# Perspective



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### The labour market: Behind the scenes There's no such thing as the "average" unemployed worker

Every month, Statistics Canada publishes data about the labour market. Invariably, for decades now, it has been the job numbers that attract the greatest interest. Yet, there is one aspect that is very important and that remains in the shadows: the unemployed. This analysis presents a snapshot for the year 2014. It reveals, among other things, that there is no such thing as the "average" unemployed worker; that unemployment affects many people, and that no-one is immune to it, whether male or female, old or young, with or without a diploma. This picture of the unemployed in 2014 is quite enlightening: it shows that there can be no single solution for reducing unemployment in Quebec.

### 343,200 PEOPLE IN 2014

Since the year 2014 is not finished yet, our snapshot will be based on the average of the first 10 months of the year, from January to October. On that basis, there have been, on average, 343,200 unemployed workers aged 15 and over in Quebec this year. These data are drawn from the Labour Force Survey (LFS), not from data related to employment insurance benefits or the Survey of Employment, Payrolls and Hours (SEPH).

Meanwhile, the average number of jobs (full-time and part-time combined) stood at 4,032,000 during the same period. This works out to a ratio of 11.7 jobs for each unemployed worker. To put these numbers into perspective, 343,200 people are more than the total population of the Estrie region in 2013 (which was 318,350). It is even more than the populations of Repentigny, Brossard, Drummondville, Granby and Saint-Georges de Beauce put together (for 2013).

If we consider only unemployed workers between the ages of 15 and 64, we estimate their numbers at 334,700 for the first 10 months of 2014. We also note that around 8,500 people aged 65 and over defined themselves as unemployed in that year. In short, that term is not restricted solely to those below age 65. To learn how Statistics Canada defines unemployment, see the box on page 2.

A breakdown of the unemployed population by age group (table 1) shows that no age group is spared, and that young people make up a large proportion of it.

	10-month average, 2014	
	Non-seasonally adjusted data	
Age 15 to 19	44,700	
Age 20 to 24	42,600	
Age 25 to 29	38,800	
Age 30 to 34	34,600	
Age 35 to 39	31,100	
Age 40 to 44	26,700	
Age 45 to 49	31,300	
Age 50 to 54	34,000	
Age 55 to 59	30,500	
Age 60 to 64	20,400	
Age 65 and over	8,500	
Age 15 and over	343,200	

\*: See box on next page. Sources: Statistics Canada, Table 282-0001 and Desjardins, Economic Studies

#### MORE MEN THAN WOMEN

We note that in terms of absolute numbers, the unemployed population consisted of more men than women in 2014. Thus, the 209,100 men represented 60.9% of all unemployed workers aged 15 and over (table 2 on page 2). The breakdown by age group shows that, all things being equal, the segment consisting of young people aged 15 to 24 is relatively evenly split between male and female (25.7% and 25.0%, respectively). In the 25 to 54 year age group, unemployed men account for 55.4%, unemployed women for 60.1%. In the 55 and over age group, the proportion of men is greater, both in numbers and in percentage. In terms of numbers, there are twice as many unemployed men as women in the 55 and over age group in Quebec this year.

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### Table 2 – 2014 - Unemployment in Quebec Men and women by age group Size of each age group by sex\*

	Men	Women
Age 15 and up (in numbers)	209,100	134,100
Age 15 to 24 (in %) <sup>1</sup>	25.7	25.0
Age 25 to 54 (in %) <sup>1</sup>	55.4	60.1
Age 55 and over (in %) <sup>1</sup>	18.9	14.8

<sup>1</sup> The total cannot be equal to 100 due to rounding.

\* Non-seasonally adjusted data, and average of the first 10 months of 2014.

Sources: Statistics Canada, Table 282-0001 and Desjardins, Economic Studies

### **UNEMPLOYMENT SPARES NO-ONE**

Unemployment affects everyone. A breakdown by level of education shows that unemployment strikes all categories, regardless of the level of education achieved (table 3). However, these numbers should be examined in conjunction with the employment rate. We note that the largest contingent of unemployed workers (a little over one third or 119,100) hold a high school certificate or diploma. On the other hand, this group has an employment rate of 70.3%, higher than that of unemployed workers with no postsecondary diploma. The group of those who did not complete high school is the second largest, consisting of 82,100 unemployed workers (0 to 8 years of schooling plus partial high school education). We note that the employment rate of this group is well below that of all the other categories of unemployed workers.

