



The Daily

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Major releases

- **Study: Labour markets, business activity and mobility in urban centres, 1981 to 2003** 2
Employment and unemployment rates vary widely from one metropolitan area to another, but the differences narrowed during the past two decades, according to a comprehensive report on economic conditions in 27 urban areas.

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Major releases

Study: Labour markets, business activity and mobility in urban centres

1981 to 2003

Employment and unemployment rates vary widely from one metropolitan area to another, but the differences narrowed during the past two decades, according to a comprehensive report on economic conditions in 27 urban areas.

Between 1981 and 2001, the employment rates and unemployment rates in most census metropolitan areas converged towards the national average, the report found.

This occurred largely because of improvements in urban areas where labour markets were weakest in 1981, that is, those in which rates of unemployment were relatively high, and employment rates relatively low.

For example, of the six metropolitan centres that had unemployment rates higher than 10% in 1981, only two had rates that high in 2001. At the same time, of the three centres that had unemployment rates of less than 4% in 1981, none still had rates that low in 2001.

At the same time, however, the average unemployment rate for all metropolitan areas combined remained virtually unchanged, as did the average employment rate.

These changes occurred against a backdrop of transformation in business activity within these urban areas. The report found that virtually all metropolitan centres became more services-oriented during the 1990s.

Underlying this shift was a decline in employment in manufacturing combined with a gain in business services industries. Most metropolitan areas also increased their specialization in the communications technology sector, especially in services.

The report also found a kind of "brain drain" affecting some metropolitan areas. Many of the smallest centres lost significant shares of their most educated population to larger urban centres.

Largest urban areas differed widely in strength of labour market

The strength of labour markets varied widely from one urban centre to another in 2001, according to census data.

Note to readers

This report is the sixth in a series that develops statistical measures to shed light on important issues for Canada's cities. Statistics Canada has worked on this project in collaboration with the Cities Secretariat, Infrastructure Canada.

The objective is to provide statistical measures of trends and conditions in our larger cities and the neighbourhoods within them. These measures will be available for use in city planning and in policy development.

This comprehensive report examines employment, unemployment, work activity, earnings, industrial structure, industry concentration and diversity, and human capital and population growth due to immigration and inter-CMA mobility in Census Metropolitan Areas between 1981 and 2003.

Data primarily came from the 1981, 1991, and 2001 censuses of Canada, and the 1987 to 2003 Labour Force Survey.

But while these differences were large, they were not as great as they had been two decades earlier. This indicates a movement towards more labour market equality had occurred among urban centres during this period.

For example, in 1981, the metropolitan area with the lowest employment rate in the nation was Chicoutimi-Jonquière, where only 47.6% of the population aged 15 and older had a job. On the other hand, Calgary had the highest employment rate at 73.2%

Two decades later, Chicoutimi-Jonquière still had the nation's lowest employment rate, but it had improved significantly to just over one-half (51.7%). In contrast, Calgary's rate had in fact dipped to 71.6%.

Likewise, during the 20-year period, Chicoutimi-Jonquière's unemployment rate fell from 15.8% to 12.4%. In contrast, the unemployment rate in Calgary edged up from 3.2% to 4.9%.

The fact that the unemployment rate in Chicoutimi-Jonquière in 2001 was 2.5 times the rate in Calgary indicated that the labour markets in metropolitan areas at the turn of the millennium were still dominated by differences.

The years 1981 and 2001 represent comparable years in the business cycle, making them ideal for understanding long-term trends.

In addition, according to Statistics Canada's Labour Force Survey, differences in unemployment rates among urban centres changed little between 2001 and 2004.

While the gap among metropolitan areas narrowed in terms of labour force strength during the past 20 years,

differences in annual earnings for workers did not. Rather, earnings changed across regional lines.

In 1981, the difference between earnings in the highest and lowest urban centres was \$9,900. By 2001, the gap had increased to \$11,800 (among workers working full year and full time).

On a regional basis, median earnings fell in all Quebec metropolitan areas, and all urban centres west of Ontario.

Urban areas became more services oriented as manufacturing declined

Almost all metropolitan centres became more services-oriented during the 1990s. At the same time, employment in manufacturing declined in most centres.

This shift in orientation toward more services appeared to have been the result of greater loss of employment in goods industries during the recession. During the rest of the decade, goods and services employment grew at an equal pace.

