, Street Construction	4.37	2.81	0.96	1.39	1.16	1.81	1.00
015	Fruit and Vegetable Farms	4.22	3.00	1.08	0.93	1.40	2.52	0.48
096	Contract Drilling for Petroleum	3.97	1.99	1.05	1.34	1.41	1.00	0.99
151	Leaf Tobacco Processors	3.81	2.88	0.91	0.94	1.56	1.81	1.07
098	Other Contract Drilling	3.23	1.93	1.07	1.41	1.11	1.07	0.86
409	Other Construction	3.20	2.14	0.92	1.40	1.16	1.05	1.09
404	Building Construction	2.98	1.74	1.00	1.23	1.39	0.76	0.98
844	Golf Clubs and Country Clubs	2.71	1.56	0.98	0.90	1.96	1.03	0.53
246	Fur Goods Industries	2.69	1.95	1.16	1.08	1.11	0.96	0.99
017	Other Crop and Livestock Farms	2.61	1.68	1.15	0.90	1.50	1.10	0.58
421	Special Trade Contractors	2.55	1.74	0.91	1.25	1.29	0.89	0.85
873	Private Households	2.53	1.69	1.36	0.50	2.22	0.55	1.14
087	Sand Pits or Quarries	2.37	2.21	0.84	1.31	0.97	1.49	0.72
020	Services Incidental to Agriculture	2.29	1.22	1.12	0.98	1.71	0.57	0.65
899	Miscellaneous Services	2.29	1.04	1.27	0.89	1.95	0.30	0.74
013	Field Crop and Combination Farms	2.26	1.41	0.92	0.93	1.87	0.97	0.44
845	Theatrical and Staged Entertainment	2.21	1.04	1.05	1.03	1.98	0.52	0.52
328	Boatbuilding and Repair	2.21	1.94	0.98	1.06	1.10	0.90	1.04
883	Lodging Houses and Residential Clubs	2.19	1.01	1.25	0.77	2.24	0.39	0.62
902	Defence Services	2.18	0.39	1.07	0.97	5.35	0.31	0.08
896	Blacksmith and Welding Shops	2.16	1.32	0.96	1.15	1.49	0.53	0.80
871	Shoe Repair Shops	2.15	1.37	1.20	0.79	1.65	0.50	0.87
843	Bowling Alleys and Billiard Parlours	2.12	1.22	0.97	0.70	2.54	0.66	0.56
083	Stone Quarries	2.08	2.44	0.83	1.33	0.77	1.80	0.64
369	Misc. Petroleum and Coal Products	2.08	2.00	0.90	1.35	0.85	1.38	0.62
244	Women's Clothing Industries	2.07	1.97	0.98	0.79	1.36	1.08	0.89
327	Shipbuilding and Repair	2.03	1.92	1.01	1.41	0.74	1.38	0.53
849	Miscellaneous Amusement Services	2.01	0.91	1.04	0.87	2.42	0.47	0.44

## TRANSFERS BETWEEN INDUSTRIES

More insight into these aggregate patterns can be obtained by using a finer industrial breakdown, and by decomposing the *RBT* into a series of constituent components.<sup>8</sup>

The distribution of industries by *RBT* is highly skewed. The majority of industries (152 of 275, or 55%) have a value less than one. Of the 123 industries with a value greater than one, 38 have a value greater than two, and 16 a value greater than three. All industries with an *RBT* greater than two are listed in Table 3-3.<sup>9</sup> The primary sector dominates this very heavily subsidized group, accounting for 10 of the 16 industries with an *RBT* greater than three. All of the construction industries also rank high in this table. The remaining industries are drawn from manufacturing and CBPS, which in the aggregate are net contributors.

What is it about an industry that causes it to have a high or low *RBT*? The amount of benefits received in a given industry *i* is the product of the number of UI claims ( $n_i$ ), the average duration of benefit receipt ( $d_i$ ) of these claims, and their average weekly benefit rate ( $b_i$ ); the amount of UI premiums paid is the product of the marginal UI tax rate ( $t_i$ ), and the average insurable weekly earnings ( $w_i$ ). Thus, the benefit-tax ratio is given as  $(n_i d_i b_i) / (t_i w_i)$ , and the relative benefit-tax ratio can be expressed as:

$$(B_i/T_i) / (B/T) = (n_i/n)(d_i/d)(b_i/b)(t/t_i)(w/w_i)$$

When a term in this product is found to be greater than one the implication is that it is contributing to a transfer of money into that industry; when it is less than one, it is contributing to a transfer out of it. In this way the extent to which cross-subsidization is due to a greater than average number of claims (or for the most part simply lay-offs), longer than average benefit duration, higher than average benefit rates, or lower than average contributions is revealed.<sup>10</sup>

Generally, if an industry receives a transfer through UI it is because of both higher than average claim rates and lower than average weekly earnings (and hence contributions). This is clearly the case for the most highly cross-subsidized industries listed in Table 3-3. Fully 32 of the 37 industries fall into this category. Four of the remaining six pay higher wages than average, but this is more than compensated for by higher claim rates. The characteristics of all industries along these two dimensions is summarized in Table 3-4.

TABLE 3-4

Causes of UI Transfers Between Industries(1986-89)

	High Lay-off Industries	Low Lay-off Industries
NET RECIPIENTS		
High Wage Industries	27	1
Low Wage Industries	59	35
NET CONTRIBUTORS		
High Wage Industries	41	81
Low Wage Industries	4	26

Table entries are number of industries

For those that are net recipients the largest number (59 of 123, or 48%) have both a higher than average claim rate and lower than average earnings. Only 27 are high-wage, high-layoff industries, and 35 are low-wage, low-layoff industries. In a similar vein, it is rare that an industry is a net contributor if its claim rate is above average and its earnings below average. Only four of the 152 such industries fall into this category, and in all of these cases the two rates are only very slightly greater than one. The majority of these industries (81 or about 53%) are low-layoff, high-wage industries.

The claim rate can be broken into two parts: that due to permanent separations and that due to temporary separations. A separation is temporary when the worker has employment earnings from the same firm in the year following the lay-off, otherwise the separation is classified as permanent (Statistics Canada, 1992). The general observation is that when the claim rate is not contributing to the subsidization of the industry, the permanent separation rate tends to be slightly greater than the temporary separation rate; but when the claim rate does contribute to subsidization the opposite is the case. A very large net transfer is associated with a high temporary separation rate. This is substantiated by the information in the last two columns of Table 3-3, which offer the temporary and permanent separation rates for the highly cross-subsidized industries. Of the 36 industries with *RBT* greater than two, only two have a relative claim rate less than one. In the remaining 34 cases, the temporary separation rate is greater than the permanent separation rate 21 times.

Finally, year-in and year-out it is the same industries that are either net recipients or net contributors. The patterns observed above do not result from an industry experiencing a particularly bad year requiring extensive reliance on UI. Instead they are the result of being a net recipient in each and every year. This at least is the case for the period 1986 through 1989. Table 3-5 offers the distribution of the 275 industries according to the number of years a positive net transfer is received. For the most part industries are either net recipients or net contributors. Of the 275 industries, 123

8 The following analysis excludes the fishing industries, and (because of a change in the industrial classification of some of the underlying data) is restricted to the 1986-89 period.

9 Information of this sort for all industries can be found in Appendix B.

10 See Anderson and Meyer (1992) for a similar derivation using U.S. data. Since contribution rates are not differentiated in Canada the term  $t/t_i$  is, by definition, equal to one. This obviates the need to calculate  $w_i$  separately. It is only necessary to derive the average total premiums paid by industry so that the last two terms of the above equation can be expressed simply as  $hw/tw$ . Any variations in this term between industries will be the result of differences in wages paid. If this term is greater than one it is contributing to the cross-subsidization of sector *i* by virtue of the fact that earnings, and hence UI contributions, are lower than average.



**TABLE 3-5**  
**UI Status of Industries Through Time (1986-1989)**

Number of Years between 1986 and 1989 in which Benefits exceed Contributions	Number of Industries	Proportion of All Industries (Per Cent)	Proportion of All Jobs (Per Cent)	Proportion of All UI Benefits Paid (Per Cent)
none	123	44.7	51.8	39.2
1 year	22	8.0	3.1	3.1
2 years	16	5.8	5.0	3.8
3 years	13	4.7	1.3	1.5
All 4 years	101	36.7	38.9	52.4

(or 45%) never receive a positive net transfer while 101 (37%) receive one in each year. Only 22 receive a positive transfer in one year and just 16 in two of the four years. Every heavily cross-subsidized industry (those with a *RBT* greater than two) is among the 101 industries that are always net recipients; if an industry receives a net positive transfer once, it receives a transfer in all years.

### TRANSFERS BETWEEN FIRMS

This conclusion also applies to firms. The distribution of firms by the number of years that they receive a positive transfer during this period is summarized in Table 3-6. The information refers to firms that were in operation for all four years. About 12% of these firms had a *RBT* greater than one in each year. These "always subsidized" firms represent only 14% of total employment, but 38% of all UI benefits paid. On the other hand almost 42% of firms never receive a transfer, and while these "never subsidized" firms represent more than 56% of all jobs they account for only 31% of UI benefits. Income transfers through the UI program are heavily concentrated among the small minority of firms that receive a positive transfer year-in, year-out.

Just 21 industries account for almost 70% of these firms (see Table 3-7). A significant share (25%) are found in construction. Certain industries in CBPS also have an important presence: 6.3% of always subsidized firms are in the Restaurant group, 2.9% in Hotels and Motels, and a further 8.1% in related industrial groups. There are no manufacturing industries nor any from the financial sector in this category. A similar tabulation but of the never subsidized firms is offered in Table 3-8. These are spread a little more evenly with 28 industries accounting for almost 70% of the total number of firms. There are also no manufacturing industries in this table, and only one industry from the primary sector. In fact, about one-half of the industries that appear in the always subsidized group also appear in this table.

This fact suggests that, in addition to factors between industries, factors within an industry are important in determining persistent cross-subsidization. The data in Table 3-9

more clearly illustrate this finding. This table offers the distribution of firms within each industry according to whether they were never subsidized (*RBT* less than 1.0 in all years), sometimes subsidized (*RBT* greater than 1.0 for one, two, or three years), or always subsidized (*RBT* greater than 1.0 in all years) over the 1986-89 period. At this level of aggregation there are clear differences in the distribution of always and never subsidized firms between industries. For example, as many as 45% of firms in Forestry are always subsidized, but only 2% in Finance. At the same time, however, there is a substantial fraction of both always subsidized firms and never subsidized firms in many of the industries. In Construction, fully 26% of firms are always net recipients, but almost as large a fraction, 23%, are always net contributors. In Mining (which overall is a net contributor), 23% of firms are always net recipients, but 35% never are. Similarly, while about 15% of firms are always subsidized in Manufacturing and Transportation, more than twice as many (33 to 38%) are never subsidized. Even in Public Administration the proportion of always subsidized firms is 22%, a level comparable to construction, in spite of the fact that the *RBT* in the former is 0.59 while in the latter it is 2.90. These patterns continue to hold when a much finer industrial classification is examined.

### SUMMARY

Like many other countries Canada has chosen not to structure its UI program strictly according to insurance principles, and in particular not to differentiate contribution rates according to the risk of unemployment. This may be because unemployment is considered not to be an insurable risk, or because of a value judgment that makes the redistribution of income through UI desirable in its own right.

However, the argument has been made, by among others the OECD (1994), that a UI program involving persistent income transfers may encourage the expansion of high unemployment industries at the expense of more stable industries. It may also cause firms to shift part of the adjustment costs associated with depressed sales to the public purse by making greater use of lay-offs (particularly tem-



**TABLE 3-6**  
**UI Status of Firms Through Time (1986-1989)**

Number of Years between 1986 and 1989 in which Benefits exceed Contributions	Number of Firms	Proportion of All Firms (Per Cent)	Proportion of All Jobs (Per Cent)	Proportion of All UI Benefits Paid (Per Cent)
none	235,176	41.5	56.3	31.3
1 year	118,612	20.9	12.6	9.7
2 years	82,840	14.6	8.8	9.4
3 years	61,604	10.9	8.2	11.6
All 4 years	68,731	12.1	14.1	38.1

**TABLE 3-7**  
**Distribution of Always Subsidized Firms by Industry**

Industry Code (SIC-1970)	Industry	Number of Firms	Per Cent of All Always Subsidized Firms
421	Special Trade Contractors	10,888	15.96
010	Farms (Excluding Experimental and Institutional)	6,631	9.72
886	Restaurants, Caterers and Taverns	4,294	6.30
404	Building Construction	3,995	5.86
031	Logging	2,097	3.07
631	Food Stores	2,030	2.98
881	Hotels and Motels	1,996	2.93
507	Other Truck Transport	1,974	2.89
699	Retail Stores	1,394	2.04
406	Highway, Bridge and Street Construction	1,251	1.83
849	Miscellaneous Amusement and Recreation Services	1,187	1.74
951	Local Administration	1,105	1.62
873	Private Households	1,074	1.57
658	Motor Vehicle Repair Shops	1,010	1.48
899	Miscellaneous Services	948	1.39
828	Welfare Organizations	925	1.36
654	Gasoline Service Stations	761	1.12
884	Camping Grounds and Trailer Parks	733	1.07
409	Other Construction	680	1.00
898	Services to Buildings and Dwellings	671	0.98
519	Other Transportation	644	0.94
	Total	46,288	67.85

**TABLE 3-8**  
**Distribution of Never Subsidized Firms by Industry**

Industry Code (SIC-1970)	Industry	Number of Firms	Per Cent of All Never Subsidized Firms
010	Farms (Excluding Experimental and Institutional)	20,359	8.75
823	Offices of Physicians and Surgeons	12,408	5.33
831	Religious Organizations	10,953	4.71
421	Special Trade Contractors	10,159	4.37
737	Real Estate Operators	8,939	3.84
707	Investment and Holding Companies	7,796	3.35
735	Insurance and Real Estate Agencies	7,576	3.26
873	Private Households	6,890	2.96
886	Restaurants, Caterers and Taverns	5,469	2.35
867	Offices of Management and Business Consultants	5,315	2.28
631	Food Stores	4,930	2.12
699	Retail Stores	4,848	2.08
507	Other Truck Transport	4,555	1.96
404	Building Construction	4,512	1.94
866	Offices of Lawyers and Notaries	4,491	1.93
658	Motor Vehicle Repair Shops	4,034	1.73
864	Engineering and Scientific Services	3,814	1.64
869	Miscellaneous Services to Business Management	3,470	1.49
623	Wholesalers of Machinery and Equipment	3,344	1.44
676	Household Furniture and Appliance Stores	3,323	1.43
872	Barber and Beauty Shops	3,190	1.37
825	Offices of Dentists	3,026	1.30
861	Offices of Accountants	2,866	1.23
654	Gasoline Service Stations	2,708	1.16
629	Wholesalers	2,687	1.15
891	Labour Organizations and Trade Associations	2,621	1.13
899	Miscellaneous Services	2,603	1.12
828	Welfare Organizations	2,196	0.94
	Total	159,082	68.36

**TABLE 3-9**  
**UI Status of Firms Within Industries**

Industry	Never Subsidized	Sometimes Subsidized	Always Subsidized	Total Number of Firms
	Number of Firms (Row %)			
Agriculture	21,514 (50.0)	14,462 (33.6)	7,024 (16.3)	43,000
Forestry	690 (13.7)	2,066 (41.1)	2,274 (45.2)	5,030
Fishing and Trapping	489 (15.4)	935 (29.4)	1,761 (55.3)	3,185
Mining	1,304 (35.1)	1,573 (42.4)	836 (22.5)	3,713
Manufacturing	13,096 (32.6)	21,635 (53.9)	5,440 (13.5)	40,171
Construction	15,148 (23.2)	33,270 (51.0)	16,814 (25.8)	65,232
Transportation	9,188 (37.6)	11,516 (47.1)	3,742 (15.3)	24,446
Trade	50,424 (38.8)	69,134 (53.2)	10,420 (8.0)	129,978
Finance	27,002 (67.9)	11,927 (30.0)	863 (2.2)	39,792
Community, Business & Personal Services	92,066 (45.4)	92,604 (45.7)	17,920 (8.9)	202,590
Public Administration	1,770 (34.8)	2,195 (43.2)	1,116 (22.0)	5,081
Total	232,691 (41.4)	261,317 (46.5)	68,210 (12.1)	562,218

For firms operating in each year from 1986 through 1989.

Never Subsidized firms never account for more UI benefits than contributions.

Sometimes Subsidized firms account for more UI benefits than contributions for one, two or three years.

Always Subsidized firms account for more UI benefits than contributions for each of the four years.



porary lay-offs) rather than other mechanisms such as changes in hours, wages, production, or more fundamental changes in the job skills and tasks of workers. The wages that firms pay may be lower than they otherwise would have to be in order to compensate their workers for the risk of lay-off. From this perspective UI represents a wage subsidy; firms not just workers benefit from the program, and in this sense some firms are frequent users of UI.

Hopefully the information presented in this chapter will help to inform the debate between these two perspectives.

On the one hand the results may be thought of as simply documenting the dimensions of the transfers that take place through UI; on the other they might be viewed as representing the incentives in place for firms to rely more on lay-offs rather than other adjustment mechanisms. It should be stressed that this chapter does not document actual changes in the behaviour of firms in response to the structure of UI. However, if there is a such a responsiveness certain patterns in the use of UI should be observed. These are analysed in the next chapter.

## Chapter 4

### WORKERS, FIRMS AND UI USE

**W**hat determines the way UI is used? In particular, what determines how often individuals make UI claims, and how long they collect benefits during any given claim? It is probably not an exaggeration to suggest that much public as well as academic discussion of these issues focuses on labour supply, that is the behaviour of workers. The previous chapter, however, points out that some have suggested firms may also influence how UI is used.

This chapter explores UI use from a perspective that recognizes the role of both workers and firms. The focus is on the extent of frequent use and the duration of claims. There are four major findings.

- (1) Temporary lay-offs are a very important dimension of how the labour market functions, and therefore of how the UI program is used. Almost 60% of all laid-off workers are recalled by their employers, but even a greater fraction, about 80%, expect to be recalled at the time of lay-off.
- (2) Frequent use of the UI program is associated with a cycling from insured unemployment back to employment with a previous employer. The lay-off and hiring decisions of firms are an important aspect of this cycle. In fact workers who are frequent users of UI tend to be employed by firms who are also frequent users.
- (3) The most important determinants of the number of weeks of benefits collected during a UI claim are the type of separation the claimant has experienced, and the expectations held of being recalled. Those laid-off with strong expectations of recall and who in fact are ultimately recalled collect an average of only 14 weeks of benefits, while those with no expectation or with an expectation that ultimately proves to be incorrect collect benefits for an average of 28 weeks.
- (4) The chances of leaving UI in order to take up a job increase markedly as the exhaustion of benefits approaches, rising from about 10% to over 30% in the last few weeks of an entitlement. This is due not only to a rise in the chance of finding a new job, but also in the chance of being recalled. While some UI claimants appear to look harder for a new job as benefit exhaustion looms or become more willing to accept any job offer, some firms appear to time their recall decisions to coincide with the benefit entitlement of their laid-off employees.

#### TEMPORARY LAY-OFFS

Temporary lay-offs represent a significant proportion of all job separations occurring in the Canadian economy. Statistics

Canada (1992) reports that almost 60% of all laid off individuals are eventually rehired by their former employer. These estimates may actually understate the significance of temporary lay-offs.

What is important for individual behaviour, and in particular for the way UI is used, are the expectations held of being recalled at the time of the lay-off. In fact, depending upon the year, anywhere from 66 to 87% of all lay-offs can be attributed to those expecting to be recalled.

Recall expectations, however, often prove not to be fulfilled. The information in Table 4-1 focuses upon those laid off at some point between 1986 and 1988 who collected UI. Depending upon how missing or invalid information is treated, from 77% to 87% of all these claimants expected to be recalled, but only 55% actually were. About 20% of those laid-off with a definite date of recall were not ultimately recalled. This fraction more than doubles for those expecting recall without a definite date. Even a significant fraction of those with no expectation of recall end up being incorrect in their expectation: 25% return to the employer that laid them off. All of this suggests that temporary lay-offs are a very important dimension of how the labour market functions.