### Table 3 – 2014 - Unemployment in Quebec Unemployment by level of education\*

Unemployed workers (in numbers)		
343,200	Total, all levels of education	
23,600	0 to 8 years	
58,500	Partial high school <sup>1</sup>	
54,400	Completed high school <sup>2</sup>	
29,500	Partial postsecondary studies	
119,100	Postsecondary certificate or diploma	
58,100	University degree <sup>3</sup>	
Employment i	rate (in %)	
59.8	Total, all levels of education	
17.8	0 to 8 years	
41.1	Partial high school <sup>1</sup>	
57.6	Completed high school <sup>2</sup>	
56.6	Partial postsecondary studies	
70.3	Postsecondary certificate or diploma	
72.9	University degree <sup>3</sup>	
* 10-month average	2.	
<sup>1</sup> Attended at least	Secondary III, but did not complete Secondary IV.	
<sup>2</sup> Received a Secon	ndary V diploma.	

Unemployed persons are those who, during the reference week:

- a) were on temporary layoff during the reference week with an expectation of recall and were available for work, or
- b) were without work, had actively looked for work in the past four weeks, and were available for work, or
- c) had a new job to start within four weeks from reference week, and were available for work.

Source: Statistics Canada, Catalogue No. 71-543-GI, Guide to the Labour Force Survey, page 7.

Based on the data contained in table 3, it is clear that, regardless of the level achieved, education does not automatically provide protection from unemployment.

### AVERAGE DURATION OF UNEMPLOYMENT IN 2014: A LITTLE, A LOT

According to the Labour Force Survey (LFS), nearly one third of those who qualify as unemployed (32.3%, 110,800 unemployed persons) have been without a job for 4 weeks or less. The second largest group is those who have been unemployed between 5 and 13 weeks. That group is estimated to represent slightly more than one quarter of the unemployed (26.6%, 91,200 people). The next largest contingent of unemployed is those who have been out of work for 27 weeks or more. They represent approximately one unemployed worker out of five (19.9%, 68,400 people). We also note that around three quarters of the unemployed

### Table 4 – 2014 - Unemployment in QuebecAverage duration

	10-month average
All unemployed, every week	343,200*
1 to 4 weeks	110,800
5 to 13 weeks	91,200
14 to 25 weeks	54,300
26 weeks	4,000
27 weeks or more	68,400
27 to 51 weeks	25,400
52 weeks	16,900
53 weeks or more	26,100
Duration unknown	14,600
Average duration of unemployment, 22 no upper limit (weeks)	

The total cannot be equal to 343,200 due to rounding

Sources: Statistics Canada, Table 282-0047 and Desjardins, Economic Studies

Sources: Statistics Canada, Table 282-0003 and Desjardins, Economic Studies

<sup>3</sup> Earned at least a bachelor's degree.

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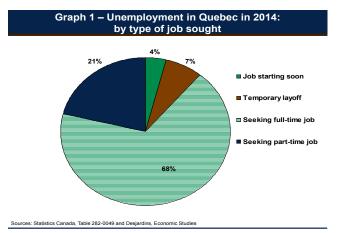
(75.8% or 260,300 people) belong to the category of those without a job for 26 weeks or less.

Statistics Canada measures the average duration of unemployment every month. The figure for the first 10 months of 2014 is 22 weeks, if no time limit is imposed.

### JOBS SOUGHT:

FULL TIME IS STILL BY FAR THE PREFERRED OPTION

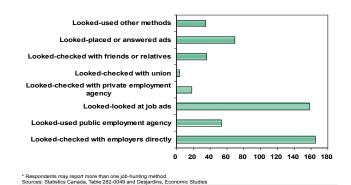
As one might expect, full-time work is still the primary goal of most unemployed workers. In fact, approximately 68% of Quebec unemployed aged 15 and over hoped to find a full-time job (so, on average for 10 months, 232,540 people) in 2014 (graph 1). The group of those who preferred part-time work consisted of 72,270 people, or around 21% of the unemployed. Of those who did not belong to the groups mentioned above, we note that 7% of them had been laid off temporarily and expected to return to their jobs, and that 4% had a job lined up that was scheduled to start soon.



Regarding the search for part-time work, a comparison over time shows that it has been expanding since 1990. Comparing the percentage of unemployed workers reporting that they were seeking a part-time job (average of the first 10 months) for the years 1990, 1995, 2000, 2005, 2010 and 2014, we observe a clear upward trend (respectively: 9.6%, 10.6%, 13.9%, 19.7%, 23.6% and 21.0%). At the same time, we note a reduction in the numbers of those reporting that they sought a full-time job (respectively: 81.9%, 80.5%, 74.7%, 67.8%, 63.7% and 67.8%). Could this be due to the aging of the population? Perhaps. This question in itself would warrant its own study, and will not be resolved here.



