



INSTITUT C.D. HOWE INSTITUTE

CANADA'S LABOUR MARKET PRE- AND POST-CRISIS

WILLIAM ROBSON
PRESIDENT AND CEO, C.D. HOWE INSTITUTE

PRESENTATION TO
THE NERO MEETING AT THE OECD
20 JUNE 2011

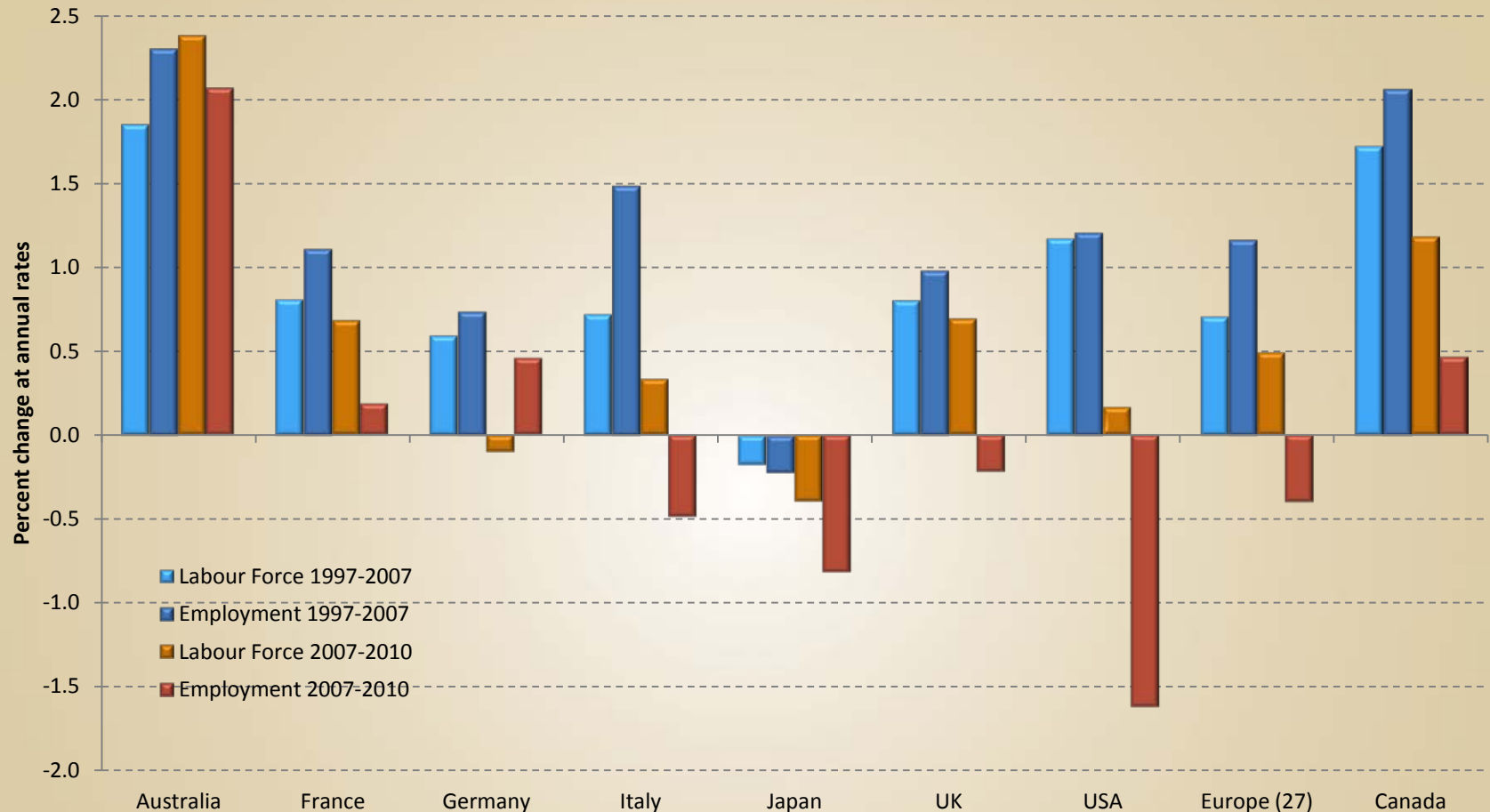
Essential Policy Intelligence

- Decent Top-Level Numbers
- Weak Productivity Growth
- Low Long-term Unemployment
- Rising Human Capital
- Shrinking Regional Variation in Unemployment
- Rising Retirement Age
- Rising Hidden Public-Sector Pension Premium

LABOUR FORCE AND EMPLOYMENT IN SELECTED COUNTRIES, 1997-2010



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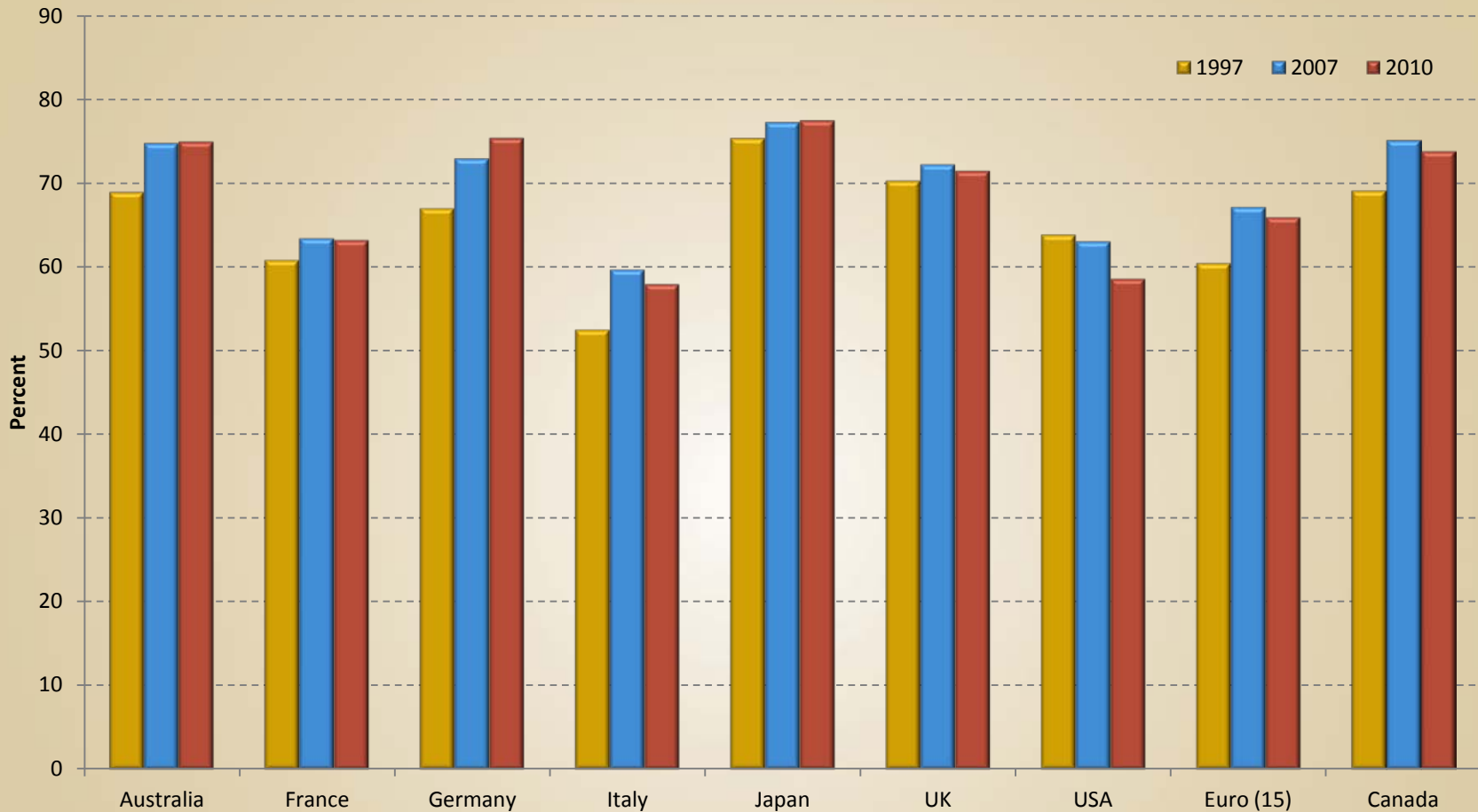