#### TEMPORARY LAY-OFFS AND FREQUENT UI USE

The prevalence of temporary lay-offs may imply that the same individuals are laid off and recalled repeatedly. Table 4-2 presents the distribution of individual claimants according to the total number of claims they experienced between 1978 and 1989, and the total number of different firms used to support those claims. The results are presented for only those individuals who experienced six or fewer claims (representing 91% of the entire sample).<sup>11</sup> The numbers along the diagonal of the tables show the number of claimants supporting each of their claims with employment from a different firm. For example, 60% of all claimants with exactly two claims supported their claims from two different employers, and 40% supported them from the same employer.<sup>12</sup>

The greater the number of claims, the less likely that at least two claims were not supported from the same employer. Only 11.6% of those with six claims supported them with employment from six distinct employers. Among very frequent users (say those with 5 or more claims over the 12 years), it is always the case that about 50% support their claims with employment from three or fewer employers. That

<sup>11</sup> The findings are no different when the entire sample is examined.

<sup>12</sup> There are some claims for which firm identifiers are missing. These are assumed to represent an existing firm for the same individual. As such the table presents an upper bound on the extent of recall. When the opposite assumption is made, that is missing firm identifiers are assumed to represent a new firm for that individual, the results do not change significantly. See Corak (1994a, Tables 3 and 4) for details.

TABLE 4-1

**Recall Expectations and Recall Outcomes for Laid-Off UI Claimants (1986-1988)**

Recall Expectation	Recall Outcome			Proportion of Total Number of Claims	Average Number of Weeks of Benefits Collected	Proportion of Total Weeks of UI Benefits Paid
	Not Recalled	Recalled	Total			
		'000s		%		%
Recall Expected with a Definite Date	55	221	276	8.7	15.6	5.9
Recall Expected without a Date	946	1,254	2,200	69.0	23.8	69.2
No Expectation of Recall	299	102	401	12.6	27.9	15.3
Missing or Invalid Information	126	185	311	9.8	22.3	9.4
Total	1,426	1,762	3,188	100	23.4	100

TABLE 4-2

**Cycling Between UI and Employment with the Same Firm****(Number of UI claims and number of different firms per claimant, 1978-1989)**

Number of Claims Per Claimant	Number of Different Firms						Number of Claimants
	1	2	3	4	5	6	
			'000s (row %)				
1	4,460 (100)						4,460
2	974 (39.7)	1481 (60.3)					2,455
3	323 (21.6)	547 (36.6)	623 (41.7)				1,493
4	143 (15.5)	221 (24.0)	297 (32.3)	259 (28.2)			920
5	80 (13.6)	107 (18.3)	136 (23.3)	153 (26.2)	108 (18.5)		584
6	50 (13.2)	61 (16.1)	72 (18.9)	79 (20.8)	74 (19.5)	44 (11.6)	380



is, about every second claim involves recall to a previous employer.<sup>13</sup> To some important extent frequent use of UI involves a cycling between insured unemployment and employment with the same firm.

Furthermore, many frequent users support their claims with always subsidized firms, those firms identified in Chapter 3 for which benefits exceed UI contributions in at least four consecutive years. The information in Table 4-3 documents this for the 1986-89 period. About 8.3 million claims were initiated during this period.<sup>14</sup> Of these only 2.7 million were made by individuals who had only one claim, while 211,000 claims were made by individuals who had 5 or more claims during these four years. A large fraction (46.7%) of the claims made by individuals with just one claim originate from never subsidized firms. At the same time a disproportionate fraction of the claims made by frequent users are supported with employment from always subsidized firms. These firms are associated with almost 25% of all the claims made by individuals with two claims during these four years, 39% of the claims made by those with three claims, and about 62% of the claims made by those with four or more claims.

## TEMPORARY LAY-OFFS AND THE DURATION OF UI CLAIMS

The most important factor determining how long a claimant collects benefits is the type of separation experienced, and in particular the expectations held of recall. Laid-off claimants expecting to be recalled collect UI benefits for a shorter period of time on average than those without an expectation (Table 4-1). Indeed, laid-off claimants who actually have a date of expected recall have spells of benefit receipt that, at 15.6 weeks, are on average 12 weeks shorter than those with no expectation of recall. Claimants not expecting to be recalled account for a disproportionate amount of total benefits paid: they represent 12.6% of all laid-off claimants, but receive 15.3% of all benefits.

Errors in recall expectations also influence benefit duration. The relationship between benefit weeks collected, recall expectations, and recall outcomes is depicted in Table 4-4. It reveals that those laid-off and expecting to be recalled, but who ultimately are not, collect UI benefits much longer than those whose expectations are correct. For example, laid-off claimants who have a definite date of recall and are in fact recalled collect on average 13.9 weeks of benefits, but those who are not recalled collect 22.7 weeks. Those with an expectation of recall but without a date are subject to a six week increase in spell duration if their expectation is incorrect: the average duration is 21.2 weeks

for those recalled, and 27.5 for those who are not. The latter group represents over 28% of the sample, and accounts for almost 33% of total benefits paid. Their average length of UI receipt, however, is not quite as long as those laid-off without a recall expectation who in fact are not rehired. This group experiences the longest spells of all, 28.9 weeks.

More detail on the process of finding a job is offered by the job finding rate and how it changes over the course of a UI spell. Job finding rates are presented in Figure 4-1 for men and women. The chances of finding a new job increase gradually with the number of weeks of benefits collected to about 5% during the 40th week, and then spike sharply upward after the 46th week. The maximum number of weeks for which benefits can be collected is 50. Thus, the chances of finding a new job in the last few weeks before benefits are exhausted jump from about 5% to almost 25%. Sharp increases of this kind have traditionally been interpreted by economists as reflecting changes in the behaviour of claimants induced by the impending exhaustion of benefits. As benefit exhaustion approaches, claimants look harder for a new job, and become more willing to accept any job offer they may get.

The recall rate, however, also displays a sharp increase as benefit disenitment approaches. Initially, it displays an inverted U shape (particularly for men), rising gradually and then declining just before the 40th week. At about the 48th week there is a notable spike for men and even earlier for women.

Why should the recall rate display a spike as benefit exhaustion approaches when the recall decision is at the discretion of the firm? This result raises the possibility that some firms time their recall decisions according to the benefit entitlement of their temporarily laid-off employees. It is possible that laid off workers who expect to be recalled, and whose benefit entitlement is approaching exhaustion may begin a search for a new job, but before doing so may notify or lobby their previous employer in order to encourage a recall. It is also possible that UI is of benefit to the firm because in reducing the intensity with which temporarily laid off workers look for new jobs it helps to keep them attached to the firm. Thus, if the firm adjusts to depressed sales by temporarily laying workers off it does not risk losing them permanently. Recalls may be timed according to the impending exhaustion of benefits because the chance that a worker will find a job with another firm increases.

A more detailed analysis, the methodology of which is not reported here, relates the duration of benefits to a host of individual and firm characteristics (see Corak, 1994a). A clear sense of the relative influence of these variables can be obtained by examining their impact on the average duration of benefits. This is presented in Table 4-5. The influence of recall expectations on the average number of weeks of benefits collected dwarfs that of any other variable. The change in the average benefit duration across the columns of the table for each gender, that is as expectations of recall become stronger, is much greater than any change moving down the rows, which shows the influence of changes in

13 All of these results are likely to be underestimates of the role of recall. An individual can support a UI claim with insured weeks of employment from more than one employer, but the data underlying Table 4-3 are based on the assumption that the claimant has had only one employer. To the extent that this is not the case, the claimant may return to a previous employer but in a future claim appeared to have changed employers.

14 This total is for claims supported from firms that were in operation during all four years. About 10.1 million claims were initiated in total.

TABLE 4-3

**Frequent UI Users and Always Subsidized Firms**  
**(Number of UI claims by status of claimant and firm, 1986-1989)**

Number of Claims per Claimant between 1986 and 1989	Type of Firm*			Number of Claims
	Never Subsidized	Sometimes Subsidized	Always Subsidized	
	'000s (row %)			
1 claim	1,277 (46.7)	1,031 (37.7)	429 (15.7)	2,737
2 claims	830 (36.8)	872 (38.6)	556 (24.6)	2,258
3 claims	463 (29.1)	507 (31.9)	620 (39.0)	1,590
4 claims	315 (21.2)	253 (17.0)	917 (61.8)	1,485
5 or more claims	37 (17.5)	42 (19.9)	132 (62.6)	211
Total	2,922 (35.3)	2,705 (32.7)	2,654 (32.0)	8,281

\* For firms in operation during all four years between 1986 and 1989.

Never Subsidized firms never account for more UI benefits than contributions.

Sometimes Subsidized firms account for more UI benefits than contributions for one, two or three years.

Always Subsidized firms account for more UI benefits than contributions for each of the four years.

TABLE 4-4

**Weeks of UI Benefits Collected by Recall Expectation and Recall Outcome**  
**(UI claimants laid off between 1986 and 1988)**

Recall Expectation and Outcome	Proportion of Total Number of Claims	Average Number of Weeks of Benefits Collected	Proportion of Total Weeks of UI Benefits Paid
Recall Expected with a Definite Date			
Recalled	7.0	13.9	4.3
Not Recalled	1.7	22.7	1.6
Recall Expected without a Definite Date			
Recalled	40.6	21.2	36.4
Not Recalled	28.4	27.5	32.9
No Expectation of Recall			
Recalled	3.2	25.1	3.5
Not Recalled	9.4	28.9	11.9
Missing or Invalid Information			
Recalled	5.7	18.8	4.7
Not Recalled	4.0	27.2	4.7

Figure 4-1

**Job finding rates**

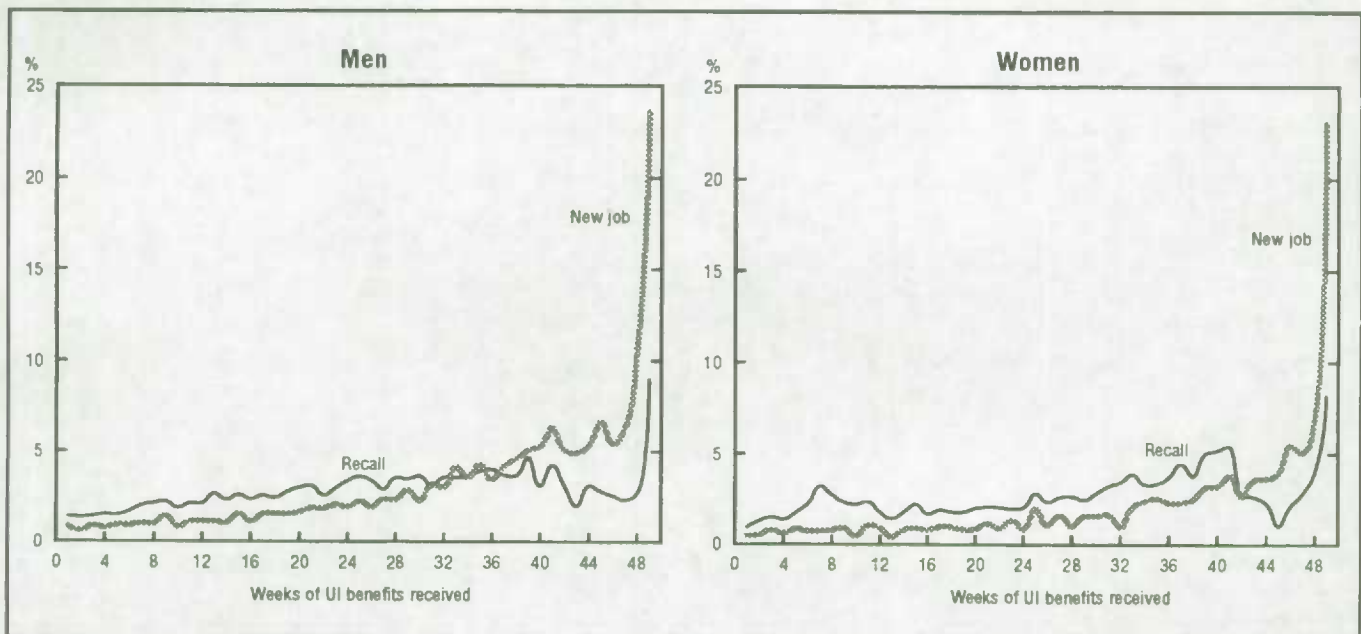




TABLE 4-5

**Average Duration of UI Benefits for Those Laid Off: by Gender and Expectation of Recall (weeks)**

	MEN			WOMEN		
	No Expectation	Recall Expected	Recall Expected with Date	No Expectation	Recall Expected	Recall Expected with Date
Below Maximum Insurable Earnings	32.0	21.9	12.8	39.2	29.6	15.4
Above Maximum Insurable Earnings	30.3	18.2	10.2	38.4	27.6	13.8
Blue Collar	32.0	21.9	12.8	39.2	29.6	15.4
Managerial	34.4	31.2	22.2	38.9	33.7	20.5
Arts and Sciences	29.8	22.9	14.2	37.4	30.7	17.2
Clerical	34.6	28.2	18.2	40.3	33.3	19.0
Sales and Services	34.7	27.8	17.7	40.1	31.9	17.4
Primary	34.7	25.4	15.3	41.5	32.5	17.6
Manufacturing	32.0	21.9	12.8	39.2	29.6	15.4
Construction	30.9	22.2	13.2	41.1	32.8	18.0
Distributive Services	33.1	24.8	15.1	40.4	31.5	16.9
Other Services	34.6	26.3	16.2	39.9	32.2	17.9
Non-Market Services	34.8	23.9	14.0	36.9	24.6	11.8
Small Firms <sup>1</sup>	32.9	29.1	20.0	40.5	36.7	24.1
Medium Firms	30.7	25.5	16.6	39.4	32.7	18.7
Large Firms	31.2	24.5	15.3	38.3	28.8	14.9
Very Large Firms	32.0	21.9	12.8	39.2	29.6	15.4
Newfoundland	40.9	33.0	21.4	45.2	38.8	24.1
PEI-NS-NB	37.9	27.6	16.6	43.0	33.7	18.2
Quebec	35.9	24.4	14.2	40.9	30.3	15.5
Ontario	32.0	21.9	12.8	39.2	29.6	15.4
Manitoba and Saskatchewan	36.0	26.0	15.5	39.6	29.8	15.5
Alberta	34.2	26.5	16.5	41.6	34.4	19.8
British Columbia	35.0	25.9	15.7	40.4	30.4	15.8
Unemployment Rate						
5 %	30.2	20.6	12.0	37.0	27.4	14.0
10 %	31.8	21.7	12.7	38.9	29.4	15.2
15 %	33.3	22.8	13.3	40.6	31.3	16.6
20 %	34.8	23.9	14.0	42.1	33.1	18.0
Age						
20 years	31.5	23.1	13.9	38.0	32.2	18.8
40 years	32.4	21.8	12.7	39.3	29.3	15.1
60 years	34.4	23.9	14.1	41.0	31.7	16.9
Job Tenure						
1 year	30.7	32.4	28.6	41.9	37.0	23.7
5 years	33.3	27.8	18.2	40.4	32.7	18.2
10 years	30.3	18.7	10.5	39.1	29.3	15.2
20 years	29.8	18.2	10.2	42.0	33.7	18.7

1. Small firms - less than 20 employees  
Medium firms - 20 to 199 employees  
Large firms - 200 to 499 employees  
Very Large firms - 500+ employees

TABLE 4-6

**Chances of Having Correct and Incorrect Recall Expectations:  
Canada-Wide and by Industry for Laid Off Male UI Claimants**

CANADA		DEVIATION FROM CANADA WIDE PROBABILITY					
		Manufac- turing	Primary	Construc- tion	Distributive Services	Other Services	Non-Market Services
		(%)					
CORRECT EXPECTATIONS							
Recall	47.8	9.7	-1.9	0.9	-8.7	-15.3	7.0
Recall with Date	5.7	0.3	2.9	-1.7	0.4	0.0	1.2
No Recall	8.8	-1.3	-2.0	-3.2	5.8	9.6	-0.4
INCORRECT EXPECTATIONS							
Recall	33.6	-7.7	0.8	4.7	1.9	4.2	-12.9
Recall with Date	1.1	-0.3	0.6	-0.1	0.7	0.5	-0.8
No Recall	3.0	-0.7	-0.4	-0.6	-0.1	1.1	5.9

mostly supply side characteristics. The average duration falls by as many as 15 to 20 weeks when those with no expectation of recall are compared to those having an expectation with a definite date. No other characteristic has such an effect. Related findings also confirm that those claimants with an expectation of recall have a much lower new job finding rate than those without. Having a recall expectation lowers the chances of finding a new job. The main conclusion is that in order to understand the number of weeks of benefits claimants collect, it is absolutely essential to have information on recall expectations. Supply side characteristics are distinctly secondary in their influence.

### MISPERCEPTIONS IN RECALL EXPECTATIONS

The most important determinants of the duration of a UI claim are the recall expectations that firms foster and the extent to which these expectations are fulfilled. In particular, many claimants believe they will be recalled and ultimately are not. This has implications for the amount of UI benefits they collect. Claimants expecting to be recalled may have less of a tendency to immediately begin searching for a new job. Many weeks may pass before some of them realize that it is unlikely they will be recalled. It is only then that they begin to seek another job with earnest. As a result they may be subject to much longer periods of unemployment than they otherwise would have been had they known they were not going to be recalled.

Laid off individuals can be categorized as belonging to one of six groups according to the nature of their recall expectations, and whether those expectations prove to be correct or incorrect. A claimant may expect to be recalled, expect to be

recalled and have a definite date of recall, or not expect to be recalled. These expectations may ultimately prove to be correct or incorrect.

The chances that a laid-off male UI claimant will fall into each of these categories is illustrated in Table 4-6.<sup>15</sup> There is a 62.3% chance that laid-off claimants will have correct recall expectations, and a 37.7% chance that they will be incorrect. The greatest likelihood is to have a recall expectation (without a definite date of recall) that turns out in fact to be correct. There is a 47.8% chance that a laid off claimant will fall into this group. However, claimants are also very likely to have recall expectations that are incorrect. There is a 33.6% chance that this will happen.

Claimants are more likely to fall into this latter group if they were employed in the primary, construction, and service industries (with the exception of non-market services). The chances of having a false recall expectation are highest in the construction industry (38.3%), and lowest in non-market services (20.7%).

### SUMMARY

The use of UI is determined by both sides of the labour market—workers and firms. Many workers make repeated use of UI, but to some important degree this pattern involves a cycling of claimants between insured unemployment and employment with the same or a small number of different firms. The decisions of some firms, particularly

<sup>15</sup> The small number of women employed in some of these industries prevents the derivation of similar information for them.

those that are always subsidized, to adjust to market fluctuations through temporary lay-offs is partly at the root of such patterns.

The influence of temporary lay-offs extends further. Some employers time their recalls to coincide with the UI benefit entitlement of their laid off workers. And many claimants

believe they will be recalled by their employer but ultimately are not. This has implications for the number of weeks of UI benefits they collect, causing them to begin looking for a new job weeks later than they otherwise would have. As a result the recall expectations that firms foster and the extent to which they fulfill those expectations are an important determinant of the length of UI claims.



## Chapter 5

### CONCLUSION

The challenges facing reformers of the Canadian UI program are often phrased in terms such as the "work disincentives" it creates, or the "abuse" of the program by claimants. This is strictly a labour supply interpretation of the program's possible effects on the labour market. One of the main messages of the results presented in this publication is that the use of UI is determined by both sides of the labour market — workers and firms.

Frequent use of UI is associated with some worker characteristics like age and gender, but the most significant factors associated with it have to do with the circumstances of work, particularly seasonality and industry. Those with seasonal jobs are much more likely to make claims over and over again, as are those employed in the primary and construction industries. At the same time, however, an individual's labour force history is also a very important determinant of frequent UI use. Workers who have made UI claims in the past are much more likely to make them in the future. Further, the number of weeks of benefits collected increases with each subsequent claim. Seasonality and industry aside, do these patterns suggest that some workers have fallen into a "trap" of UI dependency that leads to more and more claims of longer and longer length?

Before such an interpretation is made it is important to appreciate that UI may influence the relative size of industries, and the human resource practices of firms.

Not surprisingly the Canadian UI program entails persistent income transfers to primary and construction industries. Furthermore, the same relatively small number of firms are repeatedly associated with more benefit payments than contributions made. In this sense some firms should be thought of as frequent users of UI. While many of these are found in construction and in some service industries, a significant proportion of the firms in most industries are of this sort. Is it possible that the UI program has caused firms to alter their human resource practices? Many analysts have argued that when contribution rates are not tied to expected benefit payments UI will lead firms to adjust to market downturns by relying more on temporary layoffs than they otherwise would have.