In 2003, manufacturing comprised on average just 14.1% of employment in the 27 largest urban centres, down from 16.7% in 1989.

At the same time, the proportion of employment in services rose from 74.4% to 78.1%. The professional, scientific and technical services industry increased its employment share from 5.3% in 1989 to 7.8% in 2003.

The six most services-oriented urban centres in the country were government cities: St. John's, Halifax, Québec, Ottawa–Hull, Regina and Victoria. In these centres, services industries employed at least 85% of the work force, mostly the result of large public sectors in these centres.

Between 1989 and 2003, services employment grew faster than goods employment in all but 4 of the 27 urban centres. The share of workers in services employment rose fastest in Hamilton, Oshawa, St. Catharines–Niagara and Kitchener — four of southern Ontario's traditional manufacturing strongholds.

During this time, the goods-producing sector grew most strongly in three western metropolitan centres: Calgary, Edmonton and Abbotsford.

Many of the traditional centres of Canadian manufacturing saw large declines in their manufacturing sectors. In Montréal, for example, manufacturing employment tumbled by an estimated 46,300.

Saint-John, Chicoutimi–Jonquière, Hamilton, St. Catharines–Niagara and Kitchener also lost substantial numbers of manufacturing jobs relative to the size of their labour force.

Nevertheless, many Ontario and Quebec metropolitan areas still had strong manufacturing bases in 2003. The largest shares were in Sherbrooke, Hamilton, Kitchener and Windsor, where more than one in five workers were employed in manufacturing in 2003.

Brain drain: Many small urban centres lost university graduates

A substantial number of people move among urban centres during a five-year period. Compared to other migrants, university educated migrants may contribute more to the local labour supply of high skilled workers, making them highly desirable for metropolitan areas.

Between 1996 and 2001, many urban centres lost more university educated migrants to other census metropolitan areas than they gained back in return. The net losses tended to be incurred by smaller urban centres.

In other words, these smaller centres encountered a "brain drain", exporting university graduates.

During this five-year period, all metropolitan areas in Quebec and the Atlantic provinces lost university graduates to other centres, as did urban centres in northern Ontario, Manitoba and Saskatchewan.

Regina, Sudbury and Saskatoon topped the list that lost the largest share of their university educated population. Regina lost 1,300 more university graduates to other urban centres than it gained in return. This amounted to 7.0% of Regina's 2001 university educated population.

Definitions, data sources and methods: survey numbers, including related surveys, 3701 and 3901.

The sixth research paper in the new series *Trends and Conditions in Census Metropolitan Areas* entitled *Labour Markets, Business Activity and Population Growth and Mobility in Canadian Census Metropolitan Areas* (89-613-MIE2005006, free) is now available online. To access the series, from our home page, select *Studies* on the left sidebar, then under *Browse periodical and series*, choose *Free and for sale*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Andrew Heisz (613-951-3748; andrew.heisz@statcan.ca) or Sébastien LaRoche-Côté (613-951-0803; sebastien.larochelle-cote@statcan.ca), Business and Labour Market Analysis. ■

Other releases

Employment Insurance

February 2005 (preliminary)

The estimated number of Canadians (adjusted for seasonality) receiving regular Employment Insurance benefits in February was 525,080, up 0.8% from January and the third consecutive monthly advance. All provinces and territories reported increases except Alberta, British Columbia and the Yukon. Compared with February 2004, the number of regular beneficiaries fell 5.3% nationally.

Also on a seasonally adjusted basis, regular benefit payments in February totalled \$708.1 million, while the number of people making initial and renewal claims was 243,940.

Note: With this release, the annual revision to the seasonally adjusted series has been completed back to January 1997. Sub-provincial data has also been revised back to January 1997, based on the geographical limits of the 2001 Census.

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* or administrative procedures.

The number of beneficiaries is a measure of all persons who received Employment Insurance benefits for the week containing the 15th day of the month. The regular benefit payments series measures the total of all monies received by individuals for the entire month.