Source: Calculated from data in OECD MEI

EMPLOYMENT-TO-POPULATION RATIOS, SELECTED COUNTRIES: 1997-2010



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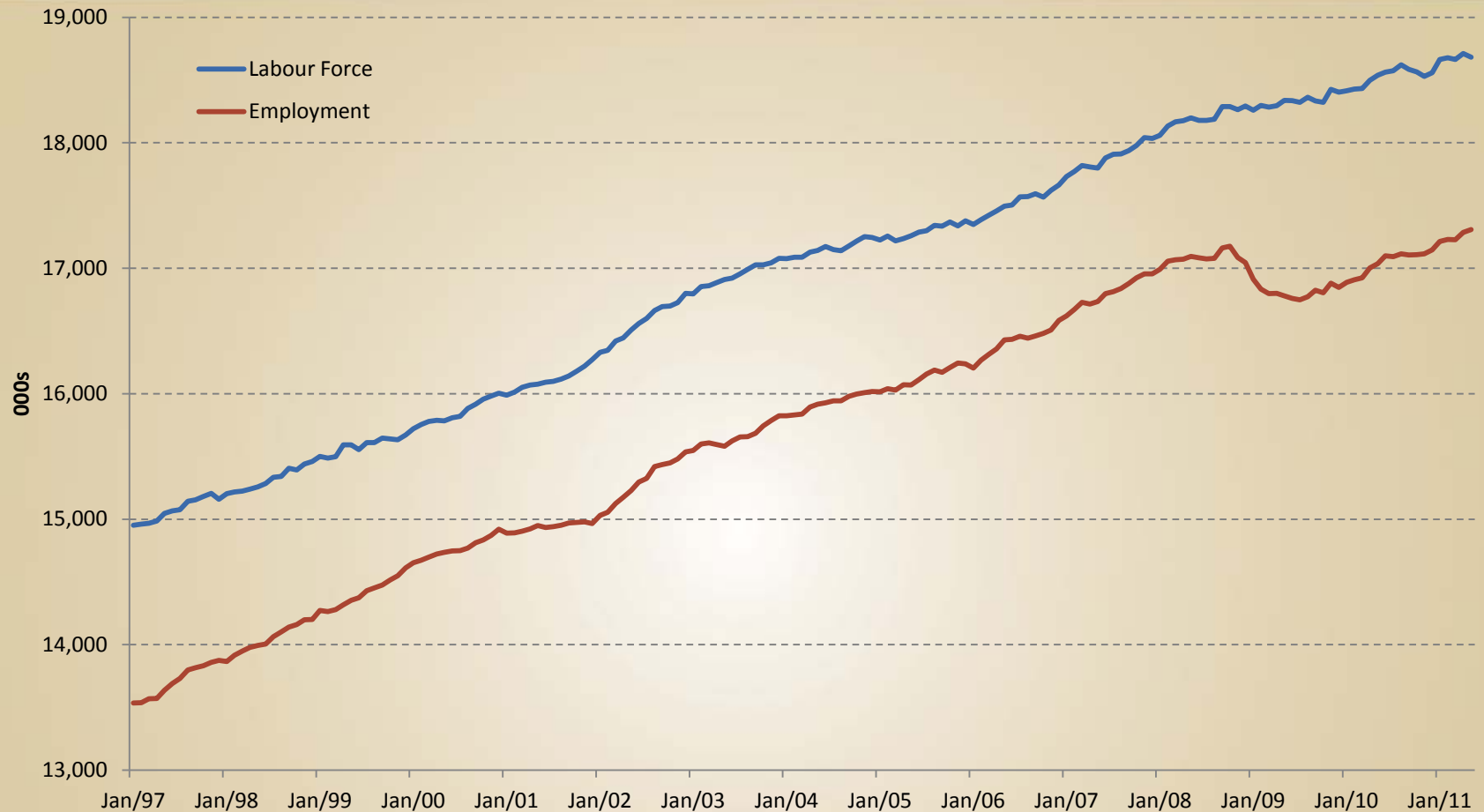


Source: Calculated from data in OECD Economic Outlook Database (June 2011)

CANADIAN LABOUR FORCE AND EMPLOYMENT: 1997:M1 TO 2011:M5



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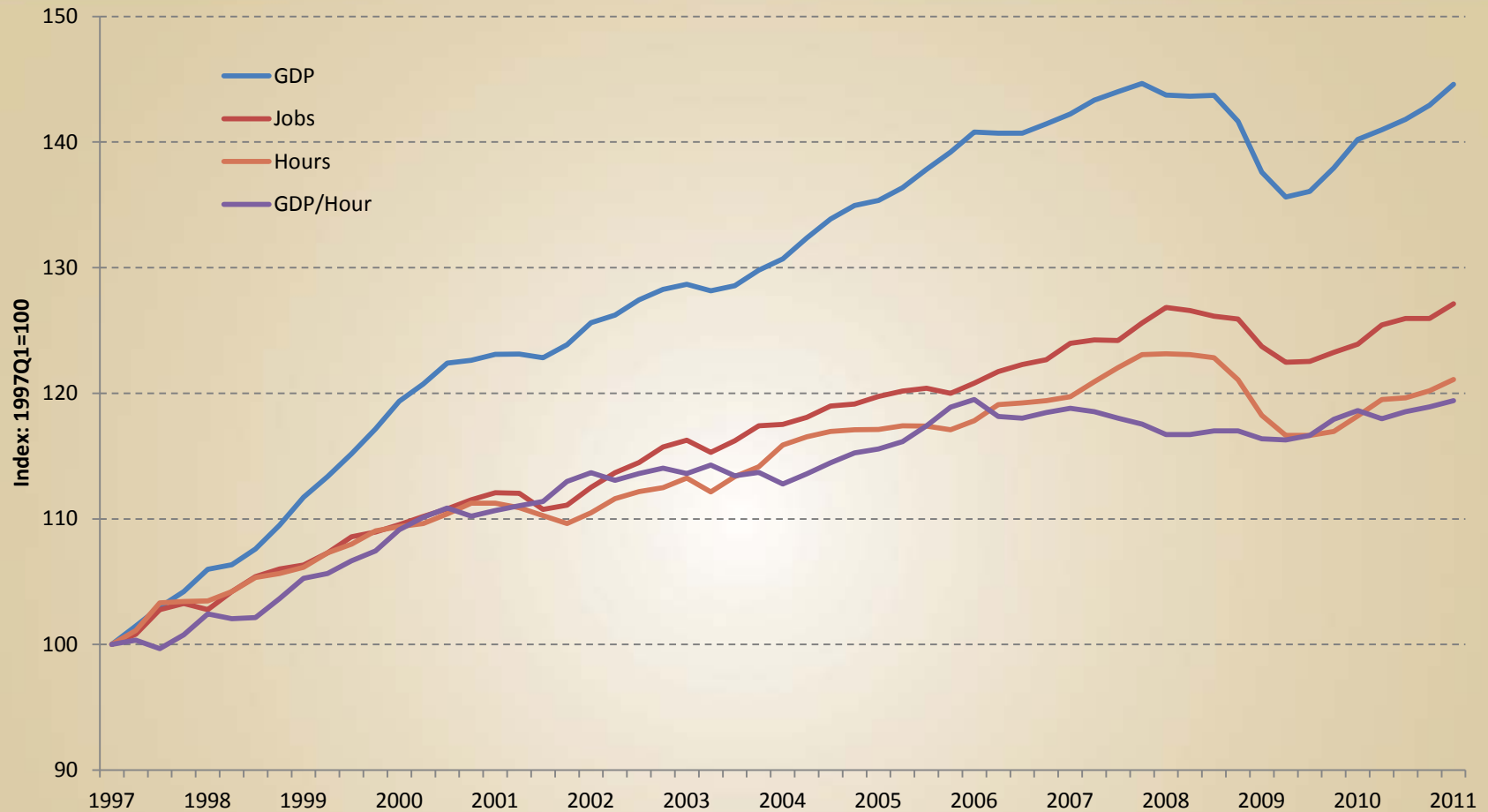