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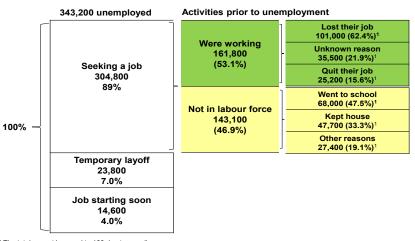


We note that the vast majority of Quebec unemployed are still looking for a job, be it full-time or part-time (89% in all). Many job-hunting methods are used. Graph 2 gives us an idea of those that are most often mentioned by LFS respondents, who have reported more than one strategy for finding a job. The most frequent method is to approach employers directly, followed very closely by checking help wanted ads. Far behind those methods comes placing or answering ads. Use of a public employment agency stands in fourth place, slightly ahead of checking with friends or relatives.

### LIFE BEFORE UNEMPLOYMENT

What was people's main activity before they were struck by unemployment? Of those who were looking for a job (304,800 unemployed), there were two major groups: those who were working before unemployment struck (53.1% of job seekers) and those who were not in the labour force (46.9%). Graph 3 shows that, of those who had been working,

### Graph 3 – Unemployment in Quebec in 2014: estimate of activities prior to unemployment



<sup>1</sup> The total cannot be equal to 100 due to rounding. Sources: Statistics Canada, Table 282-0214 and Desjardins, Economic Studies



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nearly two thirds (62.4%) lost their job. Those who quit their job represented 15.6% of those who had been working and, lastly, 21.9% did not give any exact reason that would make it possible to assign the survey respondents to one category or another.

The respondents who were not in the labour force may be broken down as follows: nearly half (47.5%) were at school, one third (33.3%) were keeping house, and nearly 20% (19.1%) gave other reasons.

#### A MAJORITY IN THE MONTREAL CMA

As one might expect, the Montreal census metropolitan area (CMA) (table 5) is where we find the largest number of unemployed in Quebec. Since it is home to around 49% of the Quebec population, it is not surprising to find the largest number of unemployed there. The Quebec City CMA comes second, but far behind, followed by the Ottawa-Gatineau CMA (Quebec portion) and the Sherbrooke, Saguenay and Trois-Rivières CMAs.

### THE 343,200 FACES OF UNEMPLOYMENT IN QUEBEC

In light of the information available on unemployed workers in Quebec, it is easy to see that we cannot compile a typical profile. In fact, we cannot talk about the face of unemployment, but about the 343,200 faces of unemployment. Nevertheless, a brief review of the statistics enables us to establish the following findings:

- The number of unemployed (343,200) is the equivalent of the population of five large cities in Quebec.
- One can consider oneself to be unemployed and also be over age 65.
- More men than women are unemployed.
- Unemployment affects both those who have extensive academic training and those who have very little. However, the employment rate is much lower among those who have only a few years of education, and no recognized diploma.
- The duration of unemployment varies considerably. Nearly 60% (58.9%) of those who report that they are unemployed, have been so for less than 14 weeks.

## Table 5 – 2014 - Unemployment in QuebecNumber of unemployed per CMA

	10-month average, 2014 Non-seasonally adjusted data
Saguenay	7,800
Quebec	23,600
Sherbrooke	8,100
Trois-Rivières	5,600
Montreal	183,400
Ottawa-Gatineau	12,600
(Quebec portion)	

Source: Statistics Canada, Labour Force Survey, special compilation

- The vast majority of unemployed are seeking full-time work.
- There are many job-hunting methods, and checking with employers directly and looking at help wanted ads are the favourites. Employment agencies trail far behind.
- Finally, not all job seekers come from the labour market.

The Quebec labour market consists of over 4 million jobs. A brief glance behind the scenes tells us that we need to take the time to investigate the little known reality of unemployment. These few statistics, which do not take regional and industry-related aspects into account, already show how difficult it can be to balance everyone's interests in the search for a job. Few job seekers start from the same point. For some, finding a job will come at the cost of new, academic training; for others, a move to another part of the province, or by rearranging their work hours. If there is one thing we should take away from the picture drawn here, it is that there cannot be a single solution for reducing unemployment in Quebec, and that improvement in economic conditions will not be a magic fix-all.

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