If this change in behaviour has occurred, and if it is to be significant for the way UI operates, then at the least it must be shown that temporary layoffs are an important dimension of the way the labour market functions. This is in fact so, and it has an influence on UI in several ways. First, about one in every second claim made by frequent UI users is supported with employment from a previous employer. To some extent the same individuals are being repeatedly laid

off and recalled. As a result they become frequent users of UI. Furthermore, the major determinant of the number of weeks of benefits collected is the claimant's recall expectation. Those who have been told they will be recalled, but ultimately are not experience longer UI claims than they otherwise would have. Thus, not only do the decisions of firms influence the number of claims made, but also the length of those claims. When firms are forced to renege on recall promises the worker is forced to rely more on UI. Finally, some firms actually time their recall decisions to coincide with the UI benefit entitlement of their laid off workers. Recall notices are sometimes issued just before benefits are exhausted.

An individual's labour force history may be associated with future reliance on UI because that history is a reflection of the labour market network that he or she is a part of, in particular the human resource practices of previous employers. This, however, still does not explain why successive claims are on average longer and longer. This finding may lend support to the view that some individuals have fallen into a trap, or have even been "scarred" in some way by being unemployed.

Unemployment may have long-lasting consequences for some. It may be that a claimant's job opportunities, or perception of those opportunities, change for the worse with each spell of unemployment. Collecting UI benefits may erase a stigma attached to their receipt, and it may lead to individuals becoming more informed about the program. Further, employers may begin to use an individual's labour market history as an indication of reliability or productivity, and be less inclined to hire those with a history of short, intermittent employment spells and repeated bouts of unemployment. This may occur even when firms simply believe such a relationship exists, whether or not it actually does. As a result with each spell of unemployment it becomes harder and harder to find a job. Some individuals, through no fault of their own may find themselves in marginal or insecure sectors of the labour market from which they cannot escape.

The Canadian UI program is large and complex, and it should not be surprising that it has many different effects on the way the labour market functions. Very likely the great majority of Canadian workers and firms are well served by this program, but some patterns in its use, most notably the tendency of some workers to frequently rely upon support, have raised concerns about whether this minority is also being well served. The results presented in this publication suggest that to understand these patterns requires an appreciation of the behaviour of not only workers, but also firms.





## Appendix A

### DATA SOURCES

The information presented in Chapters 1 through 4 is drawn from various administrative data sources, that is data associated with the operation of the UI or other government programs.

Chapters 1 and 2 are based exclusively on the Status Vector (STVC), a one in ten sample of all UI claims initiated at any point between July 1971 and March 1990. Since all of the claims made by any particular individual are part of the data set it is possible to examine the degree of frequent UI use. Each individual's claims are sequenced from earliest to latest, and a sequence number is attached to them. The sample is made up of 1,220,114 individuals who had 3,653,765 claims, representing 12,201,140 individuals and 36,537,650 claims.

Tables 2-1 and 2-2 are derived from the estimation of logit models of the probability of having another claim. Since the estimation of these models requires computing techniques that can become very costly the sample is reduced to one in 1,000 claims. Further, only fishing and regular claims are included in the analysis: maternity, sickness, and all other types of claims are not used. Developmental claims, which provide income payments to claimants on an approved training course or a job creation project, are employed to derive an indicator of whether or not the individual participated in UI-sponsored training. This information is attached to any other regular or fishing claims the individual may have, but is otherwise excluded from the analysis. More details on the selection of the sample, and the estimation results can be found in Corak (1993a, 1993b, 1992b).

The information in Chapter 3 is based upon the Benefits and Overpayments (BNOP) file, T4 information, and data from the Longitudinal Employment Analysis Program (LEAP). The BNOP contains information on all UI claims made. Data from 1986 through 1990 is used to derive the total number of claims, the total amount of benefits paid, and the average duration of benefit receipt for the workers of each firm. A firm is defined according to the Longitudinal Business Register Identifier as used in LEAP (See Statistics Canada (1988) for a detailed discussion of LEAP). The categorization of a claim as being due to a temporary or a permanent separation is done in the manner of Statistics Canada (1992). A temporary separation is said to have occurred if the individual had any employment earnings from the same firm in the year following the separation. This is determined by whether or not the firm has issued a T4 indicating some earnings for that individual.

The T4 is also the source of information on the amount of UI contributions made. Total contributions by the workers of a firm are summed from the T4 file, and employer contributions are derived by marking these up by 1.4. No adjust-

ments are made for contribution reductions to those firms participating in a wage loss reduction plan. The error introduced by this is small. UI contributions of self-employed fishermen are derived from the T4F. This information was available only for the industry as a whole, and is reflected in Table 3-1. Since a finer industrial breakdown was not possible these industries are excluded from the tables dealing with industries classified at the 3 digit SIC.

The number of T4s issued is used as an indication of the number of jobs in each firm or industry over the course of a given year. While there are a small number of cases in which employers issue more than one T4 per job to their paid employees, equating a T4 with a job does not entail too much of an error. (The exception to this is the fishing industry which is dominated by self-employed fishermen. It is not uncommon for these individuals to receive 2 or 3 T4Fs in a single calendar year).

The structure of LEAP changed in 1989 with the result that a longitudinally consistent labeling of firms beyond this year is not possible. This change also involved a move from the 1970 SIC to the 1980 SIC. This, combined with the fact that the determination of a temporary as opposed to a permanent separation requires an extra year of data, established 1988 as the most recent year of the information in Table 3-3 and Appendix B. The latter, therefore, contains two sets of tables: one based on SIC 1970 for the 1986-88 period, and one based on SIC 1980 for the 1989-90 period. All dollar amounts used in this Chapter and in Appendix B are adjusted for inflation and expressed in 1991 dollars.

The results of Chapter 4 rely upon the STVC, T4, and the Record of Employment (ROE). In particular, recall expectations are derived from the ROE, a form that the employer must complete and give to the employee (and the Federal government) at the time a job separation occurs. This form is necessary if an individual intends to apply for UI benefits. Information on recall expectations is available beginning in 1986. The instructions to the employer read: "If you expect the employee to come back to work for you, enter the expected date of recall. This usually occurs in cases of illness or injury, pregnancy or parental leave or a temporary layoff. If there is a possibility of returning but the date is unknown or if the employee will not be returning check the appropriate block." (Canada, 1993: p.19). As such these are the employer's expectation of recall, but since a copy of the ROE is given to the employee he or she is also aware of them, and they therefore are assumed to represent the understanding that has been reached between both parties.

Recall information from the ROE is attached to UI claim information from the STVC for the years 1986 through 1988. Only regular claims are included in the analysis. The T4 for



the year following the separation is used to determine whether the individual was actually recalled or not. Table 4-1 is based upon this information, as is Table 4-4. This data is also used in the derivation of Table 4-5, which is based upon a competing risks model of the duration of benefit receipt. The details can be found in Corak (1994a). Table 4-2 is based

upon information from the STVC and LEAP. The latter is used to identify the firm from which each UI claim in the STVC originated. Table 4-3 on the other hand uses the BNOP and the results from Chapter 3 to ascribe a firm type (Never Subsidized, Sometimes Subsidized, or Always Subsidized) to each UI claim.

## Appendix B

### ADDITIONAL TABLES

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**TABLE 1**  
**UI Benefits, Premiums, and Claims by Industry, 1986-88 Annual Average (3 Digit 1970 SIC)**

SIC-70	Industry	Benefits ('000s \$)	Premiums ('000s \$)	Number of Claims			Average Duration of Benefit Receipt (weeks)	Average Benefit Rate (\$/ week)	Number of T4s
				Total	Temporary	Permanent			
000	Unclassified	725,445	61,310	141,150	8,263	132,887	23	224	265,034
010	Farms (Excluding Experimental)	272,240	64,856	51,816	26,967	24,849	25	209	273,469
011	Livestock & Livestock Combo Farms	959	1,024	215	80	135	23	195	1,664
013	Field Crop & Field Crop Combo Farms	1,140	528	267	183	84	20	218	1,516
015	Fruit & Vegetable Farms	2,338	582	468	394	74	23	216	1,255
017	Other Crop & Livestock Combo Farms	740	297	143	94	49	25	210	683
019	Miscellaneous Specialty Farms	1,577	1,402	427	231	196	16	224	3,363
020	Services Incidental To Agriculture	31,643	14,502	5,772	2,702	3,070	24	229	38,076
021	Services Incidental To Agriculture	2,593	1,478	525	350	175	20	244	2,244
031	Logging	273,669	44,650	36,513	20,742	15,771	24	307	106,196
039	Forestry Services	39,583	4,855	4,718	2,610	2,108	28	298	21,421
047	Hunting & Trapping	510	59	81	30	51	25	251	147
051	Placer Gold Mines	4,500	4,218	598	175	423	23	334	4,918
052	Gold Quartz Mines	5,492	12,675	888	396	492	19	324	10,420
057	Uranium Mines	2,566	16,246	482	248	234	17	318	11,238
058	Iron Mines	7,706	11,423	1,555	1,243	312	14	342	8,463
059	Miscellaneous Metal Mines	18,056	56,074	4,634	3,309	1,325	12	331	41,805
061	Coal Mines	9,642	20,843	2,437	1,829	608	12	329	15,005
064	Crude Petroleum & Natural Gas	39,594	87,634	5,110	1,540	3,570	24	324	66,758
071	Asbestos Mines	5,991	5,491	1,458	1,184	274	12	344	4,639
072	Peat Extraction	11,997	1,662	1,556	1,262	294	27	284	3,429
073	Gypsum Mines	1,019	880	193	154	39	17	303	765
079	Miscellaneous Non-Metal Mines	7,172	11,500	1,202	827	375	18	328	8,683
083	Stone Quarries	8,673	4,379	1,575	1,160	415	18	311	5,179
087	Sand Pits Or Quarries	17,167	7,610	3,114	2,101	1,013	18	305	11,295
096	Contract Drilling For Petroleum	58,630	15,511	8,327	4,184	4,143	22	313	33,673
098	Other Contract Drilling	17,863	5,811	2,388	1,323	1,065	23	327	9,937
099	Misc Services Incidental To Mining	64,394	36,682	9,344	3,597	5,747	23	304	57,367
101	Meat & Poultry Products Industries	51,147	74,238	10,944	5,350	5,594	20	239	86,752
102	Fish Product Industries	433,181	34,868	62,749	37,007	25,742	27	254	92,451
103	Fruit & Vegetable Processing	31,585	22,288	7,967	5,314	2,653	20	196	40,398
104	Dairy Products Industry	22,795	41,659	4,680	2,447	2,233	20	245	47,999
105	Flour & Breakfast Cereal Products	4,530	11,591	1,032	592	440	17	266	13,603
106	Feed Industry	10,307	14,895	2,060	1,028	1,032	20	246	18,249
107	Bakery Products Industry	39,057	50,149	8,762	3,813	4,949	22	204	78,941
108	Miscellaneous Food Industries	33,658	53,018	7,825	4,259	3,566	19	230	64,447
109	Beverage Industries	27,076	52,638	6,019	3,217	2,802	18	246	57,840
151	Leaf Tobacco Processors	988	272	233	147	86	19	218	650
153	Tobacco Products Manufacturers	5,864	10,856	843	542	301	22	321	8,583
162	Rubber Products Industries	20,737	49,551	4,403	2,099	2,304	18	267	43,361
165	Plastics Fabricating Industry	54,664	67,364	13,591	5,639	7,952	19	216	103,360
172	Leather Tanneries	1,788	1,881	537	306	231	15	221	2,565
174	Shoe Factories	20,862	13,004	6,297	4,033	2,264	18	189	23,770
175	Leather Glove Factories	1,306	776	331	190	141	20	195	1,408
179	Luggage, Handbag & Small Leather Gds	6,472	4,828	1,889	918	971	19	180	9,978
181	Cotton Yarn & Cloth Mills	10,344	10,697	2,598	1,789	809	16	254	11,016
182	Wool Yarn & Cloth Mills	3,853	6,330	896	616	280	18	235	5,852
183	Man-Made Fibre, Yarn & Cloth Mills	8,189	15,050	2,254	1,349	905	16	230	15,144
184	Cordage & Twine Industry	1,139	1,107	269	102	167	20	209	1,732
185	Felt & Fibre Processing Mills	780	1,531	183	79	104	18	233	1,800
186	Carpet, Mat & Rug Industry	6,152	9,695	1,615	1,126	489	15	249	9,295
187	Canvas Products & Cotton & Jute Bags	4,497	3,004	1,138	502	636	20	196	6,265
188	Automobile Fabric Accessories Ind	3,572	6,157	1,151	755	396	13	242	6,628
189	Miscellaneous Textile Industries	25,222	25,155	6,431	2,872	3,559	21	189	43,515
231	Hosiery Mills	6,247	5,719	1,736	787	949	20	182	10,854
239	Knitting Mills (Excl Hosiery Mills)	15,842	13,846	3,984	2,006	1,978	21	189	23,374

TABLE 1

**UI Benefits, Premiums, and Claims by Industry, 1986-88 Annual Average (3 Digit 1970 SIC)**  
 continued

SIC-70	Industry	Benefits	Premiums	Number of Claims			Average Duration of Benefit Receipt	Average Benefit Rate	Number of T4s
		('000s \$)	('000s \$)	Total	Temporary	Permanent	(weeks)	(\$/ week)	
243	Mens Clothing Industries	46,913	37,215	15,241	8,702	6,539	17	177	70,302
244	Womens Clothing Industries	75,185	38,087	19,476	10,679	8,797	21	185	79,428
245	Childrens Clothing Industries	10,892	6,572	3,056	1,518	1,538	22	164	15,556
246	Fur Goods Industries	7,181	2,797	1,152	569	583	25	252	4,752
248	Foundation Garment Industry	2,954	3,457	1,014	648	366	16	184	5,122
249	Miscellaneous Clothing Industries	7,582	5,256	2,089	1,016	1,073	21	175	11,604
251	Sawmills, Planing & Shingle Mills	136,304	100,348	24,105	15,808	8,297	20	277	114,855
252	Veneer & Plywood Mills	8,676	9,552	2,156	1,378	778	16	247	10,588
254	Sash, Door & Other Millwork Plants	56,184	44,019	13,229	7,269	5,960	18	236	66,741
256	Wooden Box Factories	5,599	4,125	1,454	638	816	19	199	9,051
258	Coffin & Casket Industry	740	961	226	140	86	15	214	1,175
259	Miscellaneous Wood Industries	13,362	10,216	2,797	1,327	1,470	21	232	15,529
261	Household Furniture Manufacturers	46,010	41,271	12,424	5,915	6,509	18	210	71,209
264	Office Furniture Manufacturers	10,215	16,028	2,438	1,122	1,316	16	260	18,535
266	Misc. Furniture & Fixtures Mfg.	19,805	22,429	4,789	1,941	2,848	18	231	33,297
268	Electric Lamp & Shade Mfg.	1,501	1,428	425	113	312	21	168	3,195
271	Pulp & Paper Mills	108,418	205,181	21,042	17,107	3,935	16	320	153,010
272	Asphalt Roofing Manufacturers	1,266	1,525	257	160	97	18	281	1,560
273	Paper Box & Bag Manufacturers	18,188	33,091	4,143	1,956	2,187	18	239	35,614
274	Miscellaneous Paper Converters	11,062	21,277	2,625	1,115	1,510	19	217	25,073
286	Commercial Printing	53,558	91,493	11,746	4,201	7,545	20	223	117,506
287	Platemaking, Typesetting & Trade Binder	9,780	15,893	2,174	706	1,468	20	223	21,547
288	Publishing Only	20,036	29,807	3,849	1,224	2,625	23	227	44,437
289	Publishing & Printing	22,152	55,284	4,548	1,817	2,731	22	221	63,951
291	Iron & Steel Mills	27,484	87,937	5,087	3,942	1,145	16	329	60,978
292	Steel Pipe & Tube Mills	6,319	7,434	1,142	761	381	17	317	6,743
294	Iron Foundries	7,712	9,611	1,768	977	791	16	268	10,600
295	Smelting & Refining	18,453	36,187	4,766	3,938	828	12	329	26,828
296	Aluminum Rolling, Casting & Extruding	9,859	24,883	1,934	1,183	751	17	297	19,330
297	Copper & Copper Alloy Rolling	2,133	5,630	599	305	294	13	270	5,237
298	Metal Rolling, Casting & Extruding	4,614	8,691	949	449	500	19	259	8,043
301	Boiler & Plate Works	22,778	15,261	3,487	1,614	1,873	20	326	21,064
302	Fabricated Structural Metal Industry	32,231	29,557	6,059	2,844	3,215	18	300	36,193
303	Ornamental & Architectural Metal	27,712	24,944	6,103	2,883	3,220	18	250	34,575
304	Metal Stamping, Pressing & Coating	41,673	57,744	9,233	4,153	5,080	18	252	68,241
305	Wire & Wire Products Manufacturers	13,109	21,068	3,020	1,285	1,735	17	248	23,991
306	Hardware, Tool & Cutlery Mfg.	14,676	29,776	3,397	1,248	2,149	18	242	34,103
307	Heating Equipment Manufacturers	7,435	6,721	1,667	714	953	19	238	9,755
308	Machine Shops	22,211	27,856	4,597	1,623	2,974	19	257	38,137
309	Misc. Metal Fabricating Industries	20,170	27,115	4,169	1,636	2,533	19	253	32,652
311	Agricultural Implement Industry	14,913	11,863	3,046	1,689	1,357	17	293	14,336
315	Misc. Machinery & Equipment Mfgs	73,986	102,158	14,615	6,346	8,269	18	283	107,059
316	Commercial Refrig & Air Conditioning	3,596	6,159	761	330	431	18	261	6,382
318	Office & Store Machinery Mfg.	8,996	22,202	1,682	466	1,216	20	264	20,482
321	Aircraft & Aircraft Parts Mfg.	19,339	73,144	3,526	1,844	1,682	19	285	54,806
323	Motor Vehicle Manufacturers	67,823	139,892	26,244	24,726	1,518	7	348	102,030
324	Truck Body & Trailer Manufacturers	29,951	31,825	6,327	3,485	2,842	18	264	37,340
325	Motor Vehicle Parts & Accessories	52,976	95,024	13,072	7,100	5,972	16	253	97,742
326	Railroad Rolling Stock Industry	8,339	8,256	1,195	833	362	22	323	7,015
327	Shipbuilding & Repair	30,834	15,905	4,323	3,118	1,205	22	329	18,137
328	Boatbuilding & Repair	15,601	7,421	3,030	1,405	1,625	21	246	12,535
329	Miscellaneous Vehicle Manufacturers	4,139	4,482	897	675	222	15	298	4,162
331	Small Electric Appliances	4,383	6,088	1,219	606	613	16	224	7,988
332	Major Appliances	7,911	16,026	2,464	1,640	824	11	281	14,473
333	Manufacturers of Lighting Fixtures	4,114	5,165	1,035	388	647	20	199	8,109
334	Household Radio & TV Receivers	6,237	8,472	1,107	600	507	20	277	8,370