Source: Statistics Canada, CANSIM Table 282-0087

LABOUR PRODUCTIVITY, 1997Q1-2011Q1



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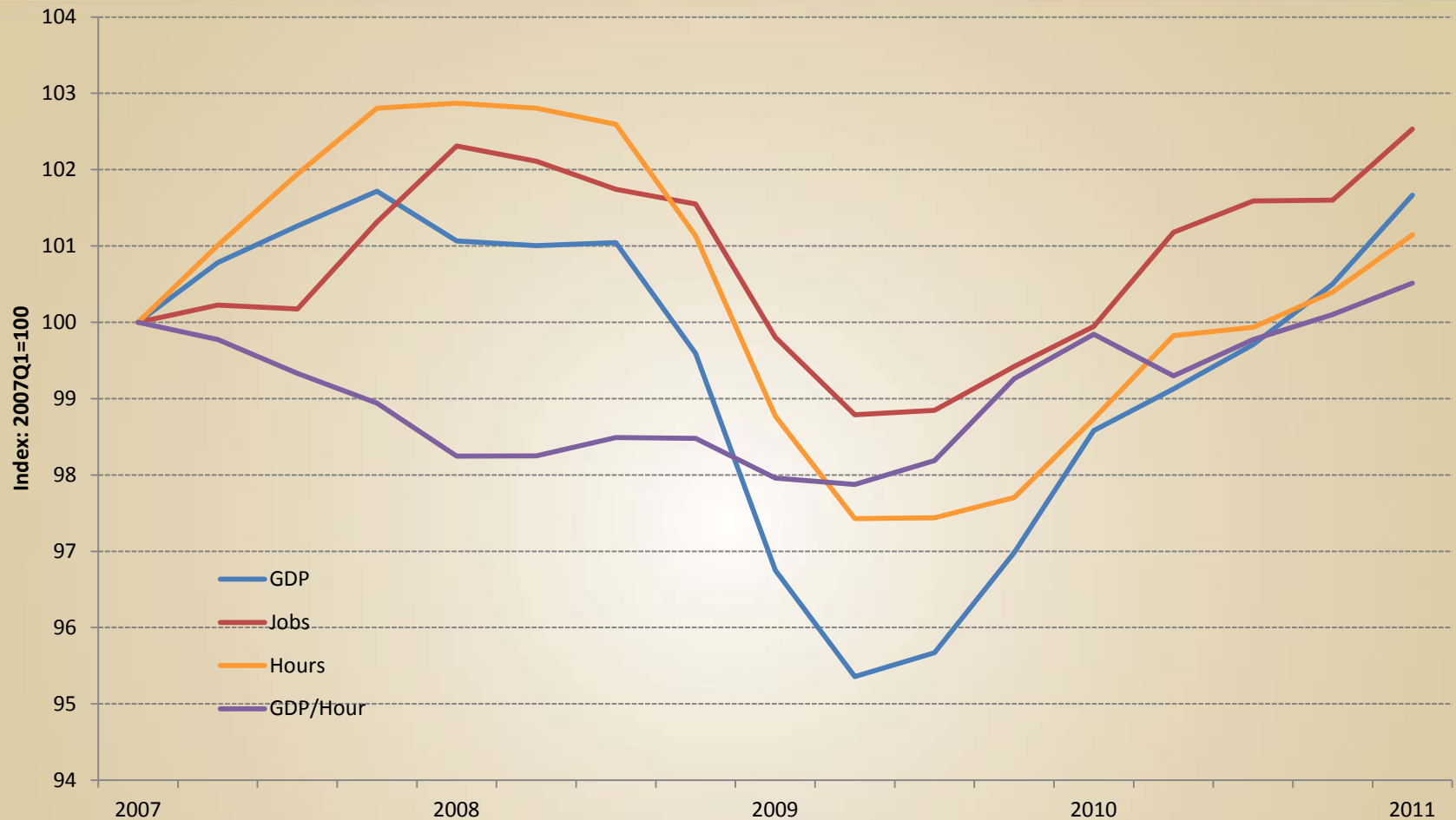


Source: Statistics Canada, CANSIM Table 383-0008

LABOUR PRODUCTIVITY, 2007Q1-2011Q1



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Source: Statistics Canada, CANSIM Table 383-0008

ANNUALIZED CHANGES IN REAL WAGES AND EMPLOYMENT BY SECTOR: 1997-2007



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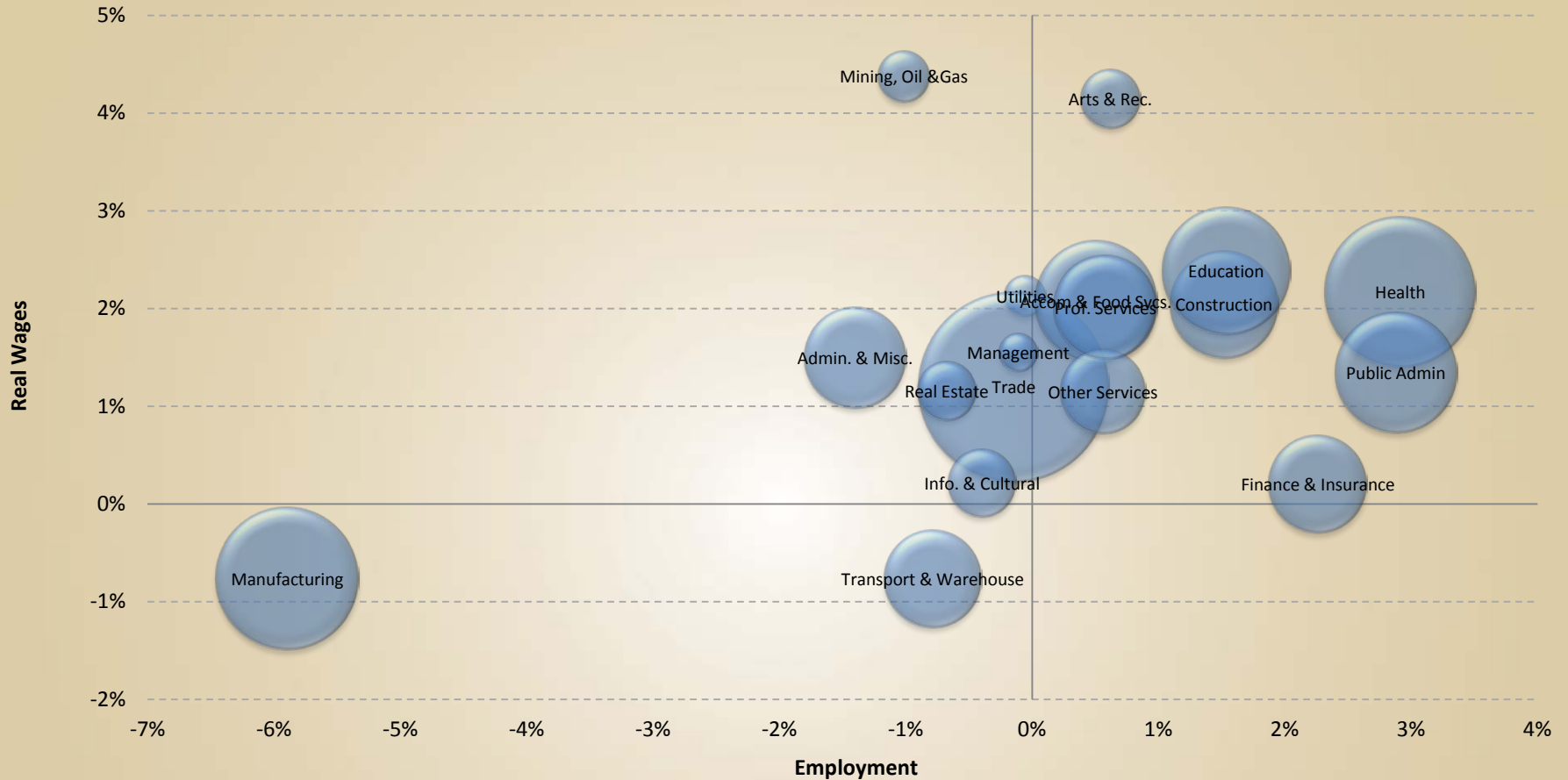
Source: Statistics Canada Payroll Survey

