

Employment Insurance

trends and usage in Newfoundland and Labrador

Declining EI Usage is Higher in Rural Areas

The proportional decline in EI usage over the period for rural and urban regions³ was 40% and 32% respectively. Within both urban and rural areas, however, are regions or "pockets" which vary considerably from the average. The decline in beneficiaries may be for different reasons depending on location. In the past, evidence indicates that a decline in rural areas implies reduced employment opportunities while a decline in urban regions indicates that there are more jobs or longer duration employment available. Population decline in rural areas is also a likely significant factor in reduced EI usage.

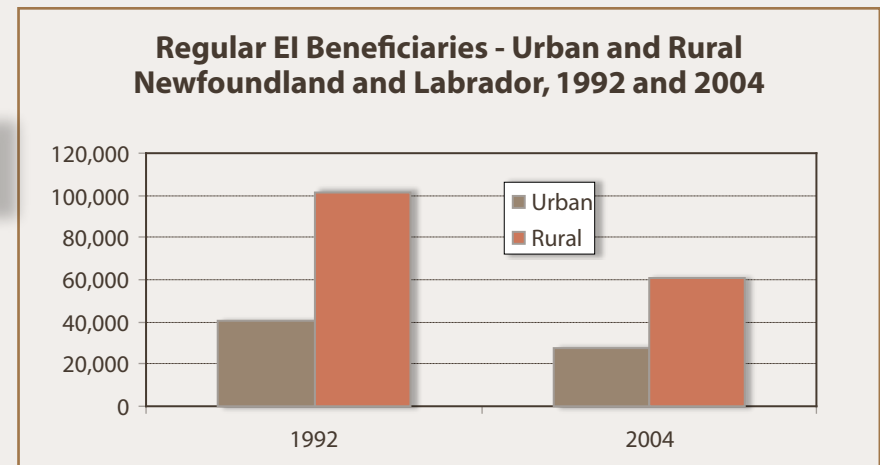
Duration of Employment is Up Significantly Since Early 1990s

Individuals are now working longer before applying for EI. In 1992, the average number of weeks worked prior to applying for EI was 22.8 weeks. By 2004, this figure had increased by 9.0 weeks (or 39%) to 31.8.⁴ Changing EI regulations which effect eligible benefit duration and benefit amounts, along with increased employment opportunities in recent years, have contributed to this trend.

urban and rural

Chart 8

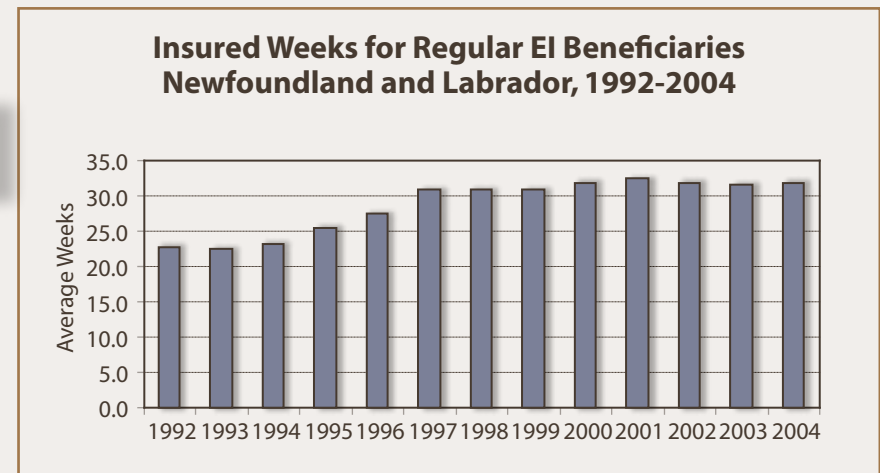
Newfoundland and Labrador Statistics Agency:
Special Tabulation



insured weeks

Chart 9

Newfoundland and Labrador Statistics Agency:
Special Tabulation



³ Urban and rural regions are based on Canada Post definition as of the 2002 postal code directory. See Appendix 1.

⁴ In 1997 eligibility requirements for EI changed from hours to weeks. Above calculations assume 35 hours = 1 week for 1997 onward. Some individuals may not actually be working more or less individual weeks, but rather more or less hours per week.