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## MAJOR RELEASES

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- **After the layoff, 1993 to 1998** 2  
Three-quarters of those who were laid off from a full-time job from 1993 to 1997 found a new job within a year. However, most took a pay cut and, for some, the success was short-lived.

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## OTHER RELEASES

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- Employment Insurance, August 2001 4
- Department store sales and stocks, September 2001 5
- Steel primary forms, week ending October 20, 2001 5
- Mineral wool including fibrous glass insulation, September 2001 6
- Impact of interprovincial mobility on individuals' earnings, 1982 to 1995 6

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## NEW PRODUCTS

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### Perspectives on labour and income

October 2001 online edition

The October 2001 issue of *Perspectives on labour and income*, available today, features an article, "After the layoff," which examines permanent layoffs from full-time jobs from 1993 to 1998. It uses data from the Survey of Labour and Income Dynamics to explore questions such as, How long does it take a permanently laid-off person to find a new job? What factors determine how long a jobless period lasts? What is the wage gap between a new job and the old one? What factors influence this gap?

Also available is a brief note, in the form of a free downloadable PDF file, which examines the effects of the September 11 terrorist attacks in the United States on the Canadian Labour Force Survey estimates for September. This note can be downloaded from the *Perspectives* home page—from the *Our products and services* page, choose *In depth*, then *Perspectives on labour and income*, then *Perspectives online*.

For more information on "After the layoff," contact Diane Galarneau, (613-951-4626; [diane.galarneau@statcan.ca](mailto:diane.galarneau@statcan.ca)), Labour Statistics Division.

For more information on "The labour market in the week of September 11," contact Geoff Bowlby, (613-951-3325; [geoff.bowlby@statcan.ca](mailto:geoff.bowlby@statcan.ca)), Labour Statistics Division.

The October 2001 online edition of *Perspectives on labour and income*, Volume 2, number 10 (75-001-XIE, \$5/\$48) is now available. See *How to order products*. For more information, contact Henry Pold, (613-951-4608; [henry.pold@statcan.ca](mailto:henry.pold@statcan.ca)), Labour and Household Surveys Analysis Division.

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## MAJOR RELEASES

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### After the layoff

1993 to 1998

Three-quarters of those who were laid off from a full-time job from 1993 to 1997 found a new job within a year, according to a new study. However, almost one-half took a pay cut and, for some, the success was short-lived.

During this five-year period, a total of just over 1 million individuals were laid off from jobs in which they had at least one year of tenure. On average, 74% of them found a new job within 12 months.

For some, the stint without a job was relatively short. For example, 17% found a new job within a month. In 8% of cases, the jobless period lasted no more than a week; some found work even before they were laid off.

From 1993 to 1997, the time to find a new job after a layoff declined. In 1993, only 27% of individuals who had been permanently laid off that year managed to find another job within three months. In 1997, 47% found a job within three months. This reflects the more favourable economic conditions at the end of the observation period, and the more rapid adjustment by workers.

#### One year later, unemployment rate for laid-off workers was more than double the national average

One year after their layoff, 19% of individuals were unemployed—either they had not found a new job, or they had lost their new job. The proportion unemployed one year later varied from a high of 25% for those laid off in 1993 to a low of 15% in 1997.

The unemployment rate, one year after their layoff, averaged 23% for workers laid off from 1993 to 1997. This was more than double the unemployment rate for the total labour force, which averaged 10% during this five-year period. As the economy improved, joblessness declined. The rate for laid-off workers ranged from 33% in 1993 to a low of 19% in 1996.

#### Age strongly linked to duration of joblessness

Men under 35 and women under 25 had the best chance of finding a new job after a layoff. The chances of finding a new job dropped for each successively higher age group. Women's chances of finding a new job were in all cases worse than men's in the corresponding age group—men 55 and over had a 66% lower chance of finding a job compared with men aged 16 to 24, whereas women 55 and over had a 77% lower chance.

#### Note to readers

*This release is based on an article in the October 2001 online edition of Perspectives on labour and income.*

*It uses data from the Survey of Labour and Income Dynamics (SLID) to examine the consequences of permanent layoffs from full-time jobs from 1993 to 1998. The job search success rate and the unemployment rate were examined for individuals after one year. Therefore, these characteristics are only available from 1993 to 1997.*

*SLID is a longitudinal survey that was launched in 1993. Since 1996, it has covered 30,000 households representing about 60,000 people.*

*The layoffs covered by this study were those that occurred for structural or cyclical reasons—that is, the company moved or went out of business or a business slowdown occurred.*

*The time period covered was one of expansion following the 1990-to-1992 recession. The results might differ for another time period.*

Individuals without spouses and those without children—two factors likely to increase mobility—increased chances of finding new job by 30% and 24%, respectively.