**TABLE 1**  
**UI Benefits, Premiums, and Claims by Industry, 1986-88 Annual Average (3 Digit 1970 SIC)**  
 continued

SIC-70	Industry	Benefits ( <sup>'000s \$</sup> )	Premiums ( <sup>'000s \$</sup> )	Number of Claims			Average Duration of Benefit Receipt (weeks)	Average Benefit Rate (\$/week)	Number of T4s
				Total	Temporary	Permanent			
335	Communications Equipment Mfging	39,579	90,818	7,643	3,262	4,381	19	267	79,721
336	Electrical Industrial Equip Manufactures	18,058	44,401	3,674	2,021	1,653	18	280	37,982
338	Electric Wire & Cable Manufacturers	2,837	9,789	581	302	279	18	274	7,778
339	Misc. Electrical Products Manufacturers	12,671	21,306	2,891	1,250	1,641	18	237	22,614
351	Clay Products Manufacturers	5,484	5,057	1,141	556	585	20	243	6,535
352	Cement Manufacturers	9,971	11,183	1,986	1,506	480	16	316	10,434
353	Stone Products Manufacturers	3,311	2,119	718	465	253	18	259	3,015
354	Concrete Products Manufacturers	20,102	12,148	4,145	2,675	1,470	17	283	15,798
355	Ready-Mix Concrete Manufacturers	29,121	19,351	5,679	4,318	1,361	16	312	20,823
356	Glass & Glass Products Manufacturer	14,324	22,130	3,357	1,920	1,437	17	258	21,084
357	Abrasives Manufacturers	1,185	2,346	256	99	157	19	250	2,367
358	Lime Manufacturers	803	1,069	138	97	41	18	316	863
359	Misc Non-Metallic Mineral Products	10,906	13,857	1,949	834	1,115	20	286	15,422
365	Petroleum Refineries	12,505	32,623	1,734	501	1,233	24	305	25,491
369	Misc Petroleum & Coal Products Ind	2,501	1,264	413	284	129	19	315	1,658
372	Mixed Fertilizer Manufacturers	2,095	1,641	403	243	160	20	255	2,457
373	Plastics & Synthetic Resin Mfg.	3,379	11,991	611	207	404	21	266	10,254
374	Pharmaceutical & Medicine Mfg.	12,353	32,311	2,267	999	1,268	21	260	28,596
375	Paint & Varnish Manufacturers	5,348	10,421	1,005	310	695	22	240	11,319
376	Soap & Cleaning Compound Mfg.	6,310	16,792	1,214	347	867	21	249	16,863
377	Toilet Preparation Manufacturers	9,727	12,987	2,145	1,084	1,061	20	224	19,696
378	Industrial Chemical Manufacturers	14,952	47,205	2,783	1,504	1,279	18	302	36,398
379	Miscellaneous Chemical Industries	18,131	34,340	3,310	1,502	1,808	20	268	32,838
391	Scientific & Professional Equipment	24,066	42,973	4,735	1,609	3,126	22	236	46,331
392	Jewellery & Silverware Industries	9,196	8,219	2,271	804	1,467	20	203	14,035
393	Sporting Goods & Toy Industries	20,889	12,688	4,812	2,621	2,191	20	214	23,535
397	Signs & Display Industry	10,176	11,389	2,307	772	1,535	20	224	18,076
399	Misc Manufacturing Industries	21,584	24,776	5,279	2,224	3,055	20	205	38,787
404	Building Construction	389,022	136,806	63,498	27,614	35,884	21	287	292,947
406	Highway, Bridge & Street Construct	199,936	48,055	30,078	19,380	10,698	21	324	85,913
409	Other Construction	173,098	56,707	26,899	13,210	13,689	20	327	100,863
421	Special-Trade Contractors	932,165	383,376	164,245	84,095	80,150	20	290	756,593
501	Air Transport	26,117	86,072	6,096	3,369	2,727	16	266	79,792
502	Services Incidental to Air Transport	3,457	4,696	617	189	428	23	242	7,364
503	Railway Transport	81,927	163,968	14,080	10,860	3,220	19	313	128,668
504	Water Transport	49,915	26,746	7,825	5,316	2,509	20	316	30,455
505	Services Incidental to Water Transport	15,029	17,106	2,732	2,007	725	21	261	20,438
506	Moving & Storage, Used Gds, Uncrated	15,826	11,339	3,249	1,577	1,672	22	222	28,917
507	Other Truck Transport	183,114	144,637	30,913	14,634	16,279	21	278	213,810
508	Bus Transport, Interurban & Rural	4,491	5,782	1,413	1,019	394	15	209	7,863
509	Urban Transit Systems	6,500	53,203	1,115	595	520	20	290	35,718
512	Taxicab Operations	15,477	8,831	3,285	1,135	2,150	26	179	40,392
515	Pipeline Transport	3,839	13,469	574	238	336	21	315	10,465
516	Highway & Bridge Maintenance	9,329	7,056	1,468	864	604	22	283	10,008
517	Misc Services Incidental To Transport	38,480	39,237	7,828	2,692	5,136	21	229	70,274
519	Other Transportation	39,665	29,098	15,347	11,892	3,455	13	193	64,335
524	Grain Elevators	5,274	9,281	1,063	847	216	16	305	7,843
527	Other Storage & Warehousing	9,597	10,457	1,773	722	1,051	22	242	15,644
543	Radio & Television Broadcasting	28,524	70,018	4,808	1,955	2,853	23	263	71,096
544	Telephone Systems	34,390	171,225	6,372	4,538	1,834	19	289	116,481
545	Telegraph & Cable Systems	2,337	9,803	379	173	206	20	302	7,143
548	Post Office	13,766	109,777	2,487	1,462	1,025	25	223	112,257
572	Electric Power	44,797	162,458	7,488	4,714	2,774	19	317	119,010
574	Gas Distribution	6,846	21,261	1,165	762	403	20	300	15,909
576	Water Systems	944	2,723	175	97	78	20	265	2,635
579	Other Utilities	12,750	12,195	2,160	737	1,423	24	244	20,107



**TABLE 1**  
**UI Benefits, Premiums, and Claims by Industry, 1986-88 Annual Average (3 Digit 1970 SIC)**  
 continued

SIC-70	Industry	Benefits ('000s \$)	Premiums ('000s \$)	Number of Claims			Average Duration of Benefit Receipt (weeks)	Average Benefit Rate (\$/ week)	Number of T4s
				Total	Temporary	Permanent			
602	Wholesalers of Farm Products	12,938	15,651	2,686	1,309	1,377	21	234	25,056
606	Wholesalers of Coal & Coke	830	167	129	51	78	27	236	535
608	Wholesalers of Petroleum Products	21,790	25,248	3,915	1,558	2,357	23	241	37,319
611	Wholesalers of Paper & Paper Products	8,149	15,043	1,693	382	1,311	23	209	21,949
612	Wholesalers of General Merchandise	2,103	2,234	404	88	316	24	213	4,612
614	Wholesalers of Food	111,276	85,377	18,545	6,135	12,410	24	250	125,523
615	Wholesalers of Tobacco Products	4,443	4,123	744	114	630	23	258	5,729
616	Wholesalers of Drug & Toilet Prep	8,914	13,473	1,603	415	1,188	24	232	17,623
617	Wholesalers of Apparel & Dry Goods	18,911	18,157	3,911	1,041	2,870	24	202	35,963
618	Wholesalers of Household Furniture	8,729	10,703	1,818	467	1,351	23	209	17,079
619	Wholesalers Motor Vehicles & Acces	45,341	74,667	9,459	2,854	6,605	21	234	94,367
621	Wholesalers Electrical Mach & Equip	37,924	73,376	6,992	1,573	5,419	22	248	84,131
622	Wholesalers Farm Mach & Equipment	16,604	18,646	3,800	1,824	1,976	18	245	26,056
623	Wholesalers Mach & Equipment	83,518	141,514	15,636	4,201	11,435	21	249	164,828
624	Wholesalers Hardware, Plumb & Heat	19,344	33,332	3,820	1,099	2,721	22	234	40,946
625	Wholesalers Metal Products	9,892	18,443	1,828	572	1,256	21	261	19,280
626	Wholesalers Lumber & Building Mat	69,198	73,247	13,630	5,236	8,394	22	235	110,522
627	Wholesalers Scrap & Waste Materials	14,830	10,177	2,854	952	1,902	24	217	19,331
629	Wholesalers	61,084	63,485	11,945	4,139	7,806	23	222	108,292
631	Food Stores	228,999	237,933	52,414	17,162	35,252	25	175	573,417
642	General Merchandise Stores	136,217	199,455	37,312	15,474	21,838	23	159	446,494
652	Tire, Battery & Accessories Stores	29,332	33,525	7,229	2,311	4,918	21	194	70,654
654	Gasoline Service Stations	71,086	50,658	17,426	4,562	12,864	23	174	184,844
656	Motor Vehicle Dealers	95,902	141,052	20,633	6,417	14,216	20	237	180,600
658	Motor Vehicle Repair Shops	90,861	64,665	18,788	6,838	11,950	21	228	125,086
663	Shoe Stores	19,672	20,053	4,926	1,459	3,467	23	173	62,494
665	Mens Clothing Stores	15,286	18,594	3,543	1,065	2,478	24	182	51,854
667	Womens Clothing Stores	41,114	32,448	10,557	3,095	7,462	25	158	115,190
669	Clothing & Dry Goods Stores	38,582	31,477	10,493	3,052	7,441	25	148	118,045
673	Hardware Stores	20,623	18,541	4,448	1,543	2,905	24	196	42,253
676	Household Furniture & Appliance Strs	74,623	67,375	15,115	3,634	11,481	24	203	148,336
678	Radio, TV & Elect Appl Repair Shops	6,897	4,715	1,327	426	901	24	213	10,515
681	Drug Stores	35,715	52,950	9,252	2,774	6,478	23	166	130,155
691	Book & Stationery Stores	8,286	8,768	2,088	548	1,540	24	167	27,021
692	Florist Shops	11,469	7,498	2,890	994	1,896	24	164	24,422
694	Jewellery Stores	13,258	11,335	3,033	794	2,239	26	169	31,177
695	Watch & Jewellery Repair Shops	1,340	953	279	87	192	25	192	2,290
696	Liquor, Wine & Beer Stores	13,235	30,053	3,465	2,603	862	20	192	39,131
697	Tobacconists	4,555	4,094	1,202	290	912	26	147	13,128
699	Retail Stores, N.E.S.	111,586	71,678	24,157	8,747	15,410	24	196	211,730
701	Banks & Other Deposit Estab	143,246	358,707	28,605	15,544	13,061	23	221	433,516
703	Other Credit Agencies	14,141	27,317	2,508	922	1,586	24	237	29,228
705	Security Brokers & Dealers (Inc.Exch)	15,261	38,949	2,780	640	2,140	22	251	44,767
707	Investment & Holding Companies	25,919	28,833	5,138	1,651	3,487	22	227	67,488
721	Insurance Carriers	53,310	141,269	9,405	3,953	5,452	22	254	130,997
735	Insurance & Real Estate Agencies	61,393	126,971	11,930	3,451	8,479	23	219	178,007
737	Real Estate Operators	99,809	115,491	18,060	5,023	13,037	25	222	206,396
800	Education And Related Services	101	109	19	9	10	24	219	301
801	Kindergartens & Nursery Schools	5,388	4,297	2,027	1,186	841	16	163	11,248
802	Elementary & Secondary Schools	298,891	717,969	82,705	67,097	15,608	15	239	745,039
803	Schools of Art & Performing Arts	3,886	2,985	1,013	631	382	19	207	8,722
804	Vocational, Trade & Business Coll	11,674	10,517	2,135	838	1,297	23	238	19,435
805	Post-Sec Non-Univ Educ Institutions	45,233	96,095	10,385	5,774	4,611	19	230	150,721
806	Universities & Colleges	81,115	216,767	17,844	10,975	6,869	19	239	315,975
807	Libraries, Museums & Other Reposit	10,789	15,177	2,160	942	1,218	23	213	27,205
809	Education & Related Services	4,719	3,654	979	407	572	22	216	8,615

TABLE 1

# UI Benefits, Premiums, and Claims by Industry, 1986-88 Annual Average (3 Digit 1970 SIC) concluded

SIC-70 Industry	Benefits ( '000s \$ )	Premiums ( '000s \$ )	Number of Claims			Average Duration of Benefit Receipt (weeks)	Average Benefit Rate (\$/ week)	Number of T4s
			Total	Temporary	Permanent			
821 Hospitals	257,134	677,202	57,697	42,780	14,917	19	239	697,507
822 Related Health Care Institutions	32,451	54,515	8,006	4,766	3,240	21	190	81,575
823 Offices of Physicians & Surgeons	27,390	37,584	6,294	2,447	3,847	22	195	82,483
824 Offices of Para-Medical Personnel	10,053	10,193	2,287	707	1,580	24	182	29,363
825 Offices of Dentists	29,529	31,052	6,310	2,466	3,844	21	219	55,897
826 Diagnostic & Therapeutic Services	21,173	38,206	4,614	2,307	2,307	21	221	53,687
827 Miscellaneous Health Services	9,518	17,133	2,178	1,029	1,149	20	222	28,641
828 Welfare Organizations	151,197	181,968	34,018	15,585	18,433	23	194	314,621
831 Religious Organizations	24,967	47,982	6,149	2,630	3,519	22	183	94,358
841 Motion Picture Theatres	4,599	5,521	1,004	389	615	24	191	25,789
842 Motion Picture Production & Distrib	15,611	10,788	2,518	689	1,829	23	273	26,564
843 Bowling Alleys & Billiard Parlours	6,442	3,197	1,890	1,028	862	21	164	12,445
844 Golf Clubs & Country Clubs	29,241	11,324	6,631	4,378	2,253	21	211	34,064
845 Theatrical & Other Staged Ent Serv.	13,531	6,414	2,515	1,249	1,266	22	239	19,475
849 Misc Amusement & Recreation Services	88,923	46,413	19,596	10,043	9,553	22	203	172,686
851 Employment Agencies & Personnel Supp	85,651	66,313	18,712	6,449	12,263	21	216	325,690
853 Computer Services	41,144	87,435	7,495	2,077	5,418	21	266	98,130
855 Security & Investigation Services	35,711	33,583	8,384	2,611	5,773	23	187	99,067
861 Offices Of Accountants	39,672	57,874	7,821	2,615	5,206	22	232	76,612
862 Advertising Services	24,438	29,034	4,719	1,008	3,711	22	233	57,439
863 Offices Of Architects	5,594	11,555	1,164	258	906	18	266	14,682
864 Engineering & Scientific Services	106,242	128,969	18,080	6,641	11,439	21	284	160,602
866 Offices of Lawyers & Notaries	42,684	73,088	8,857	2,566	6,291	20	237	91,753
867 Offices of Mgmt & Bus Consultants	59,760	66,238	11,764	4,089	7,675	21	237	124,322
869 Misc Services To Business Management	104,926	103,380	22,150	8,698	13,452	22	216	235,351
871 Shoe Repair Shops	2,028	992	430	157	273	26	184	2,514
872 Barber & Beauty Shops	36,624	34,460	11,477	3,182	8,295	22	144	89,910
873 Private Households	33,676	13,996	10,027	3,265	6,762	29	116	47,683
874 Laundries, Cleaners & Pressers	32,971	27,224	7,910	2,532	5,378	25	170	71,143
876 Self-Service Laundries & Dry Cleaner	2,010	1,346	504	134	370	27	147	4,612
877 Funeral Services	6,673	8,035	1,283	628	655	24	216	16,052
879 Miscellaneous Personal Services	21,687	11,513	4,791	1,463	3,328	25	183	47,214
881 Hotels & Motels	190,768	109,463	47,827	18,866	28,961	24	165	353,383
883 Lodging Houses & Residential Clubs	5,115	2,450	1,058	408	650	27	180	8,418
884 Camping Grounds & Trailer Parks	31,507	5,232	5,230	3,010	2,220	27	226	28,259
886 Restaurants, Caterers & Taverns	419,066	267,662	116,875	32,461	84,414	24	151	1,301,016
891 Labour Organizations & Trade Assoc.	36,016	52,676	6,218	2,188	4,030	23	250	145,149
893 Photographic Services	13,957	11,472	3,225	984	2,241	23	189	28,542
894 Automobile & Truck Rental	11,268	13,534	2,273	540	1,733	22	226	24,283
895 Machinery & Equipment Rental	34,352	33,037	6,395	2,246	4,149	23	237	59,017
896 Blacksmithing & Welding Shops	19,538	9,497	3,569	1,420	2,149	20	267	21,660
897 Miscellaneous Repair Shops	15,249	12,405	2,877	1,052	1,825	22	238	21,261
898 Services To Buildings & Dwellings	83,058	43,960	17,808	5,504	12,304	26	180	171,514
899 Miscellaneous Services	181,899	83,484	32,387	9,442	22,945	27	207	249,424
902 Defence Services	3,033	1,460	584	465	119	23	226	11,982
909 Other Federal Administration	300,030	636,632	50,625	30,741	19,884	22	265	620,701
931 Provincial Administration	435,511	550,344	71,802	47,338	24,464	25	244	547,790
951 Local Administration	253,823	449,982	47,667	29,494	18,173	22	245	543,068
991 Other Government Offices	516	1,265	78	28	50	24	271	1,298



TABLE 2

# Relative Benefit Tax Ratios and Components by Industry, 1986-88 Annual Average (3 Digit 1970 SIC)

SIC-70	Industry	Relative Benefit Tax Ratio	Relative Number of Claims	Relative Duration of Benefit Receipt	Relative Rate of Weekly Benefits	Relative Premiums Paid	Contribution of Temporary Separations	Contribution of Permanent Separations
(From Highest Relative Benefit Tax Ratio to Lowest)		(B <sub>i</sub> /T <sub>i</sub> )/(B/T)	(n <sub>i</sub> /n)	(d <sub>i</sub> /d)	(b <sub>i</sub> /b)	(tw/tw <sub>i</sub> )	(nt <sub>i</sub> /n)	(np <sub>i</sub> /n)
102	Fish Product Industries	13.04	5.45	1.27	1.09	1.73	3.22	2.24
047	Hunting & Trapping	9.08	4.38	1.18	1.08	1.63	1.62	2.76
045	Fishery Services	8.88	3.19	1.30	1.21	1.77	1.34	1.85
039	Forestry Services	8.56	1.77	1.31	1.28	2.87	0.98	0.79
072	Peat Extraction	7.58	3.65	1.27	1.22	1.34	2.96	0.69
031	Logging	6.43	2.76	1.14	1.32	1.55	1.57	1.19
884	Camping Grounds & Trailer Parks	6.32	1.49	1.24	0.97	3.52	0.86	0.63
606	Wholesalers of Coal & Coke	5.23	1.94	1.28	1.01	2.09	0.77	1.17
010	Farms (Excl Experimental And Instit)	4.41	1.52	1.17	0.90	2.75	0.79	0.73
406	Highway, Bridge & Street Construct	4.37	2.81	0.96	1.39	1.16	1.81	1.00
015	Fruit & Vegetable Farms	4.22	3.00	1.08	0.93	1.40	2.52	0.48
096	Contract Drilling For Petroleum	3.97	1.99	1.05	1.34	1.41	1.00	0.99
151	Leaf Tobacco Processors	3.81	2.88	0.91	0.94	1.56	1.81	1.07
098	Other Contract Drilling	3.23	1.93	1.07	1.41	1.11	1.07	0.86
409	Other Construction	3.20	2.14	0.92	1.40	1.16	1.05	1.09
404	Building Construction	2.98	1.74	1.00	1.23	1.39	0.76	0.98
844	Golf Clubs & Country Clubs	2.71	1.56	0.98	0.90	1.96	1.03	0.53
246	Fur Goods Industries	2.69	1.95	1.16	1.08	1.11	0.96	0.99
017	Other Crop & Livestock Combo Farms	2.61	1.68	1.15	0.90	1.50	1.10	0.58
421	Special-Trade Contractors	2.55	1.74	0.91	1.25	1.29	0.89	0.85
873	Private Households	2.53	1.69	1.36	0.50	2.22	0.55	1.14
087	Sand Pits or Quarries	2.37	2.21	0.84	1.31	0.97	1.49	0.72
020	Services Incidental to Agriculture	2.29	1.22	1.12	0.98	1.71	0.57	0.65
899	Miscellaneous Services	2.29	1.04	1.27	0.89	1.95	0.30	0.74
013	Field Crop & Field Crop Combo Farms	2.26	1.41	0.92	0.93	1.87	0.97	0.44
845	Theatrical & Other Staged Ent. Serv.	2.21	1.04	1.05	1.03	1.98	0.52	0.52
328	Boatbuilding & Repair	2.21	1.94	0.98	1.06	1.10	0.90	1.04
883	Lodging Houses & Residential Clubs	2.19	1.01	1.25	0.77	2.24	0.39	0.62
902	Defence Services	2.18	0.39	1.07	0.97	5.35	0.31	0.08
896	Blacksmithing & Welding Shops	2.16	1.32	0.96	1.15	1.49	0.53	0.80
871	Shoe Repair Shops	2.15	1.37	1.20	0.79	1.65	0.50	0.87
843	Bowling Alleys & Billiard Parlours	2.12	1.22	0.97	0.70	2.54	0.66	0.56
083	Stone Quarries	2.08	2.44	0.83	1.33	0.77	1.80	0.64
369	Misc Petroleum & Coal Products Ind.	2.08	2.00	0.90	1.35	0.85	1.38	0.62
244	Womens Clothing Industries	2.07	1.97	0.98	0.79	1.36	1.08	0.89
327	Shipbuilding & Repair	2.03	1.92	1.01	1.41	0.74	1.38	0.53
849	Misc Amusement & Recreation Services	2.01	0.91	1.04	0.87	2.42	0.47	0.44
898	Services to Buildings & Dwellings	1.98	0.83	1.21	0.77	2.54	0.26	0.58
879	Miscellaneous Personal Services	1.98	0.82	1.16	0.78	2.67	0.25	0.57
504	Water Transport	1.96	2.06	0.94	1.36	0.74	1.40	0.66
099	Misc Services Incidental to Mining	1.84	1.31	1.06	1.30	1.02	0.50	0.80
021	Services Incidental To Agriculture	1.84	1.88	0.95	1.05	0.99	1.25	0.63
512	Taxicab Operations	1.84	0.65	1.23	0.77	2.98	0.23	0.43
881	Hotels & Motels	1.83	1.09	1.13	0.71	2.10	0.43	0.66
175	Leather Glove Factories	1.77	1.89	0.95	0.84	1.18	1.08	0.80
245	Childrens Clothing Industries	1.74	1.58	1.01	0.70	1.54	0.78	0.79
354	Concrete Products Manufacturers	1.74	2.11	0.80	1.22	0.85	1.36	0.75
393	Sporting Goods & Toy Industries	1.73	1.64	0.95	0.92	1.21	0.89	0.75
174	Shoe Factories	1.68	2.13	0.82	0.81	1.19	1.36	0.77
886	Restaurants, Caterers & Taverns	1.64	0.72	1.11	0.65	3.17	0.20	0.52
353	Stone Products Manufacturers	1.64	1.91	0.83	1.11	0.93	1.24	0.67
699	Retail Stores	1.63	0.92	1.10	0.84	1.92	0.33	0.58
692	Florist Shops	1.61	0.95	1.13	0.70	2.12	0.33	0.62
355	Ready-Mix Concrete Manufacturers	1.58	2.19	0.77	1.34	0.70	1.67	0.53
187	Canvas Products & Cotton & Jute Bags	1.57	1.46	0.94	0.84	1.36	0.64	0.82