Note: Areas of bubbles are proportional to employment in 2007

ANNUALIZED CHANGES IN REAL WAGES AND EMPLOYMENT BY SECTOR: 2007-2010



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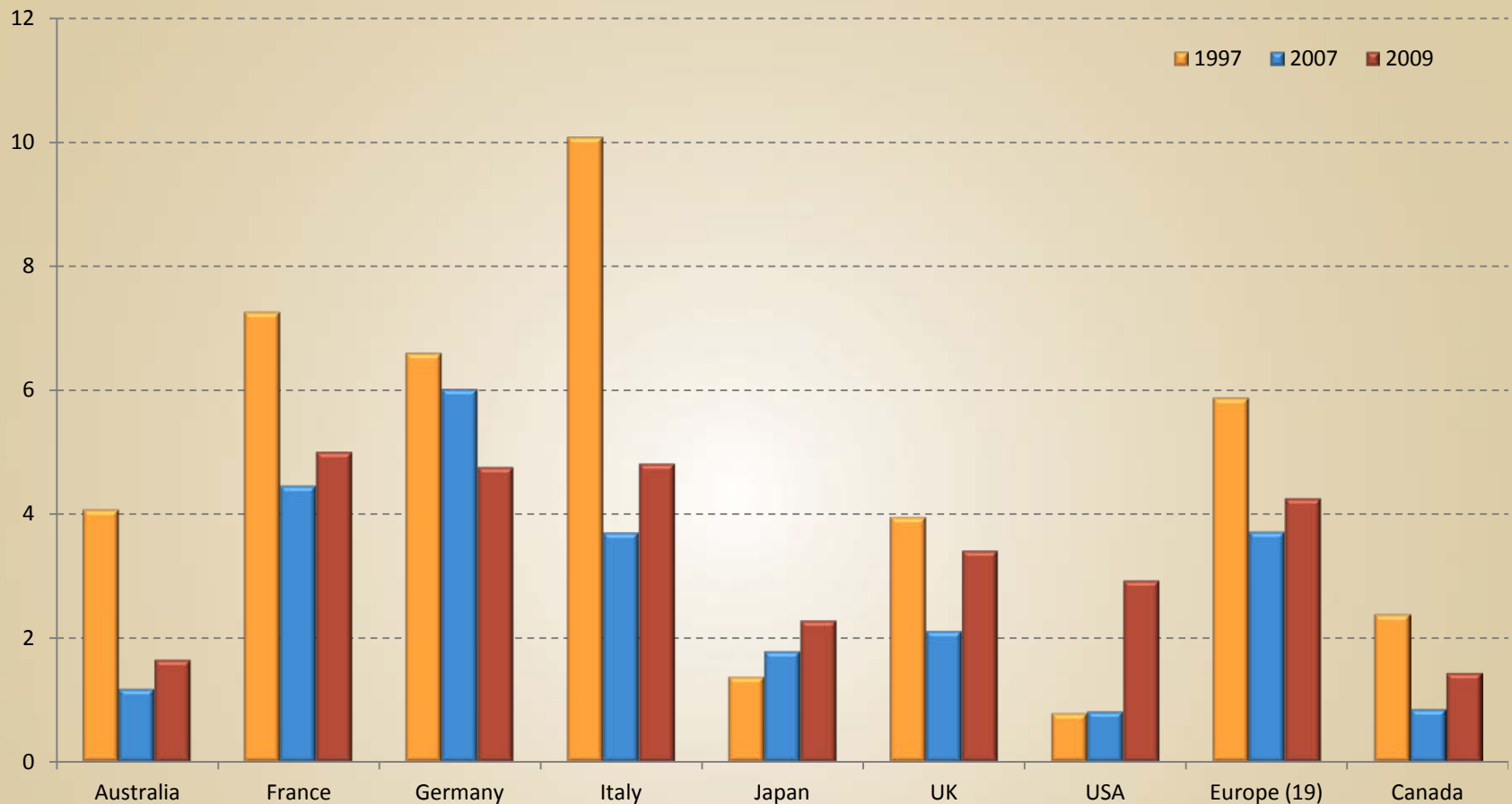
Source: Statistics Canada Payroll Survey

Note: Areas of bubbles are proportional to employment in 2010

UNEMPLOYED MORE THAN 6 MONTHS AS SHARE OF LABOUR FORCE, 1997-2009 (%)



