



Change in EI Recipients to May 2014

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Highlights

- The month-to-month change in the number of Employment Insurance (EI) recipients generally indicates the month-to-month change in employment in non-metro Ontario.
• There is a wide range in change in EI across census divisions (CDs) in non-metro Ontario.
• In non-metro CDs from May 2013 to May 2014, EI recipients declined the most in the Prince Edward CD and increased the most in the Timiskaming CD.

Why look at Employment Insurance recipients?

The change in the number of regular beneficiaries¹ of EI is one indicator of the decline or growth of the economy. However, a decline in the number of EI recipients may not always indicate a decline in unemployment (or an increase in employment), as some may have exhausted their EI benefits, given up looking for work or not met eligibility requirements.

Findings

The number of EI recipients in non-metro Ontario has been declining steadily since the economic downturn of 2009-2010 (Figure 1).

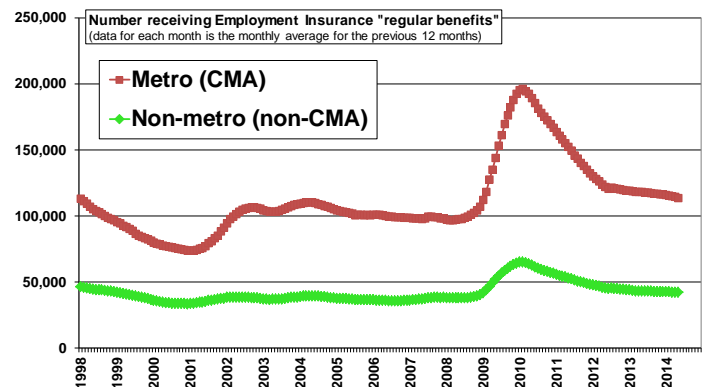
Metro and non-metro show the same pattern of ups and the downs in the same period. Metro fluctuations are greater than non-metro - in February 2010 compared to two years early, metro was up 102% and non-metro was 72%. By May 2014, metro was down 42% and non-metro was down 35%.

The level of employment in non-metro Ontario employment has not expanded since 2004². At the provincial level, the monthly change in the number of EI recipients is approximately equal to the change of the number employed (Appendix A). At the sub-provincial level, the change in the number of EI

recipients is an indicator of the change in the number employed in these sub-provincial areas. See caveats in Footnote #1.

Figure 1

Decline since February, 2010 in the number of EI recipients in both metro and non-metro Ontario.



Source: Statistics Canada, CANSIM Table 276-0030.

Across non-metro census divisions (CDs) in Ontario, there is a wide range in labour market performance, as indicated by EI recipients.

In May³ 2014, the number of EI recipients in the Prince Edward CD was down 18% from May 2013 (Table 1). Since the economic downturn of 2009-2010, the number of EI recipients has been trending down. There is significant month to month variation from 200 in September 2013 to 500 in February 2014 (Figure 2).

The Ontario CD with the largest increase in EI recipients (May 2013 to May 2014) was the Timiskaming CD (Table 1). The number of EI recipients is in the same range before the 2009 downturn - and there is a within-year variation of about 400 recipients (510 in June 2013 to 900 in January 2014) (Figure 3).

1 Employment Insurance (EI) regular benefits are available to eligible individuals who lose their jobs and who are available for and able to work, but can't find a job. The change in the number of regular beneficiaries varies, including people becoming beneficiaries, going back to work, opting out of the labour market and exhausting their regular benefits. A certain proportion of unemployed people do not qualify for benefits - those who have not contributed to the program (including those who have not worked in the past 12 months or their employment is not insured), those who have contributed to the program but do not meet the eligibility criteria because they left their job voluntarily or did not accumulate enough hours of work to receive benefits. Recently, the definition of regular beneficiaries was expanded to include those receiving regular benefits while participating in employment benefit programs, such as training.

2 See the Focus on Rural Ontario Fact Sheet: Patterns of job growth and decline to June 2014.

3 Table 1 shows the change from the 3-month average for Mar/Apr/May, 2013 to Mar/Apr/May, 2014. Figures 2 and 3 show the monthly data.

Table 1

Change in number of Employment Insurance "regular beneficiaries", May, 2013 to May, 2014		
Census Division number	Census Division	Percent change in number of Employment Insurance "regular beneficiaries", comparing the average for the 3-months ending May, 2014 with the same calculation for May, 2013)
Metro census divisions, ranked by rate of change in the number of Employment Insurance "regular beneficiaries"		
3520	Toronto	-8.9
3519	York	-8.1
3529	Brant	-6.5
3521	Peel	-4.8
3506	Ottawa	-3.4
3524	Halton	-3.1
3525	Hamilton	-2.5
3553	Greater Sudbury	-1.9
Partially non-metro census divisions, ranked by rate of change in the number of Employment Insurance "regular beneficiaries"		
3522	Dufferin	-40.8
3518	Durham	-10.2
3502	Prescott & Russell	-9.7
3526	Niagara	-8.1
3537	Essex	-6.0
3543	Simcoe	-4.8
3515	Peterborough	0.7
3539	Middlesex	0.9
3523	Wellington	1.4
3530	Waterloo	1.5
3534	Elgin	2.1
3510	Frontenac	3.2
3558	Thunder Bay	11.2
3511	Lennox & Addington	14.8
Non-metro census divisions, ranked by rate of change in the number of Employment Insurance "regular beneficiaries"		
3513	Prince Edward	-18.1
3557	Algoma	-16.9
3560	Kenora	-15.2
3559	Rainy River	-14.2
3541	Bruce	-13.7
3546	Haliburton	-13.6
3531	Perth	-11.4
3548	Nipissing	-8.7
3532	Oxford	-7.7
3516	Kawartha Lakes	-7.6
3528	Haldimand-Norfolk	-6.7
3501	Stormont, Dundas & Glengarry	-6.0
3552	Sudbury	-5.3
3514	Northumberland	-4.3
3544	Muskoka	-3.9
3542	Grey	-3.5
3549	Parry Sound	-1.9
3547	Renfrew	-1.7
3540	Huron	-1.2
3551	Manitoulin	-0.6
3509	Lanark	-0.6
3536	Chatham-Kent	2.3
3507	Leeds & Grenville	3.7
3512	Hastings	3.9
3538	Lambton	10.1
3556	Cochrane	13.8
3554	Timiskaming	17.3

Source: Statistics Canada, CANSIM Table 027-0032.