Employment Insurance statistics

	February 2005	January 2005	February 2004	January to February 2005	February 2004 to February 2005
seasonally adjusted					
					% change
Regular beneficiaries	525,080 ^P	520,850 ^P	554,650	0.8	-5.3
Regular benefits paid (\$ millions)	708.1 ^P	715.5 ^r	812.6	-1.0	-12.9
Initial and renewal claims received ('000)	243.9 ^P	236.5 ^r	242.5	3.1	0.6
Unadjusted					
All beneficiaries ('000) ¹	977.3	968.4	1,018.9		
Regular beneficiaries ('000)	674.5	676.0	714.0		
Initial and renewal claims received ('000)	195.9	330.1	197.9		
Payments (\$ millions)	1,425.7	1,616.3	1,655.1		
year-to-date (January to February)					
	2005		2004	2004 to 2005	% change
Claims received ('000)	526.0		521.0		1.0
Payments (\$ millions)	30,419.7		30,946.5		-1.7

^r Revised figures.

^P Preliminary figures.

1. "All beneficiaries" includes all claimants receiving regular benefits (for example, as a result of layoff) or special benefits (for example, as a result of illness) and are representative of data for the Labour Force Survey reference week which is usually the week containing the 15th of the month.

Number of beneficiaries receiving regular benefits

	February 2005 ^P	January to February 2005	February 2004 to February 2005
	seasonally adjusted		
		% change	
Canada	525,080	0.8	-5.3
Newfoundland and Labrador	37,340	0.6	0.8
Prince Edward Island	7,890	1.2	-3.1
Nova Scotia	29,500	0.0	-3.2
New Brunswick	34,410	1.3	0.0
Quebec	176,870	0.7	-3.0
Ontario	131,790	1.8	-6.0
Manitoba	12,510	1.1	-11.3
Saskatchewan	11,810	0.9	-7.7
Alberta	25,170	-3.9	-19.2
British Columbia	54,720	-2.0	-11.7
Yukon Territory	880	-1.1	-10.2
Northwest Territories and Nunavut	1,110	4.7	-9.8
	unadjusted for seasonality		
		% change	
Northwest Territories	750	-2.6	-17.6
Nunavut	420	5.0	7.7

^P Preliminary figures.

Note: The number of beneficiaries includes all claimants who received regular benefits for the Labour Force Survey reference week, usually containing the 15th day of the month.

Available on CANSIM: tables 276-0001 to 276-0006, 276-0009, 276-0011, 276-0015 and 276-0016.

Definitions, data sources and methods: survey number 2604.

Data on Employment Insurance for March will be released on May 24.

For general information or to order data, contact Client Services (613-951-4090; 1-866-873-8788; labour@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Gilles Groleau (613-951-4091), Labour Statistics Division. ■

Farm Product Price Index

February 2005

Prices farmers received for their commodities in February 2005 fell 2.9% from the same month a year earlier in the wake of a sharp decline in crop prices, which offset a gain in prices for livestock.

Overall, producers received prices for crops that were 22.6% below levels in February 2004, continuing a downward trend in year-over-year price changes that

began in July 2003, according to the Farm Product Price Index. Farmers received lower prices for grains, oilseeds and specialty crops.

On the other hand, prices for livestock and animal products were 11.4% higher in February 2005 than they were a year earlier. This was the ninth consecutive year-over-year increase in the overall livestock and animal products index. Prior to this series of gains, prices for livestock and animal products had been falling for 12 consecutive months.

Prices rose in February for all livestock and animal product indexes except eggs. Gains ranged from 5.0% for poultry to 18.0% for cattle and calves over year earlier levels.

On a monthly basis, prices farmers received for their commodities edged up 2.8% in February over January, again on the strength of rising prices for livestock and animal products.

The FPPI (1997=100) stood at 96.3 in February, up from a revised January index of 93.7. This marked the third consecutive monthly increase following six straight monthly declines.

Prices for livestock and animal products were up 4.1% in February from the revised January index, as prices for cattle and calves, hogs and dairy rose. The price index for cattle and calves was at its highest level since the discovery of BSE in May 2003 as the anticipated March 7 date for the re-opening of the US border to live cattle exports drew nearer. However, at 106.8, it still remains below the pre-BSE April 2003 level of 125.3.

Hog prices were up in February for the second month this year after falling for seven consecutive months. The downward pressure had come from large North American supplies and a stronger Canadian dollar.

Prices farmers received for crops fell 1.4% from January, as the grains, oilseeds, specialty crops and vegetable indexes recorded declines.

The grains index was down 2.3% as prices continue to be pressured by a record US corn crop and a strong Canadian dollar. Poor growing and harvest conditions played havoc on the quality of this crop, also bringing down the average price.