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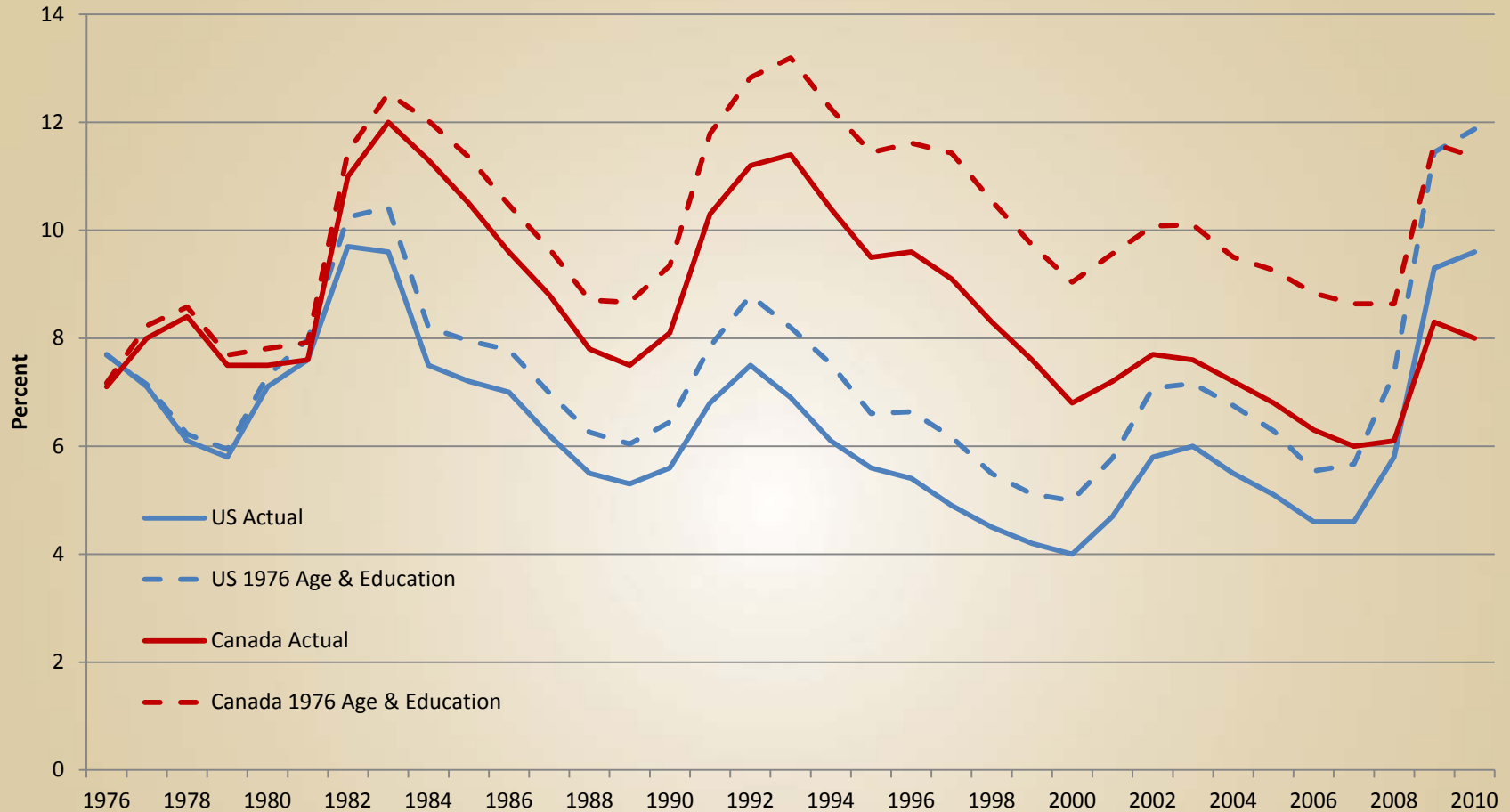


Source: OECD.Stat

CANADIAN AND US UNEMPLOYMENT: ACTUAL & WITH 1976 AGE AND EDUCATION

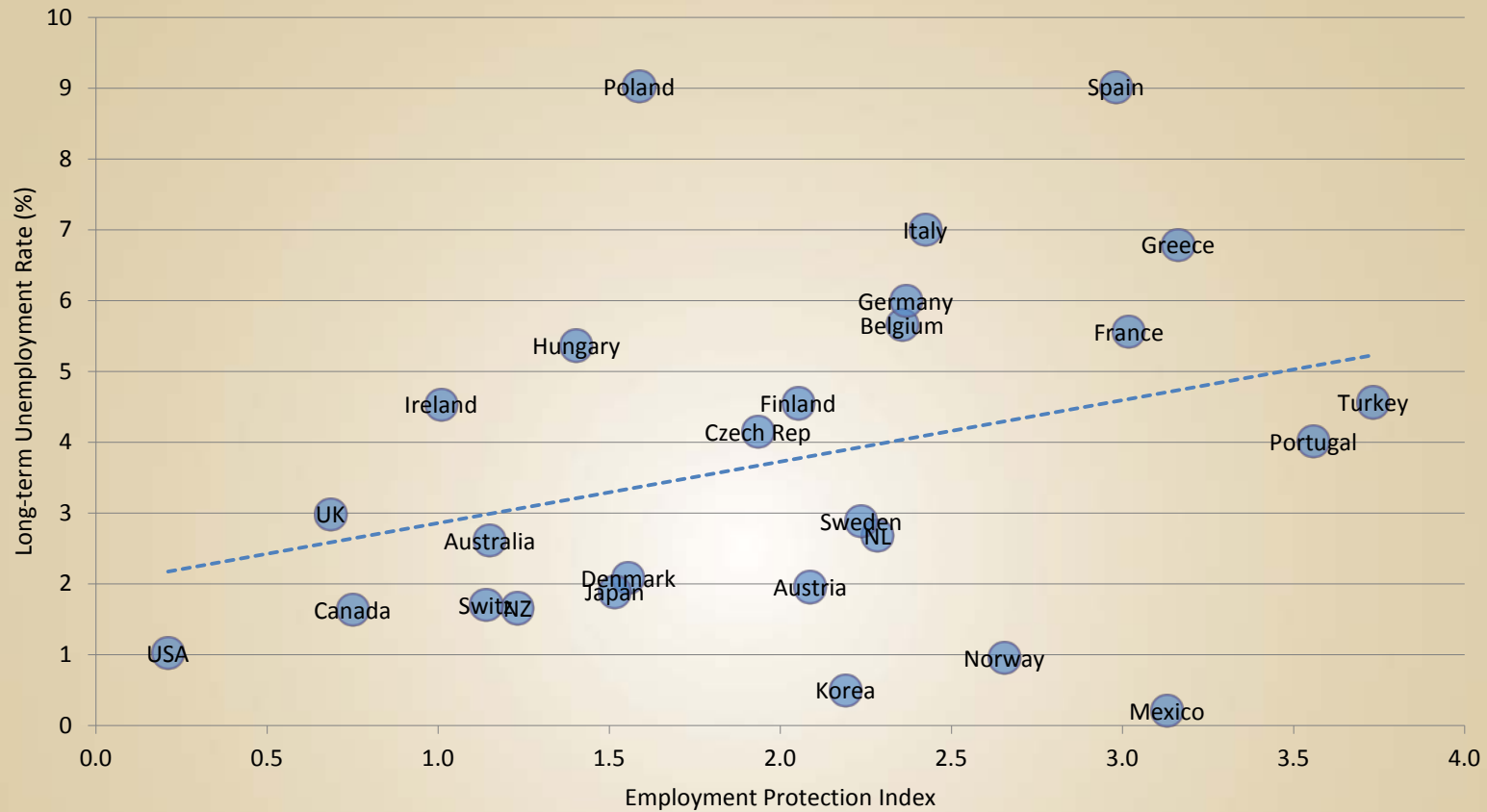


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Source: Calculated from data from US Bureau of Labor Statistics and Statistics Canada