TABLE 2

# Relative Benefit Tax Ratios and Components by Industry, 1986-88 Annual Average (3 Digit 1970 SIC) continued

SIC-70	Industry	Relative Benefit Tax Ratio	Relative Number of Claims	Relative Duration of Benefit Receipt	Relative Rate of Weekly Benefits	Relative Premiums Paid	Contribution of Temporary Separations	Contribution of Permanent Separations
(From Highest Relative Benefit Tax Ratio to Lowest)		(B <sub>i</sub> /T <sub>i</sub> )/(B/T)	(n <sub>i</sub> /n)	(d <sub>i</sub> /d)	(b <sub>i</sub> /b)	(tw/tw <sub>i</sub> )	(nt <sub>i</sub> /n)	(np <sub>i</sub> /n)
876	Self-Service Laundries & Dry Cleaner	1.57	0.88	1.26	0.63	2.23	0.23	0.65
301	Boiler & Plate Works	1.57	1.33	0.93	1.40	0.90	0.62	0.71
678	Radio, TV & Elect Appl Repair Shops	1.54	1.01	1.14	0.91	1.45	0.33	0.69
627	Wholesalers Scrap & Waste Materials	1.53	1.19	1.12	0.93	1.24	0.40	0.79
842	Motion Picture Production & Distrib	1.52	0.76	1.06	1.17	1.60	0.21	0.55
249	Miscellaneous Clothing Industries	1.51	1.45	0.97	0.75	1.44	0.70	0.74
103	Fruit & Vegetable Processing Ind	1.49	1.58	0.94	0.84	1.18	1.06	0.53
695	Watch & Jewellery Repair Shops	1.48	0.98	1.17	0.83	1.56	0.30	0.67
658	Motor Vehicle Repair Shops	1.47	1.21	0.99	0.98	1.26	0.44	0.77
654	Gasoline Service Stations	1.47	0.76	1.10	0.75	2.38	0.20	0.56
506	Moving & Storage, Used Gds, Uncrated	1.46	0.90	1.03	0.95	1.66	0.44	0.46
519	Other Transportation	1.43	1.92	0.63	0.83	1.44	1.49	0.43
251	Sawmills, Planing & Shingle Mills	1.43	1.69	0.95	1.19	0.75	1.11	0.58
256	Wooden Box Factories	1.42	1.29	0.90	0.85	1.43	0.57	0.72
179	Luggage, Handbag & Small Leather Gds	1.41	1.52	0.89	0.77	1.35	0.74	0.78
516	Highway & Bridge Maintenance	1.39	1.18	1.05	1.22	0.92	0.69	0.48
259	Miscellaneous Wood Industries	1.37	1.45	0.96	0.99	0.99	0.69	0.76
614	Wholesalers of Food	1.37	1.19	1.12	1.07	0.96	0.39	0.79
803	Schools of Art & Performing Arts	1.37	0.93	0.87	0.89	1.90	0.58	0.35
851	Employment Agencies & Personnel Supp	1.36	0.46	0.99	0.93	3.20	0.16	0.30
809	Education & Related Services	1.36	0.91	1.04	0.93	1.54	0.38	0.53
372	Mixed Fertilizer Manufacturers	1.34	1.32	0.95	1.09	0.98	0.80	0.52
254	Sash, Door & Other Millwork Plants	1.34	1.59	0.84	1.01	0.99	0.88	0.72
667	Womens Clothing Stores	1.33	0.74	1.15	0.68	2.31	0.22	0.52
507	Other Truck Transport	1.33	1.16	0.99	1.20	0.96	0.55	0.61
243	Mens Clothing Industries	1.32	1.74	0.81	0.76	1.23	0.99	0.75
311	Agricultural Implement Industry	1.32	1.71	0.78	1.26	0.79	0.95	0.76
801	Kindergartens & Nursery Schools	1.32	1.45	0.76	0.70	1.71	0.85	0.60
897	Miscellaneous Repair Shops	1.29	1.09	1.04	1.02	1.12	0.40	0.69
669	Clothing & Dry Goods Stores	1.29	0.71	1.16	0.63	2.44	0.21	0.51
893	Photographic Services	1.28	0.91	1.07	0.81	1.62	0.28	0.63
874	Laundries, Cleaners & Pressers	1.27	0.89	1.15	0.73	1.70	0.29	0.61
694	Jewellery Stores	1.23	0.78	1.21	0.72	1.79	0.20	0.58
073	Gypsum Mines	1.22	2.03	0.81	1.30	0.57	1.62	0.41
239	Knitting Mills (Excl Hosiery Mills)	1.20	1.37	0.98	0.81	1.10	0.69	0.68
019	Miscellaneous Specialty Farms	1.18	1.02	0.77	0.96	1.56	0.55	0.47
392	Jewellery & Silverware Industries	1.17	1.30	0.93	0.87	1.11	0.46	0.84
261	Household Furniture Manufacturers	1.17	1.40	0.82	0.90	1.12	0.67	0.73
697	Tobacconists	1.17	0.74	1.21	0.63	2.09	0.18	0.56
673	Hardware Stores	1.17	0.85	1.10	0.84	1.48	0.29	0.55
303	Ornamental & Architectural Metal	1.17	1.42	0.85	1.08	0.90	0.67	0.75
804	Vocational, Trade & Business Coll	1.17	0.88	1.07	1.02	1.20	0.35	0.54
676	Household Furniture & Appliance Strs.	1.16	0.82	1.13	0.87	1.43	0.20	0.62
307	Heating Equipment Manufacturers	1.16	1.37	0.88	1.02	0.95	0.59	0.79
231	Hosiery Mills	1.15	1.29	0.93	0.78	1.24	0.58	0.70
071	Asbestos Mines	1.15	2.52	0.56	1.48	0.55	2.05	0.47
302	Fabricated Structural Metal Industry	1.14	1.34	0.83	1.29	0.80	0.63	0.71
351	Clay Products Manufacturers	1.14	1.40	0.93	1.04	0.84	0.68	0.72
615	Wholesalers of Tobacco Products	1.13	1.04	1.08	1.11	0.91	0.16	0.88
051	Placer Gold Mines	1.12	0.98	1.05	1.44	0.76	0.29	0.69
855	Security & Investigation Services	1.12	0.68	1.06	0.80	1.92	0.21	0.47
872	Barber & Beauty Shops	1.12	1.03	1.03	0.62	1.70	0.28	0.74
268	Electric Lamp & Shade Manufacturers	1.10	1.07	0.98	0.72	1.46	0.29	0.78
579	Other Utilities	1.10	0.86	1.13	1.05	1.07	0.29	0.57
617	Wholesalers of Apparel & Dry Goods	1.09	0.87	1.12	0.87	1.29	0.23	0.64

TABLE 2

**Relative Benefit Tax Ratios and Components by Industry, 1986-88 Annual Average  
(3 Digit 1970 SIC) continued**

SIC-70	Industry	Relative Benefit Tax Ratio	Relative Number of Claims	Relative Duration of Benefit Receipt	Relative Rate of Weekly Benefits	Relative Premiums Paid	Contribution of Temporary Separations	Contribution of Permanent Separations
(From Highest Relative Benefit Tax Ratio to Lowest)		$(B_i/T_i)/(B/T)$	$(n_i/n)$	$(d_i/d)$	$(b_i/b)$	$(tw_i/tw)$	$(nt_i/nt)$	$(np_i/np)$
895	Machinery & Equipment Rental	1.09	0.87	1.06	1.02	1.16	0.31	0.56
184	Cordage & Twine Industry	1.08	1.25	0.95	0.90	1.02	0.47	0.77
869	Misc Services to Business Management	1.07	0.76	1.02	0.93	1.48	0.30	0.46
326	Railroad Rolling Stock Industry	1.06	1.37	1.01	1.38	0.55	0.95	0.41
189	Miscellaneous Textile Industries	1.05	1.19	0.97	0.81	1.13	0.53	0.66
824	Offices of Para-Medical Personnel	1.04	0.63	1.13	0.78	1.88	0.19	0.43
663	Shoe Stores	1.03	0.63	1.08	0.74	2.03	0.19	0.45
517	Misc Services Incidental to Transp	1.03	0.90	1.00	0.98	1.17	0.31	0.59
181	Cotton Yarn & Cloth Mills	1.02	1.89	0.73	1.09	0.67	1.30	0.59
631	Food Stores	1.01	0.73	1.17	0.75	1.57	0.24	0.49
629	Wholesalers	1.01	0.89	1.08	0.95	1.11	0.31	0.58
825	Offices of Dentists	1.00	0.91	1.00	0.94	1.17	0.35	0.55
172	Leather Tanneries	1.00	1.68	0.70	0.95	0.89	0.96	0.72
691	Book & Stationery Stores	0.99	0.62	1.11	0.72	2.01	0.16	0.46
626	Wholesalers Lumber & Building Mat	0.99	0.99	1.01	1.01	0.98	0.38	0.61
612	Wholesalers of General Merchandis	0.99	0.70	1.14	0.92	1.34	0.15	0.55
324	Truck Body & Trailer Manufacturers	0.99	1.36	0.84	1.13	0.76	0.75	0.61
011	Livestock & Livestock Combo Farms	0.98	1.04	1.07	0.84	1.06	0.39	0.65
800	Education And Related Services	0.97	0.51	1.13	0.94	1.80	0.25	0.26
329	Miscellaneous Vehicle Manufacturers	0.97	1.73	0.72	1.28	0.60	1.30	0.43
527	Other Storage & Warehousing	0.96	0.91	1.04	1.04	0.97	0.37	0.54
252	Veneer & Plywood Mills	0.95	1.64	0.76	1.06	0.72	1.05	0.59
867	Offices of Mgmt & Bus Consultants	0.95	0.76	1.00	1.02	1.22	0.26	0.50
707	Investment & Holding Companies	0.94	0.61	1.04	0.98	1.52	0.20	0.42
397	Signs & Display Industry	0.94	1.03	0.92	0.96	1.03	0.34	0.68
352	Cement Manufacturers	0.94	1.53	0.74	1.36	0.61	1.16	0.37
622	Wholesalers Farm Mach. & Equipment	0.93	1.17	0.83	1.05	0.91	0.56	0.61
266	Misc Furniture & Fixtures Manufact	0.93	1.16	0.84	0.99	0.97	0.47	0.69
505	Services Incidental to Water Transp	0.92	1.07	0.98	1.12	0.78	0.79	0.29
652	Tire, Battery & Accessories Stores	0.92	0.82	0.98	0.83	1.37	0.26	0.56
399	Misc Manufacturing Industries	0.91	1.09	0.93	0.88	1.02	0.46	0.63
737	Real Estate Operators	0.91	0.70	1.16	0.95	1.16	0.20	0.51
608	Wholesalers of Petroleum Products	0.91	0.84	1.08	1.04	0.96	0.34	0.51
248	Foundation Garment Industry	0.90	1.59	0.74	0.79	0.96	1.02	0.57
292	Steel Pipe & Tube Mills	0.89	1.36	0.82	1.36	0.59	0.91	0.45
862	Advertising Services	0.88	0.66	1.04	1.00	1.29	0.14	0.52
841	Motion Picture Theatres	0.87	0.31	1.12	0.82	3.04	0.12	0.19
894	Automobile & Truck Rental	0.87	0.75	1.02	0.97	1.17	0.18	0.57
828	Welfare Organizations	0.87	0.87	1.07	0.83	1.13	0.40	0.47
877	Funeral Services	0.87	0.64	1.13	0.93	1.30	0.31	0.33
272	Asphalt Roofing Manufacturers	0.87	1.32	0.82	1.21	0.67	0.83	0.50
602	Wholesalers of Farm Products	0.87	0.86	0.96	1.00	1.04	0.42	0.44
864	Engineering & Scientific Services	0.86	0.90	0.97	1.22	0.81	0.33	0.57
665	Mens Clothing Stores	0.86	0.55	1.11	0.78	1.82	0.17	0.38
618	Wholesalers of Household Furniture	0.86	0.86	1.07	0.90	1.04	0.22	0.64
165	Plastics Fabricating Industry	0.85	1.06	0.87	0.93	1.00	0.44	0.62
294	Iron Foundries	0.84	1.34	0.76	1.15	0.72	0.74	0.60
308	Machine Shops	0.84	0.97	0.88	1.10	0.89	0.34	0.63
333	Manufacturers of Lighting Fixtures	0.84	1.03	0.93	0.86	1.02	0.38	0.64
931	Provincial Administration	0.83	1.05	1.16	1.05	0.65	0.69	0.36
359	Misc Non-Metallic Mineral Products	0.83	1.02	0.91	1.23	0.72	0.43	0.58
107	Bakery Products Industry	0.82	0.89	1.02	0.87	1.03	0.39	0.50
508	Bus Transport, Interurban & Rural	0.82	1.44	0.71	0.90	0.89	1.04	0.40
258	Coffin & Casket Industry	0.81	1.55	0.71	0.92	0.80	0.96	0.59
358	Lime Manufacturers	0.79	1.28	0.86	1.36	0.53	0.90	0.38



**TABLE 2**  
**Relative Benefit Tax Ratios and Components by Industry, 1986-88 Annual Average**  
**(3 Digit 1970 SIC) continued**

SIC-70	Industry	Relative Benefit Tax Ratio	Relative Number of Claims	Relative Duration of Benefit Receipt	Relative Rate of Weekly Benefits	Relative Premiums Paid	Contribution of Temporary Separations	Contribution of Permanent Separations
(From Highest Relative Benefit Tax Ratio to Lowest)		$(B_i/T_i)/(B/T)$	$(n_i/n)$	$(d_i/d)$	$(b_i/b)$	$(tw/tw_i)$	$(nt_i/n)$	$(np_i/n)$
377	Toilet Preparation Manufacturers	0.79	0.88	0.95	0.96	0.99	0.44	0.43
309	Misc Metal Fabricating Industries	0.78	1.03	0.89	1.09	0.78	0.40	0.62
334	Household Radio & TV Receivers	0.77	1.06	0.95	1.19	0.64	0.58	0.49
502	Services Incidental to Air Transport	0.77	0.67	1.08	1.04	1.02	0.21	0.47
823	Offices of Physicians & Surgeons	0.77	0.61	1.04	0.84	1.43	0.24	0.37
315	Misc Machinery & Equipment Mfgs	0.76	1.10	0.84	1.21	0.68	0.48	0.62
304	Metal Stamping, Pressing & Coating	0.76	1.09	0.84	1.08	0.77	0.49	0.60
331	Small Electric Appliances	0.76	1.23	0.75	0.96	0.85	0.61	0.62
807	Libraries, Museums & Other Reposit	0.75	0.64	1.09	0.92	1.17	0.28	0.36
106	Feed Industry	0.73	0.91	0.95	1.06	0.80	0.45	0.45
101	Meat & Poultry Products Industries	0.72	1.01	0.92	1.02	0.76	0.50	0.52
861	Offices of Accountants	0.72	0.82	1.02	1.00	0.86	0.27	0.55
891	Labour Organizations & Trade Assoc.	0.72	0.34	1.08	1.07	1.79	0.12	0.22
642	General Merchandise Stores	0.72	0.67	1.07	0.68	1.46	0.28	0.39
656	Motor Vehicle Dealers	0.71	0.92	0.92	1.02	0.83	0.29	0.63
058	Iron Mines	0.71	1.48	0.68	1.47	0.48	1.18	0.30
681	Drug Stores	0.71	0.57	1.08	0.71	1.60	0.17	0.40
288	Publishing Only	0.71	0.70	1.07	0.97	0.97	0.22	0.47
616	Wholesalers of Drug & Toilet Prep	0.69	0.73	1.12	1.00	0.85	0.19	0.54
356	Glass & Glass Products Mfgs.	0.68	1.28	0.77	1.11	0.62	0.73	0.55
264	Office Furniture Manufacturers	0.67	1.06	0.75	1.12	0.75	0.49	0.57
108	Miscellaneous Food Industries	0.67	0.98	0.87	0.99	0.79	0.53	0.44
186	Carpet, Mat & Rug Industry	0.67	1.40	0.72	1.07	0.62	0.97	0.42
079	Miscellaneous Non-Metal Mines	0.65	1.11	0.85	1.41	0.49	0.76	0.35
305	Wire & Wire Products Manufacturers	0.65	1.01	0.82	1.07	0.74	0.43	0.58
287	Platemaking, Typesetting & Trade Binder	0.65	0.81	0.94	0.96	0.88	0.26	0.55
182	Wool Yarn & Cloth Mills	0.64	1.23	0.85	1.01	0.60	0.85	0.38
619	Wholesalers Motor Vehicles & Acces	0.64	0.81	0.96	1.00	0.82	0.24	0.56
822	Related Health Care Institutions	0.62	0.79	1.00	0.82	0.97	0.47	0.32
339	Misc Electrical Products Manufactur	0.62	1.03	0.86	1.02	0.69	0.44	0.58
623	Wholesalers Mach. & Equipment	0.62	0.76	1.00	1.07	0.76	0.20	0.56
286	Commercial Printing	0.61	0.80	0.96	0.96	0.84	0.29	0.52
866	Offices Of Lawyers & Notaries	0.61	0.78	0.95	1.02	0.82	0.22	0.55
316	Commercial Refrig. & Air Conditioning	0.61	0.96	0.85	1.12	0.67	0.42	0.54
624	Wholesalers Hardware, Plumb. & Heat	0.61	0.75	1.01	1.00	0.80	0.22	0.53
188	Automobile Fabric Accessories Ind	0.61	1.39	0.60	1.04	0.70	0.92	0.48
524	Grain Elevators	0.60	1.09	0.76	1.31	0.55	0.87	0.22
951	Local Administration	0.59	0.71	1.02	1.05	0.79	0.44	0.27
391	Scientific & Professional Equipment	0.59	0.82	1.00	1.01	0.70	0.28	0.54
325	Motor Vehicle Parts & Accessories	0.59	1.07	0.75	1.09	0.67	0.58	0.49
827	Miscellaneous Health Services	0.58	0.61	0.92	0.95	1.09	0.29	0.32
826	Diagnostic & Therapeutic Services	0.58	0.69	0.97	0.95	0.92	0.35	0.35
273	Paper Box & Bag Manufacturers	0.58	0.93	0.86	1.02	0.70	0.44	0.49
104	Dairy Products Industry	0.57	0.78	0.93	1.05	0.75	0.41	0.37
183	Man-Made Fibre, Yarn & Cloth Mills	0.57	1.20	0.74	0.99	0.66	0.72	0.48
611	Wholesalers of Paper & Paper Prod	0.57	0.62	1.08	0.90	0.95	0.14	0.48
153	Tobacco Products Manufacturers	0.57	0.79	1.01	1.38	0.51	0.51	0.28
625	Wholesalers Metal Products	0.56	0.76	0.97	1.12	0.68	0.24	0.52
298	Metal Rolling, Casting & Extruding	0.56	0.95	0.88	1.11	0.60	0.45	0.50
271	Pulp & Paper Mills	0.55	1.10	0.75	1.37	0.49	0.90	0.21
379	Miscellaneous Chemical Industries	0.55	0.81	0.95	1.15	0.62	0.37	0.44
831	Religious Organizations	0.55	0.52	1.04	0.79	1.28	0.22	0.30
274	Miscellaneous Paper Converters	0.55	0.84	0.91	0.93	0.77	0.36	0.48
703	Other Credit Agencies	0.54	0.69	1.11	1.02	0.70	0.25	0.44
621	Wholesalers Electrical Mach. & Equip	0.54	0.67	1.02	1.06	0.75	0.15	0.52