Having been laid off from a long-duration job (one of at least five years) also decreased the chances of a finding a new job.

Professionals and managers had the best chance of finding a new job after a layoff, whereas clerks, salespersons and those working in the service industry had the lowest chance.

Receipt of EI benefits tended to increase the duration of joblessness. Because the duration of benefits is limited under the program, the effect disappeared after a year.

#### More people took a pay cut after layoff

Regardless of the year of layoff, more people experienced a wage loss in their new job than those who earned more. About 47% took a pay cut, while 32% received a higher wage. The remainder, about 21%, received a wage that was equal—plus or minus 5%—to the wage in the job they lost.

For those individuals experiencing a pay cut, the average loss was nearly 30%. For those seeing a gain, the average increase was just under 26%.

In all, 21% of layoffs were followed by wage losses of more than 30%, while only 14% were followed by gains of more than 30%.

The article "After the layoff" is now available in the October 2001 issue of *Perspectives on labour and income*. For more information on this

article, contact Diane Galarneau (613-951-4626, [diane.galarneau@statcan.ca](mailto:diane.galarneau@statcan.ca)), Labour Statistics Division.

The October 2001 online edition of *Perspectives on Labour and Income*, Vol. 2, no. 10 (75-001-XIE, \$5/\$48)

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## OTHER RELEASES

### Employment Insurance

August 2001 (preliminary)

After nine months of almost steady growth, the estimated number of Canadians (adjusted for seasonality) who received regular Employment Insurance benefits in August decreased 1.4% to 535,030. Manitoba (-6.4%), Prince Edward Island (-5.3%), and Quebec (-3.7%) recorded the largest monthly decreases while Saskatchewan and Alberta were the only provinces to show increases.

#### Number of beneficiaries receiving regular benefits

	Aug. 2001 <sup>P</sup>	July to Aug. 2001	Aug. to Aug. 2001
Seasonally adjusted			
		% change	
<b>Canada</b>	<b>535,030</b>	<b>-1.4</b>	<b>7.8</b>
Newfoundland	33,330	-3.5	-0.8
Prince Edward Island	7,640	-5.3	-10.6
Nova Scotia	29,980	-1.9	-2.4
New Brunswick	40,060	-0.2	16.0
Quebec	186,150	-3.7	7.1
Ontario	122,810	-3.2	19.2
Manitoba	14,280	-6.4	1.6
Saskatchewan	12,040	1.0	-2.7
Alberta	25,110	1.9	-12.0
British Columbia	60,040	-1.0	6.7
Yukon Territory	810	-2.4	-11.0
Northwest Territories and Nunavut	960	0.0	-24.4
Unadjusted for seasonality			
Northwest Territories	510	2.0	-19.0
Nunavut	320	-13.5	-30.4

<sup>P</sup> Preliminary figures.

Regular benefit payments rose 1.0% to \$693.6 million from July. The number of initial and renewal claims received fell 5.6% to 230,590.

**Note:** Employment Insurance Statistics Program data are produced from an administrative data source and may from time to time be affected by changes to the *Employment Insurance Act*. For example, in May of 2001 the act was amended to eliminate the intensity rule, to adjust the benefit repayment provision and the re-entrant rules for parents returning to the workforce, and to align the EI fishing regulations with the enhanced maternity and parental benefits. These modifications may have affected the level of benefits in June. Please note however, that retroactive payments made in June due to those changes were removed. The number of

beneficiaries is a measure of all persons who were in receipt of EI benefits for the week containing the fifteenth day of the month. The regular benefit payments series measures the total of all monies individuals received for the entire month. These different reference periods must be taken into consideration when comparisons are done between the series. The Employment Insurance Act allows each province or administrative region of Human Resources Development Canada to have certain autonomy in the application of administrative procedures regarding renewal claims. Data users must take into consideration that movements in levels from month to month may be affected by different administrative procedures regarding renewal claims between one province or region and another.

#### Employment Insurance statistics

	Aug. 2000	July 2001	Aug. 2001	July to Aug. 2001	Aug. to Aug. 2001
Seasonally adjusted					
				% change	
Regular beneficiaries	496,390	542,520 <sup>P</sup>	535,030 <sup>P</sup>	-1.4	7.8
Regular benefits paid (\$ millions)	596.5	686.6	693.6	1.0	16.3
Claims received ('000)	222.7	244.4	230.6	-5.6	3.5
Unadjusted for seasonality					
All beneficiaries ('000)	603.5	680.1 <sup>P</sup>	687.6 <sup>P</sup>	1.1	13.9
Regular beneficiaries ('000)	452.0	493.1 <sup>P</sup>	485.4 <sup>P</sup>	-1.6	7.4
Claims received ('000)	170.3	314.7	170.2	-45.9	-0.1
Payments (\$ millions)	783.2	1,036.4	980.0	-5.4	25.1
Year-to-date (January to August)					
	2000	2001	2000	%	
			to 2001	change	
Claims received ('000)	1,597.7	1,789.8	12.0		
Payments (\$ millions)	7,943.6	8,604.0	8.3		

<sup>P</sup> Preliminary figures.