LONG-TERM UNEMPLOYMENT AND LABOUR MARKET FLEXIBILITY IN OECD COUNTRIES

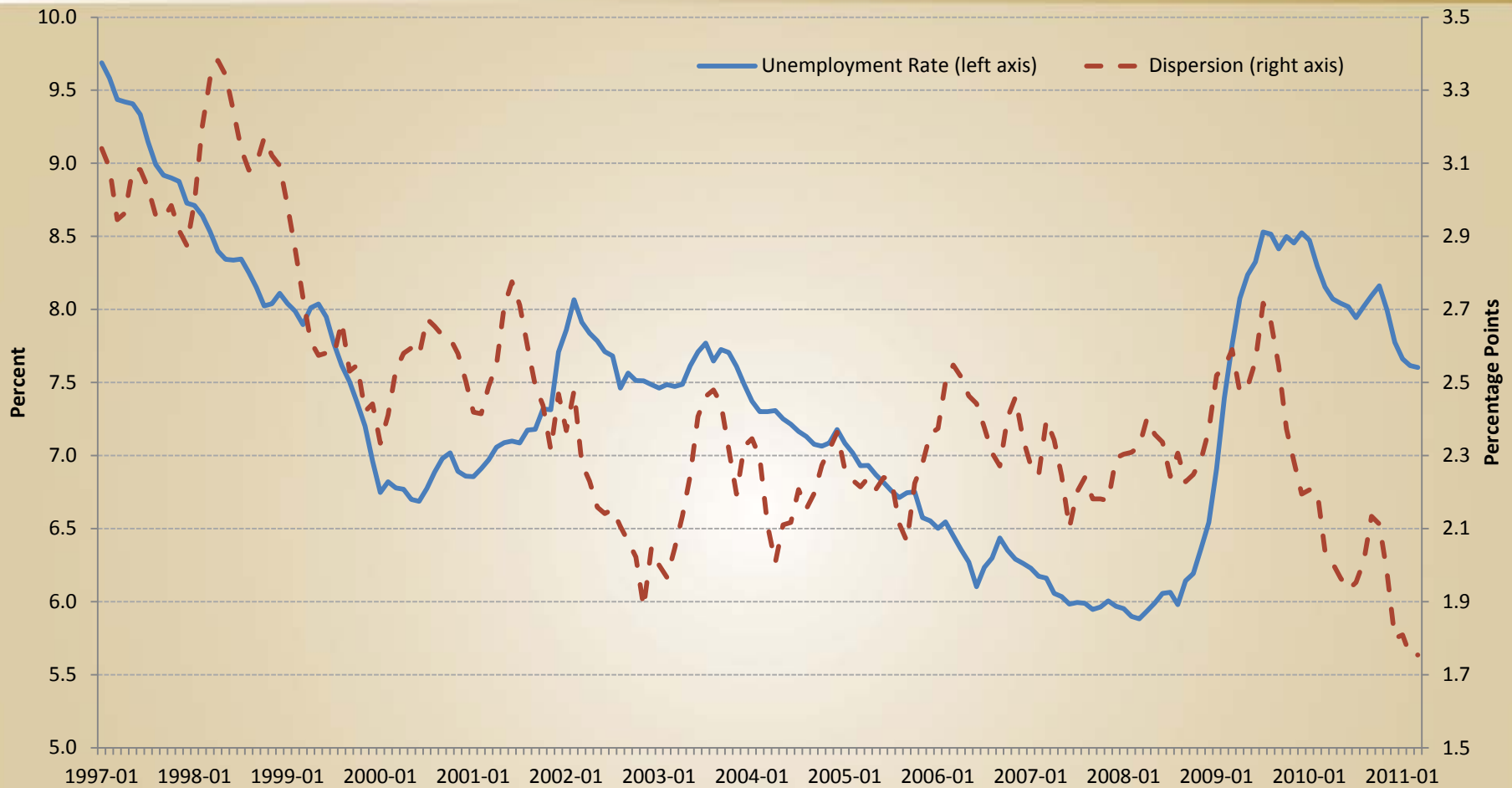


Source: Calculations from Online OECD Employment Database

UNEMPLOYMENT RATES: NATIONAL AVERAGE AND REGIONAL DISPERSION, 1997-2011



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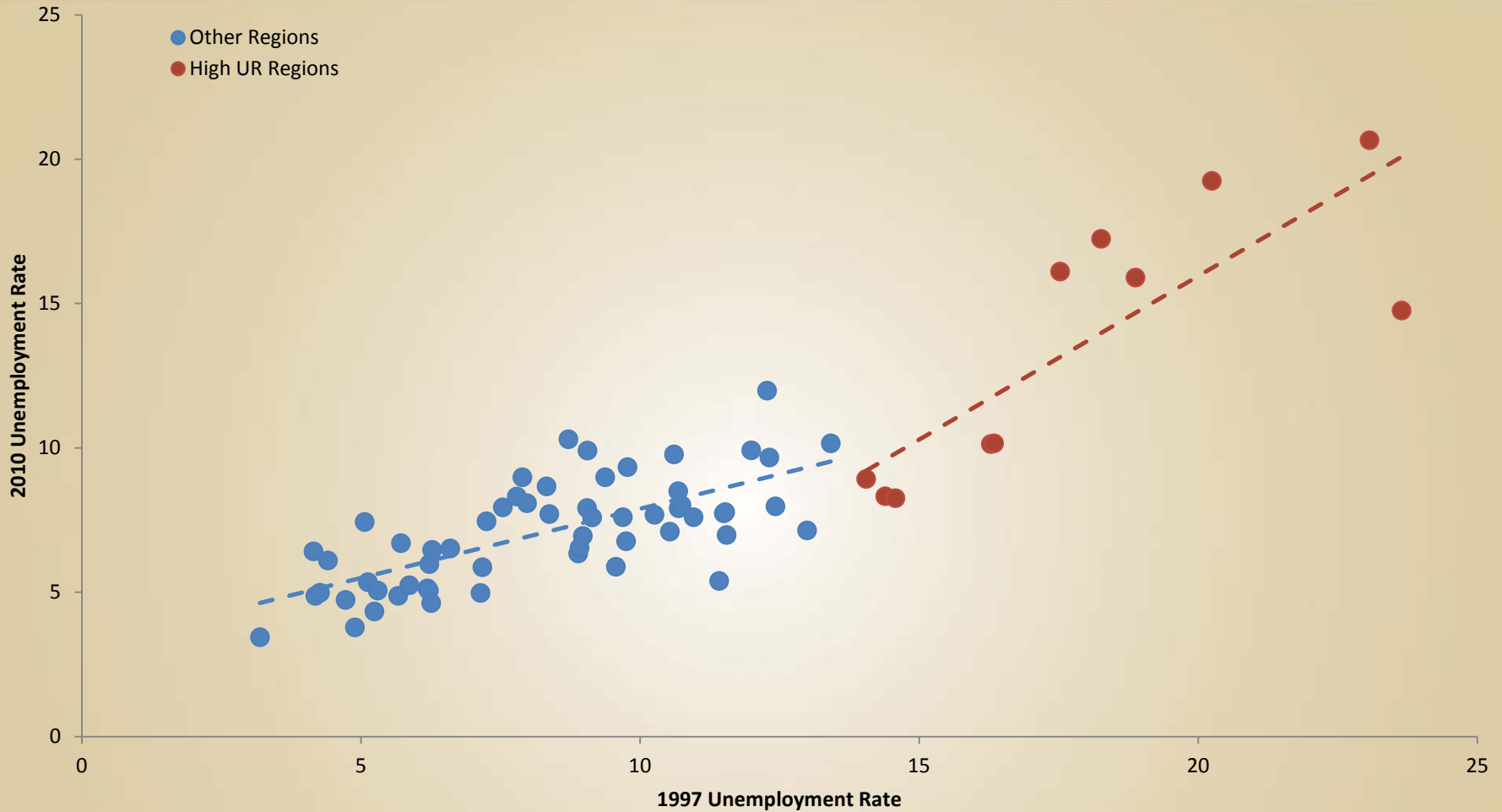