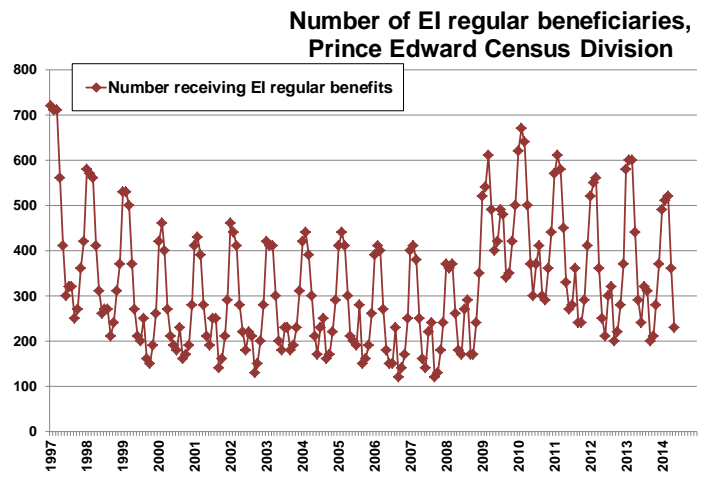
Summary

Month-to-month changes in the number of Employment Insurance (EI) recipients is an indicator of local change in the number of jobs.

Across the census divisions in non-metro Ontario, the change in the number of EI recipients from May 2013 to May 2014 varied from a decline of -18% in the Prince Edward CD to +17% in the Timiskaming CD.

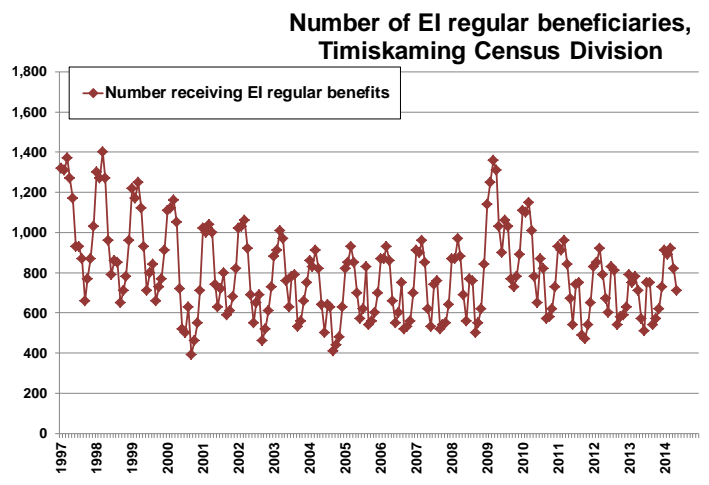
Rural Ontario Institute gratefully acknowledges financial assistance from OMAFRA and County of Wellington. Questions on data sources can be directed to <mailto:RayD.Bollman@sasktel.net>. Any comments or discussions can be directed to NRagotlie@RuralOntarioInstitute.ca.

Figure 2



Source: Statistics Canada, CANSIM Table 276-0032.

Figure 3

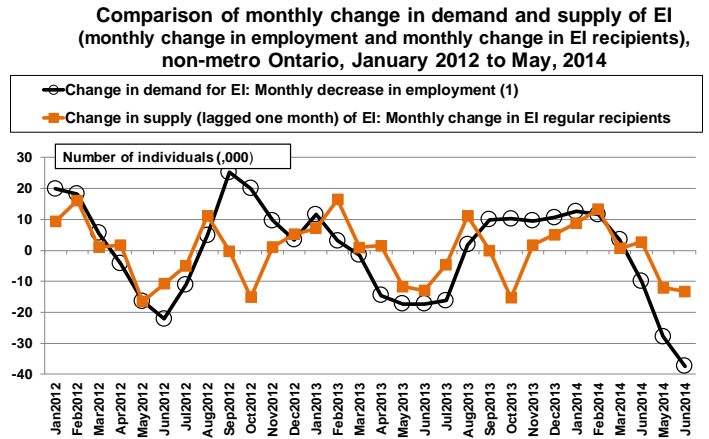


Source: Statistics Canada, CANSIM Table 276-0032.

Appendix A

In general, but certainly not always, when employment declines in a given month (i.e. there is an increase in the demand for EI – shown as a positive figure in Figure A1), then there is an increase in the supply of EI in the following month. Thus, we argue that subprovincial monthly changes in EI indicate the monthly changes in employment in a subprovincial jurisdiction.

Figure A1



(1) The decrease in employment (i.e. the demand for EI) is shown as a positive number. Thus, the demand for EI in January, 2010 (i.e. the decrease in employment) was 20 thousand.
Sources: Statistics Canada, Labour Force Survey, CANSIM Tables 026-001 and 282-0109. Statistics Canada, Employment Insurance Recipients, CANSIM Table 276-0030.