Prices for oilseeds fell 0.7% in February, marking the ninth consecutive monthly decline to the lowest index level since May 2001. Oilseed prices have struggled with a record US soybean crop, expectations of a bumper South American soybean crop and a strong Canadian dollar. Canadian farmers also have abundant supplies left in this crop-year after harvesting the second largest canola crop and a record soybean crop.

Available on CANSIM: tables 002-0021 and 002-0022.

Definitions, data sources and methods: survey number 5040.

The February 2005 issue of *Farm Product Price Index*, Vol. 5, no. 2 (21-007-XIE, free) is now available online. From the *Our products and services* page, under

Browse our Internet publications, choose *Free*, then *Agriculture*.

For general information or to order data, call 1-800-465-1991. To enquire about the concepts, methods or data quality of this release, contact Gail-Ann Breese (204-983-3445; fax: 204-983-7543; gail-ann.breese@statcan.ca), Agriculture Division.

Farm Product Price Index (1997=100)

	February 2004 ^r	January 2005 ^r	February 2005 ^p	February 2004 to February 2005	January to February 2005
				% change	
Farm Product Price Index	99.2	93.7	96.3	-2.9	2.8
Crops	102.1	80.1	79.0	-22.6	-1.4
Grains	101.1	60.9	59.5	-41.1	-2.3
Oilseeds	100.1	74.5	74.0	-26.1	-0.7
Specialty crops	104.9	97.4	88.8	-15.3	-8.8
Fruit	101.1	102.0	104.4	3.3	2.4
Vegetables	108.7	110.7	110.6	1.7	-0.1
Potatoes	105.4	125.0	131.3	24.6	5.0
Livestock and animal products	97.0	103.8	108.1	11.4	4.1
Cattle and calves	90.5	103.2	106.8	18.0	3.5
Hogs	80.2	87.4	88.2	10.0	0.9
Poultry	97.2	102.4	102.1	5.0	-0.3
Eggs	103.2	96.9	95.3	-7.7	-1.7
Dairy	119.3	121.6	133.1	11.6	9.5

^r Revised figures.

^p Preliminary figures.

Steel pipe and tubing February 2005

Data on production and shipments of steel pipe and tubing are now available for February.

Available on CANSIM: table 303-0046.

Definitions, data sources and methods: survey number 2105.

The publication *Production and Shipments of Steel Pipe and Tubing* (41-011-XIB) has been discontinued. Data can be found in the new publication *Steel, Tubular Products and Steel Wire* (41-019-XIE, \$6 /\$51), which will soon be available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (1-866-873-8789; 613-951-9497; manufact@statcan.ca), Manufacturing, Construction and Energy Division. ■

Primary iron and steel February 2005

Data on primary iron and steel for February are now available.

Please note that January's data have been revised.

Available on CANSIM: tables 303-0048 to 303-0051.

Definitions, data sources and methods: survey numbers, including related surveys, 2116 and 2184.

The publication *Primary Iron and Steel* (41-001-XIB) has been discontinued. Data can be found in the new publication *Steel, Tubular Products and Steel Wire* (41-019-XIE, \$6/\$51), which will soon be available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (1-866-873-8789; 613-951-9497; manufact@statcan.ca), Manufacturing, Construction and Energy Division. ■

New products

Infomat: A Weekly Review, April 26, 2005
Catalogue number 11-002-XWE (\$100).

Farm Product Price Index, February 2005, Vol. 5, no. 2
Catalogue number 21-007-XIE
(free).

Annual Estimates of Employment, Earnings and Hours Based on the North American Industrial Classification System (NAICS), 1991 to 2004
Catalogue number 72F0023XCB (\$160).

Trends and Conditions in Census Metropolitan Areas: Labour Markets, Business Activity and Population Growth and Mobility in Canadian CMAs, no. 6
Catalogue number 89-613-MIE2005006
(free).

1996 Census Electronic Area Profiles
Catalogue number 94F0048XWE
(free).

All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.

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 The Daily	
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Thursday, June 5, 1997 For release at 9:30 a.m.	
MAJOR RELEASES	
● Urban transit, 1995 Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about six trips on some form of urban transit, the lowest level in the past 25 years.	2
● Productivity, hourly compensation and unit labour cost, 1995 Growth in productivity among Canadian businesses also noticeably weak again in 1996, accompanied by sluggish gains in employment and slow economic growth during the year.	4
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