Source: Statistics Canada, Labour Force Survey

UNEMPLOYMENT BY REGION, 1997 AND 2010



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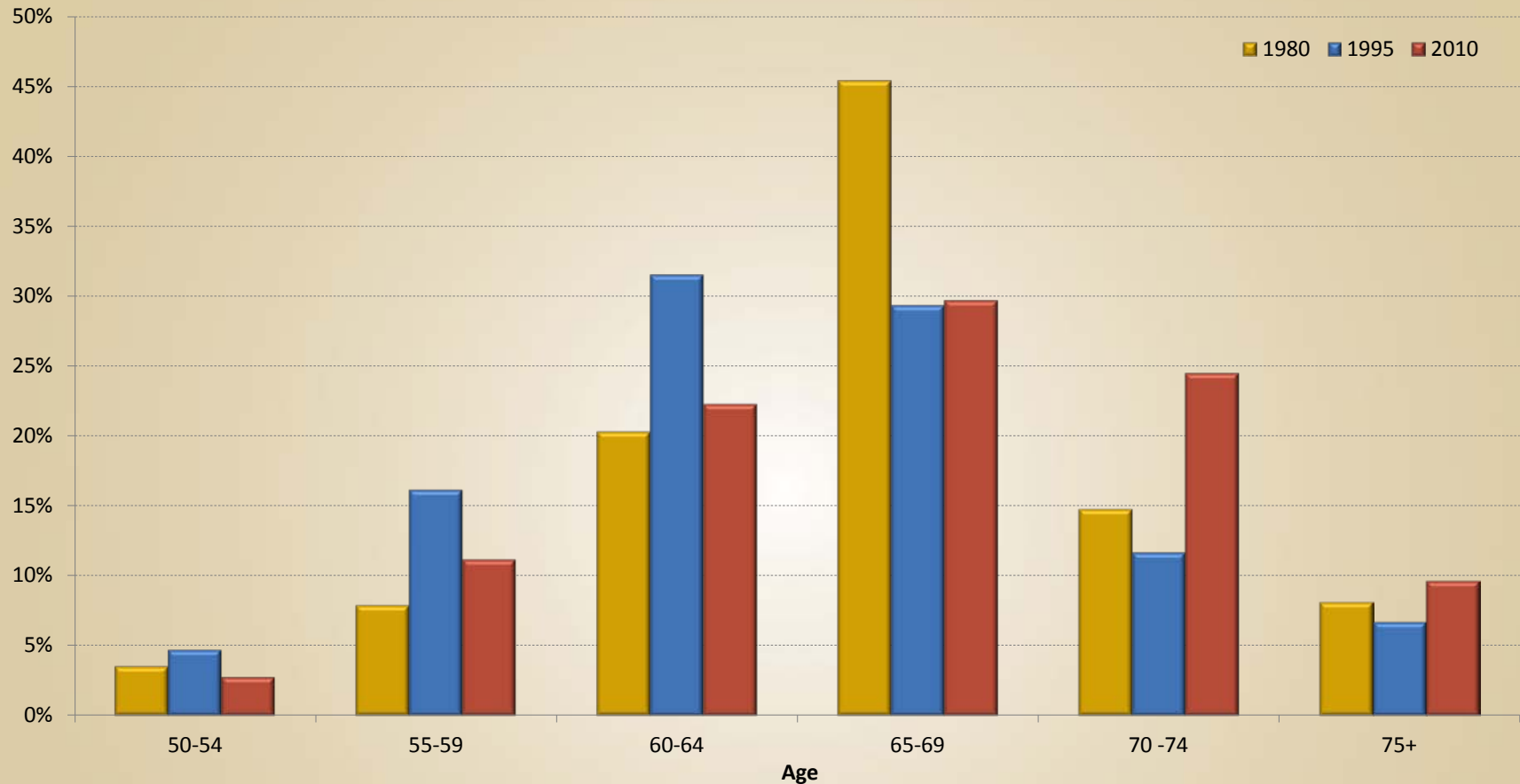


Source: Statistics Canada, Labour Force Survey

PROBABILITY OF EXIT FROM LABOUR FORCE BY AGE: MEN, 1980-2010



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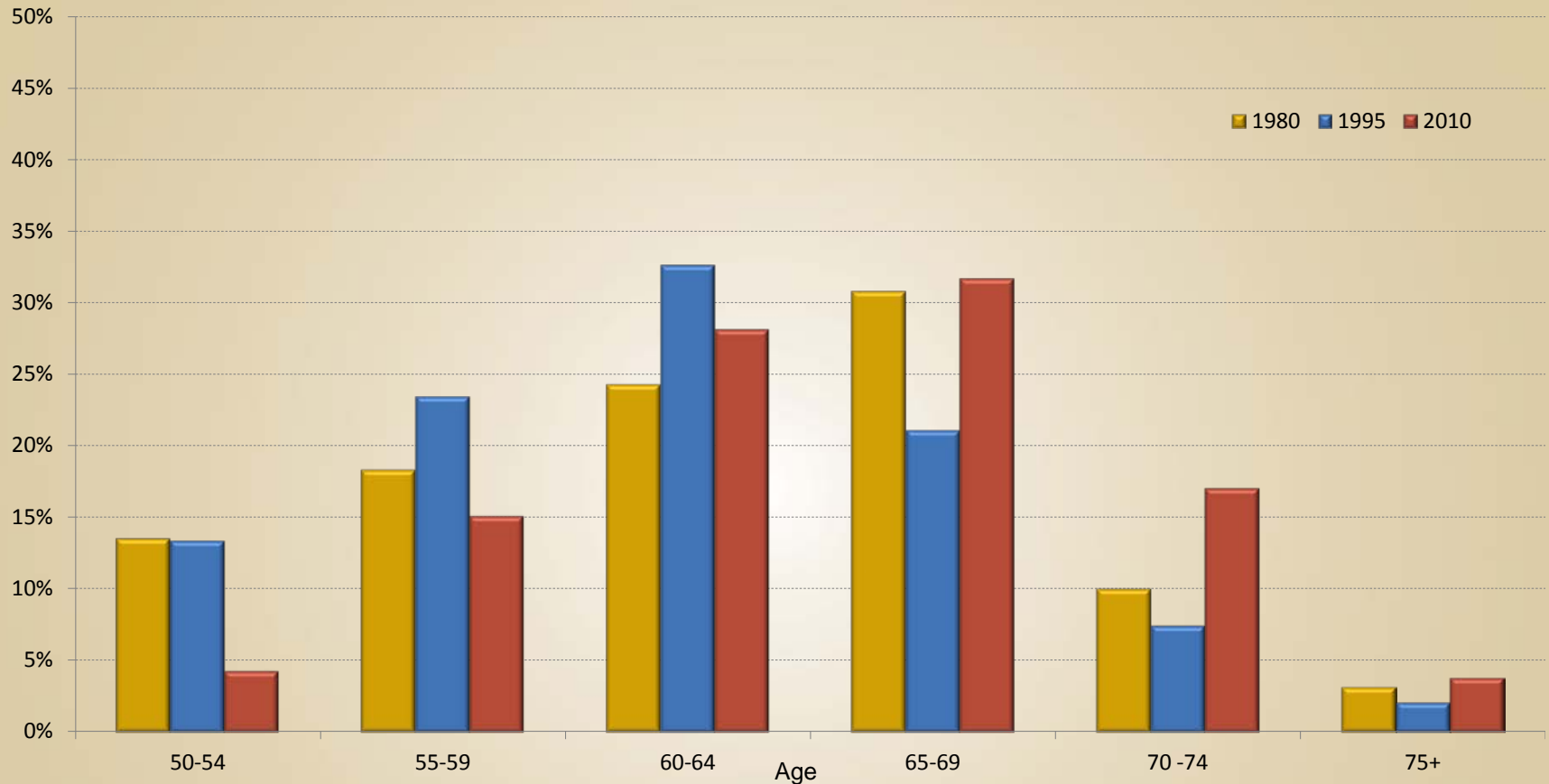


Source: Calculated from differences in participation rates by age in annual Statistics Canada Labour Force Survey