**Note:** All beneficiaries includes all claimants receiving regular benefits (e.g., due to layoff) or special benefits (e.g., due to illness).

**Available on CANSIM: tables 2760001-2760006, 2760009, 2760012, 2760015 and 2760016.**

For more information, or to enquire about the concepts, methods or data quality of this release, contact Gilles Groleau or Jean Leduc

(1-866-873-8788; 613-951-4090; fax: 613-951-2869; [labour@statcan.ca](mailto:labour@statcan.ca)), Labour Statistics Division. ■

## Department store sales and stocks September 2001

Consumers cut back their spending in department stores in September, causing sales to fall 4.5% from August. This was the second decline in two months and the largest since November 1999 (-5.6%), when the restructuring taking place in the sector was completed. Department store sales in September totalled \$1.59 billion (seasonally adjusted), the lowest monthly level since the start of 2001. Consumers' cautious spending can be explained, at least in part, by reaction to the tragic September 11 events in the United States and a general slowing of retail sales growth in recent months.

The decreases in September and August (-3.2%) appear to have slowed down the upward movement of department store sales that began in the spring of 2000. Previously, sales had been declining since September 1999, following a period of increases that lasted more than one year.

Despite the declines posted in September and August, department store sales in the third quarter were 0.4% higher than in the second quarter and 7.5% higher than in the third quarter of 2000.

Department store sales, unadjusted for seasonality, advanced 3.3% in September compared with September 2000. Sales were up in all provinces except New Brunswick (-1.1%) and Nova Scotia (-0.4%). The group formed by Newfoundland and Prince Edward Island (+16.9%) posted the largest year-over-year gain. Saskatchewan (+6.0%), the region formed by British Columbia, Yukon, the Northwest Territories and Nunavut (+5.5%) and Alberta (+5.4%) were the only other provinces to record year-over-year increases above the national average.

## Department store sales including concessions

	Sept. 2000	Sept. 2001	Sept. 2000 to Sept. 2001	Jan. to Sept. 2001	Jan.-Sept. 2000 to Jan.-Sept. 2001
Not seasonally adjusted					
	\$ millions	\$ millions	% change	\$ millions	% change
<b>Canada</b>	<b>1,455.5</b>	<b>1,503.0</b>	<b>3.3</b>	<b>12,898.8</b>	<b>8.1</b>
Newfoundland and Prince Edward Island <sup>1</sup>	30.0	35.1	16.9	287.7	18.2
Nova Scotia	42.6	42.5	-0.4	362.4	2.2
New Brunswick	35.4	35.0	-1.1	289.3	4.5
Quebec	262.6	266.6	1.6	2,356.8	6.3
Ontario	630.5	646.7	2.6	5,486.1	7.3
Manitoba	57.3	58.2	1.5	525.1	7.3
Saskatchewan	48.8	51.7	6.0	459.5	9.2
Alberta	175.3	184.7	5.4	1,591.8	12.4
British Columbia, Yukon, Northwest Territories and Nunavut <sup>1</sup>	173.0	182.5	5.5	1,540.1	9.6

<sup>1</sup> For reasons of confidentiality, data for Newfoundland and Prince Edward Island are combined as are data for British Columbia, Yukon, Northwest Territories and Nunavut.

## Available on CANSIM: tables 760001-760004.

To order data, or for general information, contact the Client Services Unit (1-877-421-3067; 613-951-3549; [retailinfo@statcan.ca](mailto:retailinfo@statcan.ca)). For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Clérance Kimanyi (613-951-6363; [clerance.kimanyi@statcan.ca](mailto:clerance.kimanyi@statcan.ca)), Distributive Trades Division. ■

## Steel primary forms

Week ending October 20, 2001 (preliminary)

Steel primary forms production for the week ending October 20 totalled 311 301 tonnes, up 13.0% from 275 531 tonnes a week earlier and up 1.4% from 306 936 tonnes in the same week of 2000. The year-to-date total at the end of the reference week was 12 131 247 tonnes, a 10.8 % decrease compared with 13 601 513 in the same period of 2000.

