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Two small groups of unemployed people were responsible for a disproportionate share of unemployed weeks between 1993 and 2001. Just 15% of unemployed people accounted for 41% of all unemployment, according to a new study.

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Study: Chronic unemployment 1993 to 2001

Two small groups of unemployed individuals were responsible for a disproportionate share of unemployed weeks in Canada between 1993 and 2001, according to a new study. In fact, just 15% of unemployed people accounted for 41% of all unemployment, the study found.

One of the groups was comprised of individuals who were unemployed during their entire time in the labour force (the always unemployed). The second consisted of the chronically unemployed. People in this group spent between 48% and 99% of their time in the labour force in unemployment.

Combined, these two groups accounted for 15% of all individuals who had been unemployed at some point during the period covered by the study. At the same time, the number of weeks of unemployment accumulated by these individuals represented 41% of the total time accumulated. This is especially striking as their participation in the labour market was relatively low.

This study used data from the Survey of Labour and Income Dynamics (SLID) to examine several groups of the unemployed during two partially overlapping six-year periods between 1993 and 2001.

The study also showed that while the focus of previous studies has been on unemployment among men, women were actually more affected by chronic unemployment than men. Women comprised 55% of the chronically unemployed population, the problem being especially acute for single mothers.

A third key finding was that people who had not graduated from high-school were over-represented in the population of chronically unemployed, as were residents of Quebec and the Atlantic provinces, older workers, members of visible minority groups and people with disabilities.

Chronically unemployed: A disproportionate share of unemployment

The study specifically assessed the case of individuals who were chronically unemployed during the two overlapping periods. This group alone accounted for a disproportionately high share of unemployment.

According to SLID data, in the two panels between 1993 and 2001, slightly over 952,000 people were chronically unemployed. For the purposes of this study, this group is defined as comprising one-tenth of

the total unemployed population of just under 10 million people during the study period.

However, they accumulated nearly 130 million weeks of unemployment. This total represented nearly 30% of the 443 million weeks of unemployment accumulated by all individuals who had been unemployed at some time during the study period. In other words, this 10% of unemployed accounted for 30% of unemployment.

In contrast, there were 10% of people at the opposite end of the scale who were rarely out of work. On average, they experienced fewer, shorter, spells of unemployment, and were unemployed less than 1.3% of their time in the labour force. This 10% of the unemployed population accumulated fewer than 2.1 million weeks of unemployment, representing only 0.5% of the total.

Longer spells of unemployment

Chronically unemployed individuals tended to experience more and longer spells of unemployment than other unemployed people. Moreover, their attachment to the labour market was not as strong.

Over a six-year period, the chronically unemployed experienced, on average, 3.4 periods of unemployment, each lasting an average of about 54 weeks. More than one-quarter of the chronically unemployed experienced 5 or more spells of unemployment. Indeed, almost 1 out of every 10 in this group experienced 7 or more spells, and some experienced as many as 16.

People who were always unemployed during their time in the labour force experienced on average 1.7 periods of unemployment over six years, each lasting about 77 weeks. The fact that they had more than one spell of unemployment indicated that they had quit looking for work and had withdrawn from the labour force at some point.

Women, older workers affected more

Traditionally, much of the research attention paid to the unemployed has been on men. However, SLID data show that women are in fact more affected by chronic unemployment.

Overall, women accounted for 53% of the 10 million or so individuals who had been unemployed at some time in this study period.

Though they comprised less than half of the population in the labour force (49%), women made up 55% of the chronically unemployed population, and

nearly two-thirds of the population that never found a job (the always unemployed) during the study period.

Lone parents were especially over-represented among the chronically unemployed and the always unemployed. These were mainly women, as they head the vast majority of lone-parent families.

Older workers, those over the age of 40, also tended to be more affected by chronic unemployment. This group accounted for 28.3% of the 10 million people who had been unemployed during the study period. However, they comprised 38.1% of the chronically unemployed population, and 52.1% of the population that had never found a job.

People with less education over-represented in chronic unemployment

Individuals without a high school diploma were especially over-represented in both the chronically unemployed population, and the always unemployed population. Conversely, they were under-represented among individuals who were seldom unemployed.

These individuals accounted for 20% of the labour force during the study period. However, they represented 38% of the chronically unemployed and 51% of those who had not found a job during their time in the labour force. These proportions are higher than those for any other group.

In contrast, people holding university degrees or certificates represented 17.9% of the labour force, but

only 5.6% of the chronically unemployed. They also accounted for 16.8% of the group that was seldom unemployed.

A reality in Eastern Canada

Unemployed people living east of Ontario were also over-represented in chronic unemployment and among the group who had not found a job during their time in the labour force.

Residents of the Atlantic provinces represented 8.5% of the labour force in this study, but accounted for 16.6% of the chronically unemployed. Similarly, people in Quebec represented 26.6% of the labour force, and 35.7% of the chronically unemployed.

Generally, the chances that people will spend time in unemployment lessen as one moves westward from Atlantic Canada.

Definitions, data sources and methods: survey number 3889.

The analytical article "Chronic unemployment: a statistical profile" (11-621-MIE2005031, free) is now available online in the publication *Analysis in Brief* (11-621-MIE).

For more information, or to enquire about the concepts, methods or data quality of this release, contact Brad Brooks (613-951-7218), Socio-Economic Analysis and Modeling Division. ■

New products

Analysis in Brief : Chronic unemployment: a statistical profile, 1993 to 2001, no. 31
Catalogue number 11-621-MIE2005031
(free).

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Catalogue number 62-013-XIE
(free).

Science, Innovation and Electronic Information
Division Working Papers : Scientific and Technological Activities of Provincial Governments and Provincial Research Organizations, 1995-1996 to 2003-2004, no. 11
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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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