TABLE 2

# Relative Benefit Tax Ratios and Components by Industry, 1986-88 Annual Average (3 Digit 1970 SIC) concluded

SIC-70	Industry	Relative Benefit Tax Ratio	Relative Number of Claims	Relative Duration of Benefit Receipt	Relative Rate of Weekly Benefits	Relative Premiums Paid	Contribution of Temporary Separations	Contribution of Permanent Separations
(From Highest Relative Benefit Tax Ratio to Lowest)		$(B_i/T_i)/(B/T)$	$(n_i/n)$	$(d_i/d)$	$(b_i/b)$	$(tw_i/tw)$	$(nt_i/nt)$	$(np_i/np)$
109	Beverage Industries	0.54	0.84	0.85	1.06	0.72	0.45	0.39
375	Paint & Varnish Manufacturers	0.54	0.71	1.04	1.03	0.71	0.22	0.49
295	Smelting & Refining	0.54	1.43	0.55	1.41	0.48	1.18	0.25
185	Felt & Fibre Processing Mills	0.54	0.82	0.86	1.00	0.77	0.35	0.46
357	Abrasives Manufacturers	0.53	0.87	0.87	1.07	0.66	0.33	0.53
503	Railway Transport	0.52	0.88	0.87	1.35	0.51	0.68	0.20
332	Major Appliances	0.52	1.37	0.53	1.21	0.59	0.91	0.46
306	Hardware, Tool & Cutlery Manufacture	0.52	0.80	0.83	1.04	0.75	0.29	0.51
323	Motor Vehicle Manufacturers	0.51	2.07	0.35	1.49	0.48	1.95	0.12
863	Offices of Architects	0.51	0.64	0.84	1.14	0.83	0.14	0.50
735	Insurance & Real Estate Agencies	0.51	0.54	1.10	0.94	0.91	0.16	0.38
909	Other Federal Administration	0.49	0.66	1.05	1.14	0.64	0.40	0.26
805	Post-Sec Non-Univ Educ Institutions	0.49	0.55	0.89	0.99	1.02	0.31	0.25
853	Computer Services	0.49	0.61	0.96	1.14	0.73	0.17	0.44
061	Coal Mines	0.49	1.30	0.56	1.41	0.47	0.98	0.33
064	Crude Petroleum & Natural Gas Ind	0.47	0.61	1.12	1.39	0.50	0.19	0.43
696	Liquor, Wine & Beer Stores	0.46	0.71	0.93	0.82	0.85	0.53	0.18
335	Communications Equipment Mfgs.	0.46	0.77	0.91	1.15	0.57	0.33	0.44
052	Gold Quartz Mines	0.45	0.68	0.89	1.39	0.54	0.31	0.38
162	Rubber Products Industries	0.44	0.82	0.82	1.15	0.57	0.39	0.43
802	Elementary & Secondary Schools	0.44	0.89	0.71	1.02	0.68	0.72	0.17
991	Other Government Offices	0.43	0.48	1.14	1.16	0.67	0.18	0.31
543	Radio & Television Broadcasting	0.43	0.54	1.06	1.13	0.66	0.22	0.32
336	Electrical Industrial Equip Mfgs.	0.43	0.78	0.82	1.20	0.56	0.43	0.35
318	Office & Store Machinery Mfgs.	0.43	0.66	0.95	1.13	0.60	0.18	0.48
289	Publishing & Printing	0.42	0.57	1.03	0.95	0.75	0.23	0.34
701	Banks & Other Deposit Estab	0.42	0.53	1.06	0.95	0.79	0.29	0.24
296	Aluminum Rolling, Casting & Extrud	0.42	0.80	0.80	1.28	0.51	0.49	0.31
705	Security Brokers & Dealers	0.41	0.50	1.02	1.08	0.75	0.11	0.38
105	Flour & Breakfast Cereal Prod Ind	0.41	0.61	0.77	1.14	0.76	0.35	0.26
365	Petroleum Refineries	0.40	0.55	1.11	1.31	0.51	0.16	0.39
374	Pharmaceutical & Medicine Mfgs.	0.40	0.64	0.98	1.12	0.58	0.28	0.36
821	Hospitals	0.40	0.66	0.87	1.03	0.67	0.49	0.17
297	Copper & Copper Alloy Rolling	0.40	0.92	0.62	1.16	0.61	0.47	0.45
721	Insurance Carriers	0.40	0.58	1.04	1.09	0.60	0.24	0.33
376	Soap & Cleaning Compound Mfgs.	0.39	0.58	0.98	1.07	0.65	0.17	0.41
806	Universities & Colleges	0.39	0.45	0.89	1.03	0.95	0.28	0.17
576	Water Systems	0.36	0.53	0.95	1.14	0.63	0.30	0.24
574	Gas Distribution	0.34	0.59	0.91	1.29	0.49	0.38	0.20
059	Miscellaneous Metal Mines	0.34	0.89	0.55	1.42	0.49	0.64	0.25
378	Industrial Chemical Manufacturers	0.33	0.61	0.83	1.30	0.50	0.33	0.28
291	Iron & Steel Mills	0.33	0.67	0.77	1.41	0.45	0.52	0.15
501	Air Transport	0.32	0.61	0.75	1.14	0.60	0.34	0.27
338	Electric Wire & Cable Manufacturers	0.30	0.60	0.83	1.18	0.52	0.31	0.29
515	Pipeline Transport	0.30	0.44	0.99	1.35	0.51	0.18	0.26
373	Plastics & Synthetic Resin Mfgs.	0.30	0.48	0.97	1.14	0.56	0.16	0.32
572	Electric Power	0.29	0.51	0.88	1.36	0.48	0.32	0.19
321	Aircraft & Aircraft Parts Mfgs.	0.28	0.52	0.90	1.23	0.49	0.27	0.25
545	Telegraph & Cable Systems	0.25	0.43	0.96	1.30	0.47	0.19	0.23
544	Telephone Systems	0.21	0.44	0.87	1.24	0.44	0.31	0.13
057	Uranium Mines	0.17	0.34	0.78	1.37	0.45	0.18	0.17
548	Post Office	0.13	0.18	1.16	0.96	0.67	0.10	0.07
509	Urban Transit Systems	0.13	0.25	0.94	1.25	0.44	0.13	0.12

**TABLE 3**  
**UI Benefits, Premiums, and Claims by Industry, 1989-90 Annual Average (3 Digit 1980 SIC)**

SIC-80	Industry	Benefits ('000s \$)	Premiums ('000s \$)	Number of Claims			Average Duration of Benefit Receipt (weeks)	Average Benefit Rate (\$/ week)	Number of T4s
				Total	Temporary	Permanent			
000	Unclassified	1,116,699	275,810	198,514	26,560	171,954	23	241	738,694
010	Agricultural Industries	230,578	53,914	41,321	22,847	18,474	26	219	227,308
011	Livestock Farms	5,331	2,963	941	501	440	26	214	7,148
012	Other Animal Specialty Farms	505	237	98	27	71	24	215	767
013	Field Crop Farms	4,942	1,242	853	550	303	25	228	3,953
014	Field Crop Combination Farms	672	259	123	54	69	24	229	890
015	Fruit, Other Veg Farms	4,785	971	848	517	331	25	223	3,683
016	Horticultural Specialties	8,884	3,744	1,705	999	706	23	230	10,132
017	Lvestk, Field Crop,Hort. Combo Farms	13,492	7,240	2,720	1,492	1,228	23	219	19,355
020	Service Ind Incidental to Agr.	27,778	11,604	4,959	2,532	2,427	24	237	32,469
021	Service Incidental to Animal Spec.	1,248	1,311	270	88	182	24	193	3,564
022	Service Incidental to Agric. Crops	4,507	873	695	487	208	25	257	2,676
023	Other Service Incidental to Agric.	3,944	2,874	672	389	283	23	253	4,704
033	Trapping	256	41	34	22	12	28	275	99
041	Logging Industry	262,414	50,344	33,180	19,664	13,516	24	324	104,407
051	Forestry Services Industry	49,788	6,715	6,230	3,645	2,585	27	301	30,001
061	Metal Mines	48,893	70,059	6,568	3,266	3,302	21	347	58,946
062	Non-Metal Mines (Except Coal)	25,188	16,123	4,651	3,827	824	17	311	15,732
063	Coal Mines	4,776	18,928	878	515	363	17	328	13,729
071	Crude Petroleum & Natural Gas Ind	32,082	67,422	4,982	2,862	2,120	19	331	54,654
081	Stone Quarries	14,385	5,230	2,170	1,641	529	20	333	6,504
082	Sand And Gravel Pits	22,904	8,360	3,524	2,392	1,132	20	324	13,398
091	Serv Ind Inc To Crude Pet & Nat Gas	59,171	31,994	9,310	4,597	4,713	20	321	58,222
092	Service Ind Incidental to Mining	56,475	28,909	7,369	3,306	4,063	23	332	40,095
101	Meat and Poultry Products Industry	46,422	53,341	9,437	4,497	4,940	20	246	70,206
102	Fish Products Industry	409,512	28,732	54,475	32,365	22,110	28	271	87,001
103	Fruit and Vegetable Industry	31,884	20,285	7,386	5,210	2,176	20	212	36,759
104	Dairy Products Industry	24,695	37,429	4,817	2,374	2,443	20	260	44,155
105	Flour Prep Cereal Food & Feed Ind	19,212	28,756	3,621	1,795	1,826	21	256	32,273
106	Vegetable Oil Mills (Exc Corn Oil)	700	950	171	125	46	12	339	998
107	Bakery Products Industry	30,083	34,471	6,015	2,979	3,036	22	230	50,913
108	Sugar & Sugar Confectionery Industry	15,264	14,846	3,399	2,174	1,225	18	246	18,893
109	Other Food Products Industries	20,291	27,416	4,226	1,701	2,525	21	226	38,530
110	Beverage Industries	20,782	33,380	4,058	1,787	2,271	20	259	40,741
120	Tobacco Products Industries	5,072	8,704	833	540	293	20	299	7,405
150	Rubber Products Industries	16,954	31,223	3,874	2,242	1,632	16	267	28,875
160	Plastic Products Industries	62,061	62,307	12,968	5,238	7,730	21	230	92,744
171	Leather and Allied Products Inds	27,838	14,642	7,273	4,082	3,191	19	202	28,991
180	Primary Textile Industries	27,138	26,907	6,335	4,219	2,116	17	251	30,804
190	Textile Products Industries	49,475	36,283	11,309	5,935	5,374	20	222	59,162
240	Clothing Ind, Childrens and Others	64,253	32,668	15,099	7,483	7,616	22	190	70,949
243	Mens and Boys Clothing Industry	51,907	31,725	14,218	7,689	6,529	20	184	64,127
244	Womens Clothing Industry	68,628	26,014	16,086	9,391	6,695	22	192	59,765
250	Wooden Box, Pallet, Coffin, Other Wood	35,651	23,400	7,617	4,793	2,824	18	260	33,283
251	Sawmill Plan Mill & Shingle Mill	150,510	87,500	25,685	17,376	8,309	20	293	106,502
252	Veneer and Plywood Industry	9,288	6,956	1,863	1,188	675	18	270	9,198
254	Sash Door and Other Millwork Ind	77,413	42,964	15,406	8,302	7,104	20	253	67,720
261	Household Furniture Industry	55,613	30,343	12,245	6,018	6,227	19	238	53,846
264	Office Furniture Industry	16,949	14,416	3,117	1,295	1,822	21	265	17,526
269	Other Furniture & Fixture Industries	26,844	20,673	5,705	2,697	3,008	19	253	31,011
271	Pulp and Paper Industries	82,332	122,202	14,239	10,814	3,425	18	330	98,777
272	Asphalt Roofing Industry	1,200	1,296	291	155	136	15	279	1,611
273	Paper Box and Bag Industries	16,014	22,334	3,193	1,637	1,556	19	265	23,511
279	Other Converted Paper Prod Ind	16,640	22,213	3,671	1,952	1,719	18	248	25,887
281	Commercial Printing Industry	66,025	72,975	12,236	4,387	7,849	22	245	100,731
282	Platemaking Typeset & Bindery Ind	21,406	20,199	4,028	1,384	2,644	23	236	31,637



TABLE 3

## UI Benefits, Premiums, and Claims by Industry, 1989-90 Annual Average (3 Digit 1980 SIC) continued

SIC-80	Industry	Benefits ('000s \$)	Premiums ('000s \$)	Number of Claims			Average Duration of Benefit Receipt (weeks)	Average Benefit Rate (\$/ week)	Number of T4s
				Total	Temporary	Permanent			
283	Publishing Industries	24,887	31,375	4,070	1,180	2,890	25	250	45,507
284	Combined Publishing & Printing Ind	25,355	50,954	4,975	2,154	2,821	22	235	65,799
291	Primary Steel Industries	57,100	81,168	12,427	10,026	2,401	14	331	65,989
292	Steel Pipe and Tube Industry	5,769	8,314	1,031	606	425	18	310	7,770
294	Iron Foundries	11,466	7,384	2,131	1,145	986	18	298	8,627
295	Non-Ferrous Metal Smelt & Refin Ind	12,497	41,338	2,866	2,176	690	14	315	30,000
296	Aluminum Roll Cast & Extrud Ind	4,657	4,706	940	484	456	18	279	5,317
297	Copper & Alloy Roll Cast Extrud Ind	1,841	2,502	545	376	169	12	288	2,477
299	Oth Roll Cast & Extrude Non-Ferrous	9,283	7,742	1,509	773	736	21	290	8,330
301	Power Boiler & Heat Exch Ind	14,443	8,011	1,857	570	1,287	22	350	12,044
302	Fabric Struct Metal Products Ind	44,015	32,034	7,235	3,199	4,036	20	308	42,338
303	Ornamental & Arch Metal Prod Ind	35,942	24,114	6,719	3,057	3,662	20	267	35,447
304	Stamp Press Coat Metal Prod Ind	55,968	47,288	10,427	4,715	5,712	20	268	62,305
305	Wire & Wire Products Industries	14,914	15,953	2,832	1,233	1,599	20	262	19,344
306	Hardware Tool & Cutlery Ind	23,275	27,801	4,549	2,028	2,521	19	264	33,799
307	Heating Equipment Industry	10,770	6,887	2,211	1,061	1,150	19	255	10,210
308	Machine Shop Industry	30,236	26,822	5,523	2,174	3,349	20	271	37,820
309	Other Metal Fabricating Industries	27,279	21,506	4,829	2,310	2,519	20	282	27,148
311	Agricultural Implement Industry	11,033	9,436	2,320	1,182	1,138	18	259	12,377
312	Com Refrig & Air Condi-Equip Ind	7,496	7,713	1,552	815	737	18	270	8,666
319	Other Machinery and Equipment Ind	90,485	93,145	15,617	6,583	9,034	20	295	102,358
321	Aircraft And Aircraft Parts Ind	29,189	75,178	4,585	2,401	2,184	21	310	60,220
323	Motor Vehicle Industry	70,894	98,573	25,297	23,565	1,732	8	356	79,332
324	Truck and Bus Body and Trailer Ind	30,827	16,900	5,825	3,131	2,694	19	274	23,283
325	Motor Vehic Parts and Access Ind	143,633	127,133	38,969	29,068	9,901	13	293	132,610
326	Railroad Rolling Stock Industry	11,616	5,813	1,390	851	539	25	331	5,893
327	Shipbuilding and Repair Industry	25,486	16,142	3,684	2,764	920	21	323	17,473
328	Boatbuilding and Repair Industry	22,890	5,563	3,492	1,652	1,840	25	266	10,416
329	Other Transportation Equipment Ind	1,086	755	220	76	144	22	222	1,231
330	Sm Appliance,Lighting,Recplyrs,Other	26,893	25,320	5,744	2,874	2,870	19	246	32,353
332	Major Appl Ind (Elect & Non-Elect)	10,015	8,860	1,678	957	721	21	290	9,220
335	Commun & Other Electronic Equip Ind	58,269	104,803	9,710	4,000	5,710	22	277	92,933
336	Office Store & Bus Machine	12,912	21,695	2,340	904	1,436	20	275	21,257
337	Elect Industrial Equip Ind	16,954	23,000	3,469	1,641	1,828	18	265	25,092
338	Communic & Energy Wire & Cable Ind	4,814	10,447	1,115	701	414	15	286	9,348
350	Clay,Abrasives,Lime Other Nonmetal	23,434	19,015	4,159	2,127	2,032	20	276	23,169
352	Hydraulic Cement Industry	4,521	3,851	747	463	284	18	333	3,600
354	Concrete Products Industry	27,253	13,013	4,644	2,802	1,842	19	301	17,926
355	Ready-Mix Concrete Industry	37,517	16,158	6,012	4,364	1,648	19	330	20,236
356	Glass and Glass Products Industries	11,241	14,221	2,240	1,246	994	19	262	17,260
361	Refined Petroleum Products Industry	3,675	7,674	492	103	389	25	295	6,808
369	Other Petroleum & Coal Products	2,212	1,287	330	212	118	21	323	1,576
371	Industrial Chemicals Industry	10,017	26,376	1,488	584	904	22	308	23,141
372	Agricultural Chemical Industries	7,620	10,808	1,189	726	463	21	303	9,575
373	Plastic and Synthetic Resin Industry	4,342	9,096	730	307	423	21	278	8,712
374	Pharmaceutical and Medicine Industry	10,088	23,756	1,655	653	1,002	22	275	23,245
375	Paint and Varnish Industry	6,613	9,306	1,071	285	786	24	259	10,750
376	Soap and Cleaning Compounds Industry	7,509	11,258	1,192	357	835	25	256	12,842
377	Toilet Preparations Industry	11,663	12,614	2,254	822	1,432	21	242	20,710
379	Other Chemical Products Industries	15,690	25,909	2,539	951	1,588	23	271	27,131
390	Other Manufacturing Industries	96,346	83,027	19,604	8,402	11,202	21	229	124,118
401	Residential Bldg & Development	359,057	94,581	49,967	21,910	28,057	24	299	224,403
402	Non-Residential Bldg & Development	180,131	57,891	24,307	9,400	14,907	22	333	106,293
411	Industrial Const (Other Than Bldgs)	88,728	28,255	12,089	4,603	7,486	21	349	57,848
412	Highway and Heavy Construction	286,901	69,503	39,746	24,857	14,889	21	340	125,578
420	Trade Contracting Industries	1,155,353	380,453	175,219	89,898	85,321	21	307	780,241