To order data or for general information, contact the dissemination officer (1-866-873-8789; 613-951-9497; [manufact@statcan.ca](mailto:manufact@statcan.ca)). To enquire about the concepts, methods or data quality of this release, contact Dragos Ifrim (613-951-3527; [dragos.ifrim@statcan.ca](mailto:dragos.ifrim@statcan.ca)), Manufacturing, Construction and Energy Division. ■

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## Mineral wool including fibrous glass insulation

September 2001

Manufacturers shipped 2 679 757 square metres of R12 factor (RSI 2.1) mineral wool batts in September, up 10.2% from 2 431 165 square metres in August but down 17.6% from 3 252 030 square metres in September 2000.

Year-to-date shipments to the end of September totalled 23 076 126 square metres, a 10.6% increase from the same period in 2000.

**Available on CANSIM: table 3030004.**

The 2001 September issue of *Mineral wool including fibrous glass insulation*, Vol. 53, no. 9 (44-004-XIB, \$5/\$47) is now available. See *How to order products*.

To order data or for general information, contact the dissemination officer (1-866-873-8789; 613-951-9497; [manufact@statcan.ca](mailto:manufact@statcan.ca)). To enquire about the concepts, methods or data quality of this release, contact Yasmin Sheikh (613-951-2518; [sheiyas@statcan.ca](mailto:sheiyas@statcan.ca)), Manufacturing, Construction and Energy Division. ■

## Impact of interprovincial mobility on individuals' earnings

1982 to 1995

People who move from one province to another stand a good chance of earning more money, depending on their age and where they move from, according to a new research paper.

The study found that interprovincial mobility is associated with statistically significant and often large changes in individuals' earnings—these effects vary by age, sex and province of origin.

The report studied the impact of interprovincial migration using tax filer data that allowed earnings to be tracked as individuals moved from one province to another from 1982 to 1995.

It also controlled for other factors that may affect earnings, such as marital status and age, but also unobservable factors that operated consistently from one year to another, such as ability.

The benefits of moving were strongest for people originally living in the Atlantic provinces, Quebec or the Prairies, all provinces where levels of earnings were generally lower. Data showed that the earnings of people who moved in some cases increased 50% or more on average in the year after they moved.

People who left Alberta and British Columbia, the economies of which were generally stronger, showed only small gains relative to those who remained. In contrast, those who left Ontario, where jobs were generally well-paying, incurred declines in earnings.

While the changes in earnings were greatest for men under the age of 25, they were also sizeable for men in their 30s and 40s.

Women did not fare as well. The impact of interprovincial mobility was almost uniformly less strongly positive, or even negative, compared with the results for men. These gender patterns were consistent with a family-based earnings model whereby women tend to move in support of their spouses' careers, even when this results in a decline in their own earnings.

The effects of moving were most similar for the youngest groups of men and women—the point in the life cycle where the context of family decisions is less important.

The study also analyzed pre- and post-move earnings profiles. These indicated that people who moved had earnings much like those of non-movers in the province of origin before they moved, and that they were quickly integrated into local labour markets after their moves. These findings reinforce the notion that it was, in fact, the move itself that was responsible for the observed changes in earnings, not the characteristics of the movers.

The research paper *The effects of interprovincial mobility on individuals' earnings: Panel model estimates for Canada* (11F0019MPE, no. 163, \$5/\$25) can be ordered by contacting H el ene Lamadeleine (613-951-5231). An electronic version of the document (11F0019MIE01163, free) is now available on Statistics Canada's Web site ([www.statcan.ca](http://www.statcan.ca)). From the *Our products and services* page, choose *Research papers (free)*, then *Social conditions*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Ross Finnie (613-533-6000 ext. 74219), Queen's University. ■

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## NEW PRODUCTS

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**The effects of interprovincial mobility on individuals' earnings: Panel model estimates for Canada**, no. 163  
Catalogue number 11F0019MIE01163  
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**Mineral wool including fibrous glass insulation**, Vol. 53, no. 9, September 2001  
Catalogue number 44-004-XIB (\$5/\$47).

**Canadian international merchandise trade**, August 2001  
Catalogue number 65-001-XIB (\$14/\$141).

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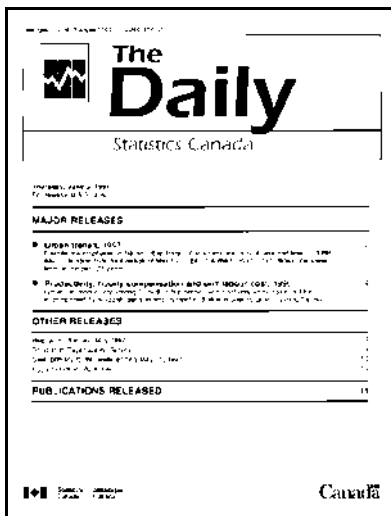
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