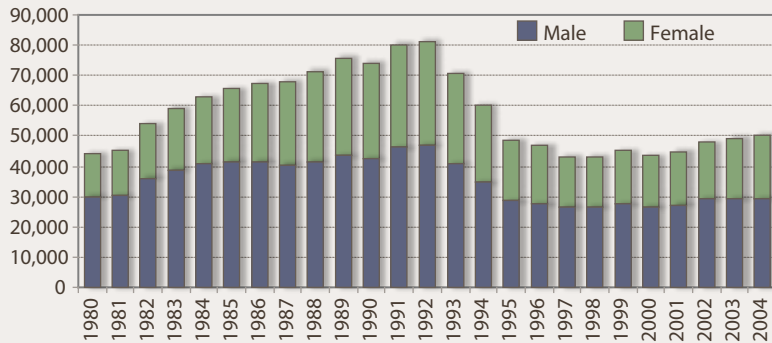


Employment Insurance

trends and usage in Newfoundland and Labrador

**Monthly Average EI Beneficiaries
Newfoundland and Labrador**

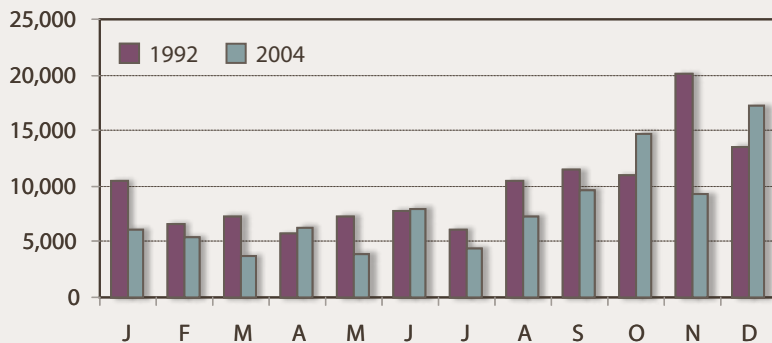


number of
beneficiaries

Chart 1

Statistics Canada,
CANSIM II Table 276-0001

**Regular and Fishing EI Claims Initiated by Month
Newfoundland and Labrador, 1992 and 2004**



seasonal patterns

Chart 2

Newfoundland and Labrador Statistics Agency:
Special Tabulation

The Rise and Fall of EI

Employment Insurance (EI) usage peaked in the early 1990s at an annual average of approximately 80,000 beneficiaries.¹ The number of claimants rose steadily throughout the 1980s. Since the mid-1990s usage had declined to 1980 levels.

The strong growth in the number of claimants during the 1980s mirrored growth in employment. As more individuals, especially women, entered the labour force in primarily seasonal occupations, the number of individuals who were able to access UI increased.

A downturn in the Economy in the early 1990s, the groundfish crisis, out-migration and tightening of EI regulations throughout the 1990s have caused the number of claimants to decline dramatically. The increase in full time employment in recent years has also contributed to a leveling off in EI usage.

EI Usage is Seasonal

The seasonal pattern of EI usage is consistent with labour market activity. Most claims are initiated in the fall of the year as many seasonal jobs begin to wind down. In 1992, 48% of total claims initiated in this Province were started between September and December. The comparable figure for 2004 is 53%.

¹ Prior to 1996, this program was called Unemployment Insurance (UI). Throughout this report, references to Employment Insurance (EI) prior to 1996 are to be interpreted as being the same program.