**TABLE 3**  
**UI Benefits, Premiums, and Claims by Industry, 1989-90 Annual Average (3 Digit 1980 SIC) continued**

SIC-80	Industry	Benefits ('000s \$)	Premiums ('000s \$)	Number of Claims			Average Duration of Benefit Receipt (weeks)	Average Benefit Rate (\$/ week)	Number of T4s
				Total	Temporary	Permanent			
440	Services incidental to Construction	34,925	19,000	4,946	1,580	3,366	24	291	36,054
450	Other Transp, Other Serv Inc to Trans	48,376	34,591	8,326	3,722	4,604	24	244	79,514
451	Air Transport Industry	38,762	92,114	6,656	2,705	3,951	22	268	96,664
452	Service Ind incidental to Air Trans	3,738	4,720	693	254	439	23	239	7,871
453	Railway Transport & Related Serv Ind	44,183	91,041	6,903	4,678	2,225	21	306	81,584
454	Water Transport Industry	42,858	20,829	6,758	4,397	2,361	20	316	27,134
455	Serv Ind incidental to Water Transp	11,479	12,010	2,064	1,553	511	22	255	16,444
456	Truck Transport Industries	280,097	184,285	42,884	21,192	21,692	22	292	295,620
457	Public Passenger Transit System	52,317	73,510	19,213	14,608	4,605	14	202	99,633
461	Pipeline Transport Industry	4,801	15,338	717	392	325	20	330	13,947
471	Grain Elevator Industry	9,103	11,840	1,852	1,384	468	16	299	12,340
479	Other Storage and Warehousing	11,788	12,000	2,151	978	1,173	22	254	17,553
481	Telecommunication Broadcasting	29,407	55,686	4,724	1,833	2,891	23	272	63,244
482	Telecommunication Carriers Industry	31,466	134,842	5,364	3,356	2,008	21	285	102,352
483	Other Telecommunication Industries	1,260	2,819	195	53	142	25	263	3,340
484	Postal and Courier Service	32,106	39,297	5,499	1,619	3,880	25	232	81,052
491	Electric Power Systems Industry	53,134	157,344	8,284	5,062	3,222	19	331	126,373
492	Gas Distribution Systems Industry	6,994	23,011	1,249	814	435	19	295	18,560
493	Water Systems Industry	1,727	4,403	334	163	171	21	247	5,138
499	Other Utility Industries	14,641	11,426	2,275	731	1,544	25	256	20,362
501	Farm Products Wholesale	29,014	37,849	5,394	3,108	2,286	21	253	50,560
511	Petroleum Products Wholesale	29,059	46,238	4,938	2,099	2,839	23	254	59,542
520	Drugs, Toilet Prep, Tobacco, Wsale	15,555	19,090	2,523	676	1,847	25	246	24,890
521	Food Wholesale	146,782	132,268	23,697	7,793	15,904	24	261	215,797
522	Beverages Wholesale	7,472	7,443	1,345	536	809	24	234	11,214
531	Apparel Wholesale	18,321	14,348	3,373	1,022	2,351	25	217	29,510
532	Dry Goods Wholesale	4,788	4,477	844	197	647	26	220	8,165
541	Electronic Hhld Appl & Parts Wsal	8,667	12,246	1,458	386	1,072	23	256	14,792
542	Household Furniture Wholesale	2,382	1,580	410	112	298	25	234	3,476
543	Household Furnishings Wholesale	13,513	13,735	2,210	694	1,516	24	254	19,130
551	Motor Vehicles Wholesale	19,277	24,831	3,420	1,124	2,296	21	273	30,067
552	Motor Vehicle Parts & Access Wsale	38,739	53,030	7,352	2,163	5,189	22	236	71,321
561	Metal And Metal Products Wholesale	21,557	21,116	3,389	1,364	2,025	21	302	23,238
562	Hdwre & Plumb Heat&Air Cond Wsale	30,188	39,672	5,271	1,563	3,708	23	249	49,866
563	Lumber & Building Materials Wsale	88,627	87,520	15,702	6,524	9,178	23	250	123,981
571	Farm Mach Equip & Supplies Wsale	16,992	19,063	3,647	1,794	1,853	18	253	25,616
572	Const Forestry & Mining Mach Wsale	19,498	23,873	3,166	1,131	2,035	21	292	25,414
573	Ind Mach Equip & Supplies Wsale	37,543	48,051	6,133	1,591	4,542	22	273	57,614
574	Elect (Ronic) Mach Equip&Supplies Wsal	68,920	116,134	10,450	2,427	8,023	24	277	122,832
579	Other Mach Equip & Supp Wsale	65,039	92,729	11,178	3,584	7,594	22	262	109,456
590	Other Products Industries, Wsale	96,310	103,183	17,191	5,398	11,793	24	233	165,681
601	Food Stores	228,477	185,903	50,244	16,234	34,010	26	178	578,032
602	Liquor Wine and Beer Stores	10,716	16,910	2,758	2,060	698	20	191	26,586
603	Prescription Drugs & Patent Med Strs	40,193	58,797	9,801	3,190	6,611	23	177	148,412
611	Shoe Stores	16,355	14,928	3,895	1,267	2,628	23	181	50,118
612	Mens Clothing Stores	13,176	11,598	2,778	825	1,953	25	191	34,880
613	Womens Clothing Stores	42,929	32,943	10,126	2,930	7,196	26	166	125,665
614	Clothing Stores	33,734	24,221	8,140	2,409	5,731	25	163	99,152
615	Fabric and Yarn Stores	5,748	3,699	1,532	532	1,000	26	144	15,850
621	Household Furniture Stores	36,791	27,663	6,409	1,772	4,637	26	222	57,730
622	Appl TV Radio and Stereo Stores	31,681	27,449	5,866	1,392	4,474	25	216	62,991
623	Household Furnishings Stores	23,054	15,462	4,243	1,264	2,979	26	212	38,673
631	Automobile Dealers	113,091	137,837	21,366	6,438	14,928	21	250	187,351
632	Recreational Vehicle Dealers	19,134	8,613	3,350	1,663	1,687	22	256	17,202
633	Gasoline Service Stations	64,747	48,584	14,782	4,084	10,698	24	179	184,310
634	Auto Parts & Accessories Stores	33,975	39,383	7,642	2,556	5,086	22	205	82,448

**TABLE 3**  
**UI Benefits, Premiums, and Claims by Industry, 1989-90 Annual Average (3 Digit 1980 SIC) continued**

SIC-80	Industry	Benefits ('000s \$)	Premiums ('000s \$)	Number of Claims			Average Duration of Benefit Receipt (weeks)	Average Benefit Rate (\$/ week)	Number of T4s
				Total	Temporary	Permanent			
635	Motor Vehicle Repair Shops	97,383	67,604	18,293	6,615	11,678	22	239	130,638
639	Other Motor Vehicle Services	13,458	7,918	2,709	794	1,915	24	204	27,844
641	General Merchandise Stores	109,425	149,189	30,193	13,055	17,138	23	160	380,991
690	Other Retail Store And Nonstore	190,291	147,833	40,987	14,170	26,817	24	192	451,118
700	Central & Chartered Banks	88,367	237,232	16,985	10,078	6,907	23	230	326,605
703	Trust Companies	15,216	31,916	2,814	1,082	1,732	22	242	42,164
704	Deposit Accepting Mortgage Cos	408	516	57	13	44	27	271	773
705	Credit Unions	30,262	52,679	6,552	3,606	2,946	23	205	68,461
709	Other Deposit Accepting Intermediares	176	374	24	5	19	30	257	384
710	Consum & Bus Fin Intermediares	13,997	25,847	2,369	830	1,539	23	251	28,216
720	Investment Intermediares	143,542	242,784	26,334	12,781	13,553	20	267	320,031
730	Insurance Industry	44,419	112,112	7,545	2,986	4,559	23	261	111,163
740	Other Fin Intermediares	22,446	38,558	3,584	894	2,690	24	265	51,747
750	Real Estate Operator, Insurance Inds	89,108	90,913	15,499	4,339	11,160	25	230	180,025
761	Insurance and Real Estate Agencies	75,953	127,924	13,518	3,928	9,590	24	235	189,961
771	Employment Agencies & Pers Suppliers	115,254	67,122	21,326	7,084	14,242	23	238	350,128
772	Computer and Related Services	42,046	68,114	7,211	1,723	5,488	21	272	91,963
773	Accounting and Bookkeeping Services	62,646	62,656	12,091	5,162	6,928	22	231	97,390
774	Advertising Services	30,432	26,800	5,052	1,187	3,865	24	251	57,639
775	Archit Engin and Other Scientific	124,336	144,999	19,104	6,816	12,288	22	296	180,680
776	Offices Of Lawyers and Notaries	52,214	75,430	9,640	2,948	6,692	22	252	96,263
777	Management Consulting Services	78,087	72,473	14,097	5,114	8,983	22	249	140,785
779	Other Business Services	145,525	131,779	28,433	10,410	18,023	23	225	317,770
810	Fed Gvt Service Inds Excl Defence	422,467	801,803	71,190	47,473	23,717	22	268	831,519
811	Defence Services	5,957	2,603	1,093	734	359	22	250	16,056
820	Prov & Terr Govt Serv Ind	296,406	384,329	48,709	32,858	15,851	25	247	421,216
830	Local Govt Services	201,856	405,826	38,961	25,747	13,214	20	255	520,414
841	Internatl & Other Extra-Terr Agencie	1,744	2,433	437	175	262	21	188	6,607
851	Elementary and Secondary Education	332,331	715,411	93,953	77,010	16,943	14	247	826,484
852	Post-Secondary Non-University Educ	88,893	157,383	17,572	10,150	7,422	20	252	230,864
853	University Education	72,971	196,686	15,902	9,663	6,239	18	250	312,311
854	Library Services	3,584	9,139	772	365	407	21	219	17,439
855	Museums and Archives	7,056	4,945	1,275	618	657	25	218	9,581
859	Other Educational Services	12,307	6,990	2,361	1,063	1,298	23	229	19,004
861	Hospitals	249,992	634,156	55,164	40,897	14,267	18	248	709,777
862	Other Inst Health & Social Serv	111,941	155,229	25,150	13,471	11,679	22	200	266,098
863	Non-Institutional Health Services	14,703	22,660	2,824	1,443	1,381	23	231	38,159
864	Non-Institutional Social Services	86,249	82,361	20,552	8,849	11,703	22	191	185,418
865	Off of Phys Surgeons Dent Priv Pra	61,777	78,803	13,437	5,337	8,100	22	213	153,118
866	Offices of Other Health Practit	12,140	12,270	2,691	858	1,833	24	189	34,727
867	Offices of Social Services Practi	1,099	1,142	203	52	151	23	233	2,199
868	Medical & Other Health Laboratories	12,695	24,439	2,682	1,362	1,320	20	242	35,343
869	Health & Social Serv Assoc & Agencie	29,402	45,175	5,746	2,896	2,850	21	239	69,894
910	Accom Serv Inds Excl Motels, Hotels	42,140	8,724	7,032	3,875	3,157	27	222	44,189
911	Hotels Motels and Tourist Courts	180,806	105,632	43,618	18,316	25,302	24	172	366,250
921	Food Services	360,519	228,266	94,258	27,640	66,618	24	159	1,254,194
922	Taverns Bars and Night Clubs	43,258	15,655	9,455	2,568	6,887	28	164	85,004
960	Comm Spect,Sport&Rec,Gambling,Other	57,441	48,269	12,395	6,363	6,032	22	211	144,588
961	Motion Pict Audio & Video Prod & Dis	17,824	11,549	2,635	671	1,964	24	280	27,072
962	Motion Picture Exhibition	3,227	3,263	634	271	363	24	209	16,238
963	Theatre & Other Staged Entert Serv	16,063	6,993	2,763	1,444	1,319	23	257	21,806
965	Sports and Recreation Clubs Services	81,647	30,322	17,185	10,348	6,837	22	215	120,120
966	Gambling Operations	865	1,795	145	87	58	21	285	1,660
971	Barber and Beauty Shops	35,404	31,483	10,446	3,217	7,229	23	151	87,609
972	Laundries and Cleaners	35,044	25,571	8,081	2,660	5,421	25	175	71,938
973	Funeral Services	6,978	8,202	1,274	645	629	24	227	15,861



**TABLE 3**  
**UI Benefits, Premiums, and Claims by Industry, 1989-90 Annual Average (3 Digit 1980 SIC) concluded**

SIC-80	Industry	Benefits (('000s \$)	Premiums (('000s \$)	Number of Claims			Average Duration of Benefit Receipt (weeks)	Average Benefit Rate (\$/ week)	Number of T4s
				Total	Temporary	Permanent			
974	Private Households	36,937	16,826	9,748	3,305	6,443	29	131	57,522
979	Other Personal And Household Service	25,360	11,970	5,254	1,590	3,664	26	188	52,774
980	Membership Org Inds, Excl Religious	88,815	84,420	15,722	5,934	9,788	25	229	244,421
981	Religious Organizations	27,742	48,743	6,593	2,869	3,724	22	194	98,179
990	M&E Rental, Other Repair, Other Serv	176,074	103,681	30,867	10,345	20,522	25	224	263,091
992	Auto & Truck Rental & Leasing Serv	14,534	16,013	2,548	572	1,976	24	239	29,435
993	Photographers	6,968	4,207	1,467	411	1,056	25	191	16,493
995	Services To Buildings And Dwellings	102,758	49,790	20,245	7,140	13,105	26	198	204,861
996	Travel Services	23,359	24,692	4,610	1,639	2,971	22	226	46,467



TABLE 4

# Relative Benefit Tax Ratios and Components by Industry, 1989-90 Annual Average (3 Digit 1980 SIC)

SIC-80	Industry	Relative Benefit Tax Ratio	Relative Number of Claims	Relative Duration of Benefit Receipt	Relative Rate of Weekly Benefits	Relative Premiums Paid	Contribution of Temporary Separations	Contribution of Permanent Separations
(From Highest Relative Benefit Tax Ratio to Lowest)		$(B_i/T_i)/(B/T)$	$(n_i/n)$	$(d_i/d)$	$(b_i/b)$	$(tw/tw_i)$	$(nt_i/n)$	$(np_i/n)$
102	Fish Products Industry	12.90	5.09	1.27	1.10	1.82	3.03	2.07
032	Services Incidental to Fishing	7.50	3.21	1.21	1.23	1.58	0.94	2.27
051	Forestry Services Industry	6.71	1.69	1.22	1.22	2.68	0.99	0.70
033	Trapping	5.61	2.77	1.27	1.12	1.43	1.78	0.99
041	Logging Industry	4.72	2.59	1.12	1.31	1.24	1.53	1.05
022	Service Incidental to Agric Crops	4.67	2.11	1.16	1.04	1.84	1.48	0.63
015	Fruit, Other Veg Farms	4.46	1.87	1.16	0.90	2.27	1.14	0.73
910	Accom Serv Inds Excl Motels, Hotels	4.37	1.29	1.23	0.90	3.04	0.71	0.58
010	Agricultural Industries	3.87	1.48	1.17	0.89	2.53	0.82	0.66
412	Highway and Heavy Construction	3.73	2.58	0.97	1.38	1.08	1.61	0.96
328	Boatbuilding and Repair Industry	3.72	2.73	1.13	1.08	1.12	1.29	1.44
013	Field Crop Farms	3.60	1.76	1.16	0.92	1.91	1.13	0.62
401	Residential Bldg & Development	3.43	1.81	1.10	1.21	1.42	0.79	1.02
411	Ind Const (Other Than Bldgs)	2.84	1.70	0.96	1.42	1.23	0.65	1.05
402	Non-Residential Bldg & Development	2.82	1.86	1.02	1.35	1.10	0.72	1.14
420	Trade Contracting Industries	2.75	1.83	0.98	1.25	1.23	0.94	0.89
922	Taverns Bars and Night Clubs	2.50	0.91	1.28	0.66	3.26	0.25	0.66
081	Stone Quarries	2.49	2.71	0.91	1.35	0.75	2.05	0.66
082	Sand and Gravel Pits	2.48	2.14	0.92	1.31	0.96	1.45	0.69
965	Sports and Recreation Clubs Services	2.44	1.16	1.01	0.87	2.38	0.70	0.46
244	Womens Clothing Industry	2.39	2.19	1.02	0.78	1.38	1.28	0.91
014	Field Crop Combination Farms	2.35	1.12	1.10	0.93	2.06	0.49	0.63
020	Service Ind Incidental to Agr	2.17	1.24	1.08	0.96	1.68	0.63	0.61
016	Horticultural Specialties	2.15	1.37	1.04	0.93	1.62	0.80	0.57
355	Ready-Mix Concrete Industry	2.10	2.42	0.87	1.34	0.75	1.75	0.66
963	Theatre & Other Staged Entert Serv.	2.08	1.03	1.04	1.04	1.87	0.54	0.49
811	Defence Services	2.07	0.55	1.00	1.01	3.70	0.37	0.18
632	Recreational Vehicle Dealers	2.01	1.58	1.02	1.04	1.20	0.79	0.80
974	Private Households	1.99	1.38	1.33	0.53	2.05	0.47	0.91
012	Other Animal Specialty Farms	1.93	1.03	1.10	0.87	1.94	0.29	0.75
979	Other Personal and Household Service	1.92	0.81	1.18	0.76	2.64	0.25	0.56
354	Concrete Products Industry	1.89	2.11	0.89	1.22	0.83	1.27	0.84
995	Services to Buildings and Dwellings	1.87	0.80	1.17	0.80	2.47	0.28	0.52
454	Water Transport Industry	1.86	2.03	0.92	1.28	0.78	1.32	0.71
326	Railroad Rolling Stock Industry	1.81	1.92	1.16	1.34	0.61	1.17	0.74
240	Clothing Ind, Childrens and Others	1.78	1.73	1.03	0.77	1.30	0.86	0.87
092	Service Ind Incidental To Mining	1.77	1.50	1.06	1.34	0.83	0.67	0.82
171	Leather and Allied Products Inds	1.72	2.04	0.87	0.82	1.19	1.15	0.90
017	Lvestk,Field Crop,Hort. Combo Farms	1.69	1.14	1.04	0.89	1.60	0.63	0.52
091	Serv Ind Inc to Crude Pet & Nat Gas	1.67	1.30	0.91	1.30	1.09	0.64	0.66
440	Services Incidental to Construction	1.66	1.12	1.11	1.18	1.14	0.36	0.76
261	Household Furniture Industry	1.66	1.85	0.87	0.97	1.06	0.91	0.94
324	Truck and Bus Body and Trailer Ind	1.65	2.04	0.88	1.11	0.83	1.09	0.94
301	Power Boiler & Heat Exch Ind	1.63	1.25	1.02	1.42	0.90	0.38	0.87
254	Sash Door and Other Millwork Ind	1.63	1.85	0.91	1.03	0.95	1.00	0.85
011	Livestock Farms	1.63	1.07	1.21	0.87	1.45	0.57	0.50
859	Other Educational Services	1.59	1.01	1.04	0.93	1.63	0.45	0.56
251	Sawmill Plan Mill & Shingle Mill	1.56	1.96	0.92	1.19	0.73	1.33	0.63
369	Other Petroleum & Coal Products Ind	1.55	1.70	0.95	1.31	0.73	1.09	0.61
771	Employment Agencies & Pers Suppliers	1.55	0.50	1.04	0.96	3.13	0.16	0.33
911	Hotels Motels and Tourist Courts	1.55	0.97	1.10	0.70	2.08	0.41	0.56
639	Other Motor Vehicle Services	1.54	0.79	1.12	0.83	2.11	0.23	0.56
993	Photographers	1.50	0.72	1.14	0.77	2.35	0.20	0.52
243	Mens And Boys Clothing Industry	1.48	1.80	0.91	0.75	1.21	0.98	0.83
921	Food Services	1.43	0.61	1.10	0.64	3.30	0.18	0.43

TABLE 4

# Relative Benefit Tax Ratios and Components by Industry, 1989-90 Annual Average (3Digit 1980 SIC) continued

SIC-80	Industry	Relative Benefit Tax Ratio	Relative Number of Claims	Relative Duration of Benefit Receipt	Relative Rate of Weekly Benefits	Relative Premiums Paid	Contribution of Temporary Separations	Contribution of Permanent Separations
(From Highest Relative Benefit Tax Ratio to Lowest)		$(B_i/T_i)/(B/T)$	$(n_i/n)$	$(d_i/d)$	$(b_i/b)$	$(tw/tw_i)$	$(nt_i/n)$	$(np_i/n)$
327	Shipbuilding and Repair Industry	1.43	1.72	0.98	1.31	0.65	1.29	0.43
103	Fruit and Vegetable Industry	1.42	1.63	0.93	0.86	1.09	1.15	0.48
307	Heating Equipment Industry	1.42	1.76	0.87	1.03	0.89	0.85	0.92
062	Non-Metal Mines (Except Coal)	1.41	2.40	0.80	1.26	0.59	1.98	0.43
615	Fabric and Yam Stores	1.41	0.79	1.19	0.58	2.57	0.27	0.51
294	Iron Foundries	1.41	2.01	0.83	1.21	0.70	1.08	0.93
961	Motion Pict Audio & Video Prod & Dis	1.40	0.79	1.11	1.13	1.41	0.20	0.59
250	Wooden Box, Pallet, Coffin, Other Wood	1.38	1.86	0.82	1.05	0.85	1.17	0.69
456	Truck Transport Industries	1.38	1.18	1.02	1.18	0.96	0.58	0.60
542	Household Furniture Wholesale	1.36	0.96	1.14	0.95	1.32	0.26	0.70
623	Household Furnishings Stores	1.35	0.89	1.17	0.86	1.50	0.27	0.63
303	Ornamental & Arch Metal Prod	1.35	1.54	0.92	1.08	0.88	0.70	0.84
635	Motor Vehicle Repair Shops	1.30	1.14	1.02	0.97	1.16	0.41	0.73
329	Other Transportation Equipment	1.30	1.45	1.02	0.90	0.98	0.50	0.95
855	Museums and Archives	1.29	1.08	1.16	0.88	1.16	0.52	0.56
450	Other Transp, Other Serv Inc To Trans	1.27	0.85	1.09	0.99	1.38	0.38	0.47
614	Clothing Stores Nec	1.26	0.67	1.16	0.66	2.46	0.20	0.47
302	Fabric Struct Metal Products	1.24	1.39	0.90	1.25	0.79	0.61	0.78
023	Other Service Incidental To Agric	1.24	1.16	1.06	1.03	0.98	0.67	0.49
972	Laundries and Cleaners	1.24	0.91	1.13	0.71	1.69	0.30	0.61
190	Textile Products Industries	1.23	1.56	0.90	0.90	0.98	0.82	0.74
252	Veneer and Plywood Industry	1.21	1.65	0.85	1.09	0.79	1.05	0.60
633	Gasoline Service Stations	1.21	0.65	1.12	0.72	2.28	0.18	0.47
621	Household Furniture Stores	1.20	0.90	1.18	0.90	1.25	0.25	0.65
613	Womens Clothing Stores	1.18	0.66	1.17	0.67	2.29	0.19	0.47
269	Other Furniture & Fixture Ind	1.17	1.50	0.85	1.03	0.90	0.71	0.79
690	Other Retail Store and Nonstore	1.16	0.74	1.11	0.78	1.83	0.26	0.48
499	Other Utility Industries	1.16	0.91	1.15	1.04	1.07	0.29	0.62
531	Apparel Wholesale	1.16	0.93	1.15	0.88	1.23	0.28	0.65
309	Other Metal Fabricating Industries	1.15	1.45	0.92	1.14	0.76	0.69	0.75
350	Clay, Abrasives, Lime Other Nonmetal	1.12	1.46	0.93	1.12	0.73	0.75	0.71
601	Food Stores	1.11	0.71	1.17	0.72	1.86	0.23	0.48
299	Oth Roll Cast & Extrude Non-Ferrous	1.08	1.47	0.97	1.18	0.65	0.76	0.72
960	Comm Spect, Sport & Rec, Gambling, Other	1.08	0.70	1.00	0.86	1.80	0.36	0.34
304	Stamp Press Coat Metal Prod	1.07	1.36	0.92	1.09	0.79	0.62	0.75
264	Office Furniture Industry	1.06	1.45	0.94	1.07	0.73	0.60	0.85
352	Hydraulic Cement Industry	1.06	1.69	0.83	1.35	0.56	1.05	0.64
311	Agricultural Implement Industry	1.06	1.53	0.84	1.05	0.79	0.78	0.75
390	Other Manufacturing Industries	1.05	1.29	0.98	0.93	0.90	0.55	0.73
622	Appl TV Radio and Stereo Stores	1.04	0.76	1.14	0.88	1.38	0.18	0.58
612	Mens Clothing Stores	1.03	0.65	1.14	0.77	1.80	0.19	0.46
774	Advertising Services	1.03	0.71	1.10	1.02	1.29	0.17	0.55
332	Major Appl Ind (Elect & Non-Elect)	1.02	1.48	0.94	1.17	0.62	0.84	0.64
325	Motor Vehic Parts and Access Industr	1.02	2.39	0.58	1.19	0.63	1.78	0.61
308	Machine Shop Industry	1.02	1.19	0.92	1.10	0.85	0.47	0.72
971	Barber And Beauty Shops	1.02	0.97	1.03	0.61	1.67	0.30	0.67
521	Food Wholesale	1.00	0.89	1.09	1.06	0.98	0.29	0.60
779	Other Business Services	1.00	0.73	1.04	0.91	1.45	0.27	0.46
611	Shoe Stores	0.99	0.63	1.06	0.73	2.01	0.21	0.43
777	Management Consulting Services	0.97	0.81	1.02	1.01	1.17	0.30	0.52
990	M&E Rental, Other Repair, Other Serv	1.54	0.95	1.16	0.91	1.52	0.32	0.63
330	Sm Appliance, Lighting, Recp, Other	0.96	1.44	0.87	1.00	0.77	0.72	0.72
282	Platemaking Typeset & Bindery	0.96	1.04	1.03	0.96	0.94	0.36	0.68
980	Membership Org Inds, Excl Religious	0.95	0.52	1.13	0.93	1.74	0.20	0.33
864	Non-Institutional Social Services	0.95	0.90	1.01	0.77	1.35	0.39	0.51



TABLE 4

# Relative Benefit Tax Ratios and Components by Industry, 1989-90 Annual Average (3Digit 1980 SIC) continued

SIC-80	Industry	Relative Benefit Tax Ratio	Relative Number of Claims	Relative Duration of Benefit Receipt	Relative Rate of Weekly Benefits	Relative Premiums Paid	Contribution of Temporary Separations	Contribution of Permanent Separations
(From Highest Relative Benefit Tax Ratio to Lowest)		$(B_i/T_i)/(B/T)$	$(n_i/n)$	$(d_i/d)$	$(b_i/b)$	$(tw_i/tw)$	$(nt_i/nt)$	$(np_i/np)$
108	Sugar & Sugar Confectionery Industry	0.93	1.46	0.84	0.99	0.76	0.94	0.53
561	Metal and Metal Products Wholesale	0.92	1.19	0.96	1.23	0.66	0.48	0.71
563	Lumber & Building Materials Wsale	0.92	1.03	1.04	1.01	0.85	0.43	0.60
180	Primary Textile Industries	0.91	1.67	0.78	1.02	0.69	1.11	0.56
522	Beverages Wholesale	0.91	0.98	1.09	0.95	0.90	0.39	0.59
773	Accounting and Bookkeeping Services	0.90	1.01	1.03	0.94	0.93	0.43	0.58
160	Plastic Products Industries	0.90	1.14	0.95	0.93	0.89	0.46	0.68
296	Aluminum Roll Cast & Extrud	0.90	1.44	0.81	1.13	0.68	0.74	0.70
866	Offices of other Health Practitioners	0.90	0.63	1.09	0.76	1.70	0.20	0.43
962	Motion Picture Exhibition	0.89	0.32	1.12	0.85	2.98	0.14	0.18
543	Household Furnishings Wholesale	0.89	0.94	1.10	1.03	0.84	0.30	0.64
479	Other Storage and Warehousing	0.89	1.00	0.99	1.03	0.88	0.45	0.54
750	Real Estate Operator, Insurance	0.89	0.70	1.15	0.93	1.19	0.20	0.50
312	Com Refrig & Air Condi-Equip	0.88	1.46	0.82	1.10	0.67	0.77	0.69
319	Other Machinery and Equipment	0.88	1.24	0.90	1.20	0.66	0.52	0.72
867	Offices of Social Services Practitioners	0.87	0.75	1.06	0.95	1.15	0.19	0.56
455	Serv Ind Incidental to Water Transp	0.86	1.02	1.00	1.03	0.82	0.77	0.25
021	Service Incidental to Animal Spec.	0.86	0.62	1.10	0.78	1.63	0.20	0.42
996	Travel Services	0.86	0.81	1.03	0.92	1.13	0.29	0.52
305	Wire & Wire Products Industries	0.85	1.19	0.92	1.06	0.73	0.52	0.67
590	Other Products Industries, Wsale	0.84	0.84	1.10	0.94	0.96	0.27	0.58
272	Asphalt Roofing Industry	0.84	1.47	0.68	1.13	0.75	0.78	0.69
377	Toilet Preparations Industry	0.84	0.89	0.98	0.98	0.98	0.32	0.56
992	Auto & Truck Rental & Leasing Serv	0.82	0.70	1.09	0.97	1.10	0.16	0.55
281	Commercial Printing Industry	0.82	0.99	1.01	0.99	0.83	0.35	0.63
571	Farm Mach Equip & Supplies Wsale	0.81	1.16	0.84	1.02	0.81	0.57	0.59
107	Bakery Products Industry	0.79	0.96	1.00	0.93	0.89	0.48	0.49
101	Meat And Poultry Products Industry	0.79	1.09	0.92	1.00	0.79	0.52	0.57
634	Auto Parts & Accessories Stores	0.78	0.75	0.99	0.83	1.26	0.25	0.50
775	Archit Engin and Other Scientific	0.78	0.86	1.01	1.20	0.75	0.31	0.55
973	Funeral Services	0.77	0.65	1.11	0.92	1.16	0.33	0.32
306	Hardware Tool & Cutlery	0.76	1.09	0.89	1.07	0.73	0.49	0.61
631	Automobile Dealers	0.74	0.93	0.97	1.01	0.82	0.28	0.65
484	Postal And Courier Service	0.74	0.55	1.15	0.94	1.24	0.16	0.39
572	Const Forestry & Mining Mach Wsale	0.74	1.01	0.97	1.18	0.64	0.36	0.65
520	Drugs, Toilet Prep, Tobacco, Wsale	0.74	0.82	1.15	1.00	0.78	0.22	0.60
283	Publishing Industries	0.72	0.73	1.12	1.01	0.87	0.21	0.52
704	Deposit Accepting Mortgage Cos	0.72	0.60	1.22	1.10	0.90	0.13	0.46
452	Service Ind Incidental to Air Trans	0.72	0.72	1.04	0.97	1.00	0.26	0.45
356	Glass and Glass Products Industries	0.72	1.06	0.88	1.06	0.73	0.59	0.47
865	Off of Phys Surgeons Dent Priv Pra	0.71	0.71	0.99	0.86	1.17	0.28	0.43
573	Ind Mach Equip & Supplies Wsale	0.71	0.87	1.03	1.11	0.72	0.22	0.64
551	Motor Vehicles Wholesale	0.70	0.93	0.94	1.11	0.73	0.30	0.62
820	Prov & Terr Govt Serv Industries	0.70	0.94	1.13	1.00	0.66	0.63	0.31
471	Grain Elevator Industry	0.70	1.22	0.75	1.21	0.63	0.91	0.31
501	Farm Products Wholesale	0.69	0.87	0.97	1.02	0.80	0.50	0.37
562	Hdwre & Plumb Heat&Air Cond Wsale	0.69	0.86	1.05	1.01	0.75	0.25	0.60
279	Other Converted Paper Prod	0.68	1.15	0.84	1.00	0.70	0.61	0.54
109	Other Food Products Industries	0.67	0.89	0.97	0.92	0.84	0.36	0.53
337	Elect Industrial Equipment	0.67	1.12	0.84	1.07	0.65	0.53	0.59
106	Vegetable Oil Mills (Exc Corn Oil)	0.67	1.39	0.55	1.37	0.63	1.02	0.38
297	Copper & Alloy Roll Cast Extrud	0.67	1.79	0.54	1.17	0.59	1.24	0.56
641	General Merchandise Stores	0.66	0.64	1.04	0.65	1.53	0.28	0.37
552	Motor Vehicle Parts & Access Wsale	0.66	0.84	1.02	0.96	0.81	0.25	0.59
862	Other Inst Health & Social Serv	0.65	0.77	1.02	0.81	1.03	0.41	0.36



**TABLE 4**  
**Relative Benefit Tax Ratios and Components by Industry, 1989-90 Annual Average**  
**(3 Digit 1980 SIC) continued**

SIC-80	Industry	Relative Benefit Tax Ratio	Relative Number of Claims	Relative Duration of Benefit Receipt	Relative Rate of Weekly Benefits	Relative Premiums Paid	Contribution of Temporary Separations	Contribution of Permanent Separations
(From Highest Relative Benefit Tax Ratio to Lowest)		$(B_i/T_i)/(B/T)$	$(n_i/n)$	$(d_i/d)$	$(b_i/b)$	$(tw/tw_i)$	$(nt_i/n)$	$(np_i/n)$
323	Motor Vehicle Industry	0.65	2.59	0.36	1.44	0.48	2.42	0.18
273	Paper Box and Bag Industries	0.65	1.10	0.87	1.07	0.63	0.57	0.54
841	Internatl & Other Extra-Terr Agencies	0.65	0.54	0.97	0.76	1.63	0.21	0.32
457	Public Passenger Transit System Inds	0.64	1.57	0.62	0.82	0.81	1.19	0.38
375	Paint and Varnish Industry	0.64	0.81	1.09	1.05	0.69	0.22	0.59
541	Electronic Hhld Appl & Parts Wsal	0.64	0.80	1.06	1.04	0.72	0.21	0.59
372	Agricultural Chemical Industries	0.64	1.01	0.97	1.23	0.53	0.62	0.39
291	Primary Steel Industries	0.64	1.53	0.64	1.34	0.49	1.24	0.30
579	Other Mach Equip & Supp Wsale	0.63	0.83	1.02	1.06	0.71	0.27	0.56
061	Metal Mines	0.63	0.91	0.98	1.41	0.50	0.45	0.46
292	Steel Pipe and Tube Industry	0.63	1.08	0.83	1.25	0.56	0.63	0.44
776	Offices Of Lawyers And Notaries	0.63	0.81	0.98	1.02	0.77	0.25	0.57
603	Prescription Drugs & Patent Med Strs	0.62	0.54	1.06	0.72	1.51	0.17	0.36
271	Pulp and Paper Industries	0.61	1.17	0.80	1.34	0.48	0.89	0.28
105	Flour Prep Cereal Food & Feed Ind	0.60	0.91	0.95	1.04	0.67	0.45	0.46
376	Soap and Cleaning Compounds Industry	0.60	0.75	1.13	1.04	0.68	0.23	0.53
104	Dairy Products Industry	0.60	0.89	0.90	1.05	0.71	0.44	0.45
869	Health & Social Serv Assoc & Agencies	0.59	0.67	0.98	0.97	0.93	0.34	0.33
863	Non-Institutional Health Services	0.59	0.60	1.03	0.93	1.01	0.31	0.29
602	Liquor Wine and Beer Stores	0.57	0.84	0.93	0.77	0.94	0.63	0.21
511	Petroleum Products Wholesale	0.57	0.67	1.06	1.03	0.77	0.29	0.39
110	Beverage Industries	0.56	0.81	0.91	1.05	0.73	0.36	0.45
772	Computer and Related Services	0.56	0.64	0.98	1.10	0.81	0.15	0.49
379	Other Chemical Products Industries	0.55	0.76	1.04	1.10	0.63	0.29	0.48
336	Office Store & Bus Machine	0.54	0.90	0.92	1.12	0.59	0.35	0.55
761	Insurance and Real Estate Agencies	0.54	0.58	1.10	0.95	0.89	0.17	0.41
574	Electronic Mach Equip&Supplies Wsal	0.54	0.69	1.09	1.12	0.63	0.16	0.53
720	Investment Intermediares	0.53	0.67	0.93	1.08	0.79	0.32	0.34
120	Tobacco Products Industries	0.53	0.91	0.93	1.21	0.51	0.59	0.32
740	Other Fin Intermediares	0.53	0.56	1.08	1.07	0.80	0.14	0.42
705	Credit Unions	0.52	0.78	1.03	0.83	0.78	0.43	0.35
981	Religious Organizations	0.52	0.55	0.99	0.79	1.21	0.24	0.31
852	Post-Secondary Non-University Educ	0.51	0.62	0.92	1.02	0.88	0.36	0.26
335	Commun & Other Electronic Equip	0.50	0.85	0.99	1.12	0.53	0.35	0.50
150	Rubber Products Industries	0.49	1.09	0.75	1.08	0.55	0.63	0.46
710	Consum & Bus Fin Intermed	0.49	0.68	1.08	1.02	0.65	0.24	0.44
481	Telecommunication Broadcasting	0.48	0.61	1.05	1.10	0.68	0.24	0.37
810	Fed Gvt Service Inds Excl Defence	0.48	0.70	1.01	1.09	0.62	0.46	0.23
868	Medical & Other Health Laboratories	0.47	0.62	0.90	0.98	0.87	0.31	0.30
284	Combined Publishing & Printing	0.45	0.62	0.99	0.95	0.77	0.27	0.35
830	Local Govt Services	0.45	0.61	0.93	1.03	0.77	0.40	0.21
453	Railway Transport & Related Serv	0.44	0.69	0.96	1.24	0.54	0.47	0.22
966	Gambling Operations	0.44	0.71	0.96	1.15	0.55	0.43	0.28
361	Refined Petroleum Products Industry	0.43	0.59	1.16	1.19	0.53	0.12	0.46
373	Plastic and Synthetic Resin Industry	0.43	0.68	0.98	1.13	0.57	0.29	0.39
703	Trust Companies	0.43	0.54	1.02	0.98	0.79	0.21	0.33
071	Crude Petroleum & Natural Gas	0.43	0.74	0.89	1.34	0.49	0.43	0.32
709	Other Deposit Accepting Intermed	0.43	0.49	1.36	1.04	0.62	0.10	0.39
851	Elementary and Secondary Education	0.42	0.92	0.65	1.00	0.69	0.76	0.17
338	Communic & Energy Wire & Cable	0.42	0.97	0.69	1.16	0.54	0.61	0.36
483	Other Telecommunication Industries	0.40	0.48	1.13	1.06	0.71	0.13	0.35
374	Pharmaceutical and Medicine Industry	0.38	0.58	1.02	1.11	0.59	0.23	0.35
451	Air Transport Industry	0.38	0.56	0.99	1.09	0.63	0.23	0.33
730	Insurance Industry	0.36	0.55	1.03	1.06	0.59	0.22	0.33
861	Hospitals	0.36	0.63	0.84	1.01	0.67	0.47	0.16

TABLE 4

**Relative Benefit Tax Ratios and Components by Industry, 1989-90 Annual Average**  
**(3 Digit 1980 SIC) concluded**

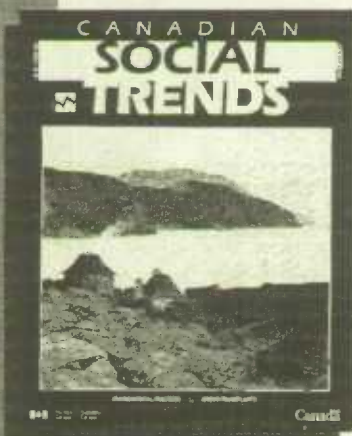
SIC-80	Industry	Relative Benefit Tax Ratio	Relative Number of Claims	Relative Duration of Benefit Receipt	Relative Rate of Weekly Benefits	Relative Premiums Paid	Contribution of Temporary Separations	Contribution of Permanent Separations
(From Highest Relative Benefit Tax Ratio to Lowest)		$(B_i/T_i)/(B/T)$	$(n_i/n)$	$(d_i/d)$	$(b_i/b)$	$(tw_i/tw)$	$(nt_i/nt)$	$(np_i/np)$
493	Water Systems Industry	0.35	0.53	0.96	1.00	0.70	0.26	0.27
854	Library Services	0.35	0.36	0.97	0.89	1.14	0.17	0.19
321	Aircraft and Aircraft Parts	0.35	0.62	0.94	1.25	0.48	0.32	0.30
371	Industrial Chemicals Industry	0.34	0.52	1.00	1.25	0.53	0.21	0.32
700	Central & Chartered Banks	0.34	0.42	1.04	0.93	0.83	0.25	0.17
853	University Education	0.34	0.41	0.84	1.01	0.95	0.25	0.16
491	Electric Power Systems Industry	0.31	0.53	0.89	1.34	0.48	0.33	0.21
461	Pipeline Transport Industry	0.28	0.42	0.93	1.34	0.55	0.23	0.19
492	Gas Distribution Systems Industry	0.28	0.55	0.87	1.19	0.48	0.36	0.19
295	Non-Ferrous Metal Smelt & Refining	0.27	0.78	0.63	1.28	0.44	0.59	0.19
063	Coal Mines	0.23	0.52	0.76	1.33	0.44	0.30	0.22
482	Telecommunication Carriers Industry	0.21	0.43	0.94	1.16	0.46	0.27	0.16

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