PROBABILITY OF EXIT FROM LABOUR FORCE BY AGE: WOMEN, 1980-2010



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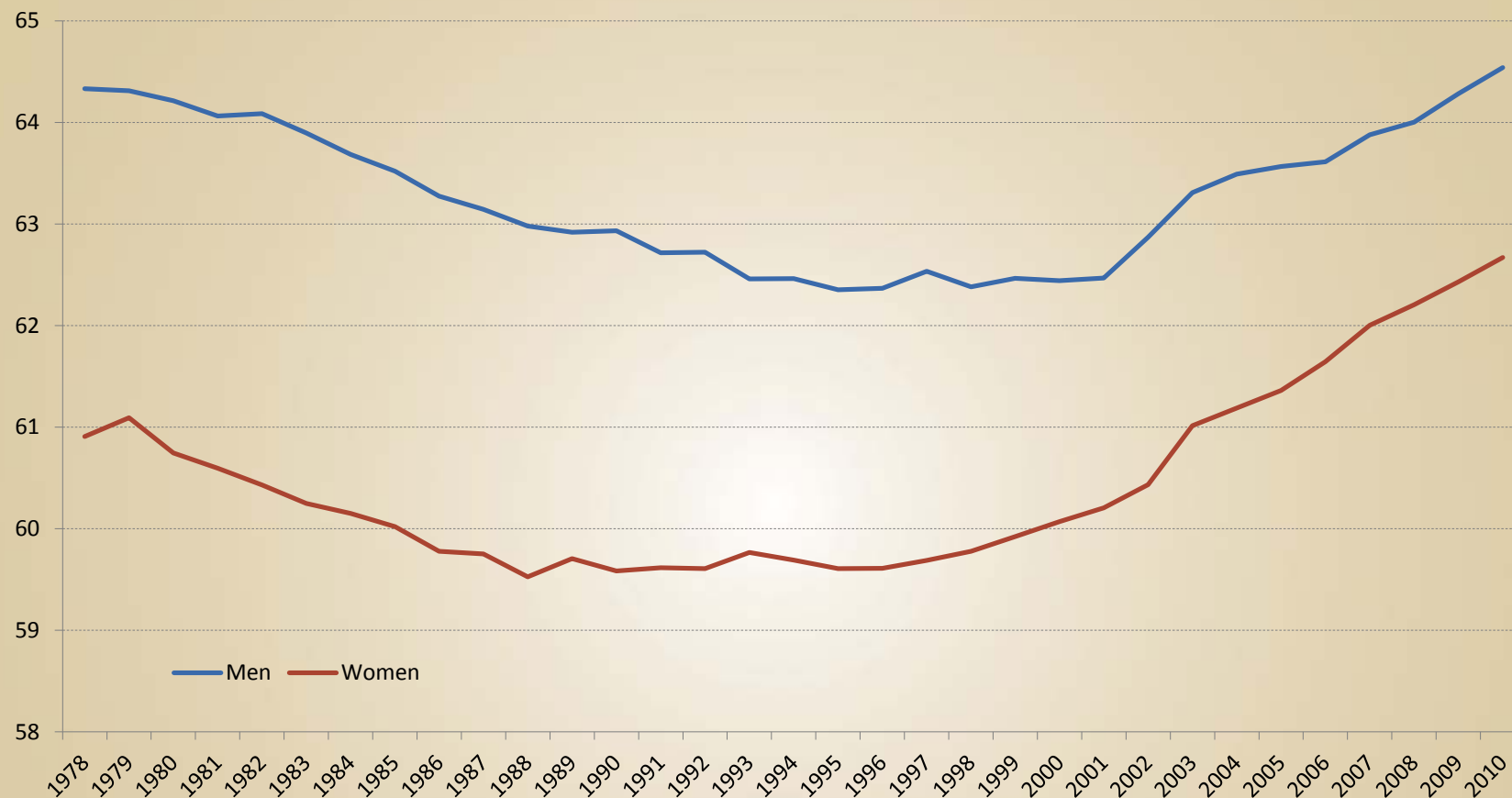


Source: Calculated from differences in participation rates by age in annual Statistics Canada Labour Force Survey

AVERAGE AGE OF WITHDRAWAL FROM THE LABOUR FORCE: 1978-2010



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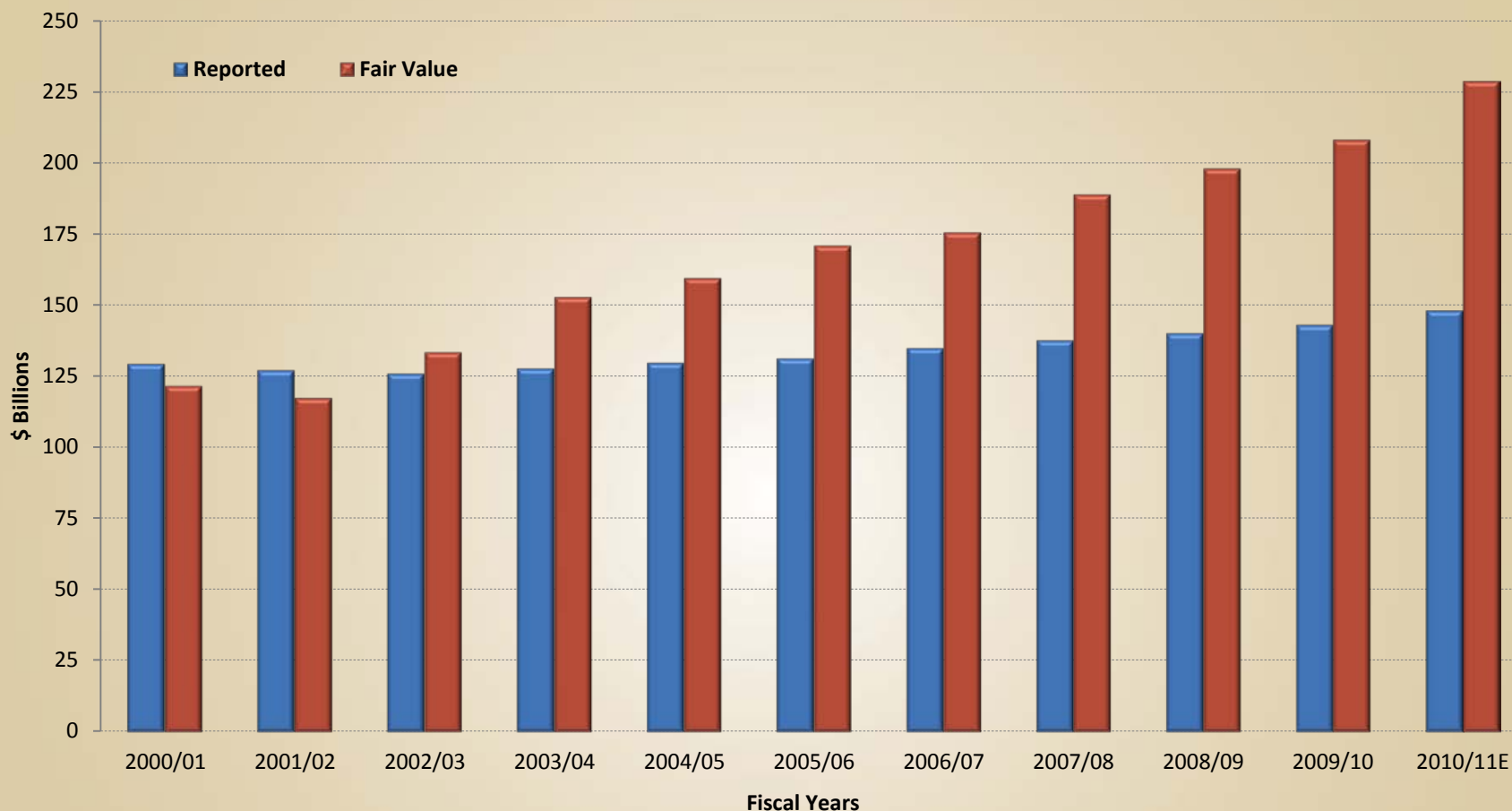


Source: Calculated from differences in participation rates by age in annual Statistics Canada Labour Force Survey

NET FEDERAL EMPLOYEE PENSION LIABILITY, 2000/01 TO 2010/11: AS REPORTED VS. FAIR-VALUE ESTIMATE



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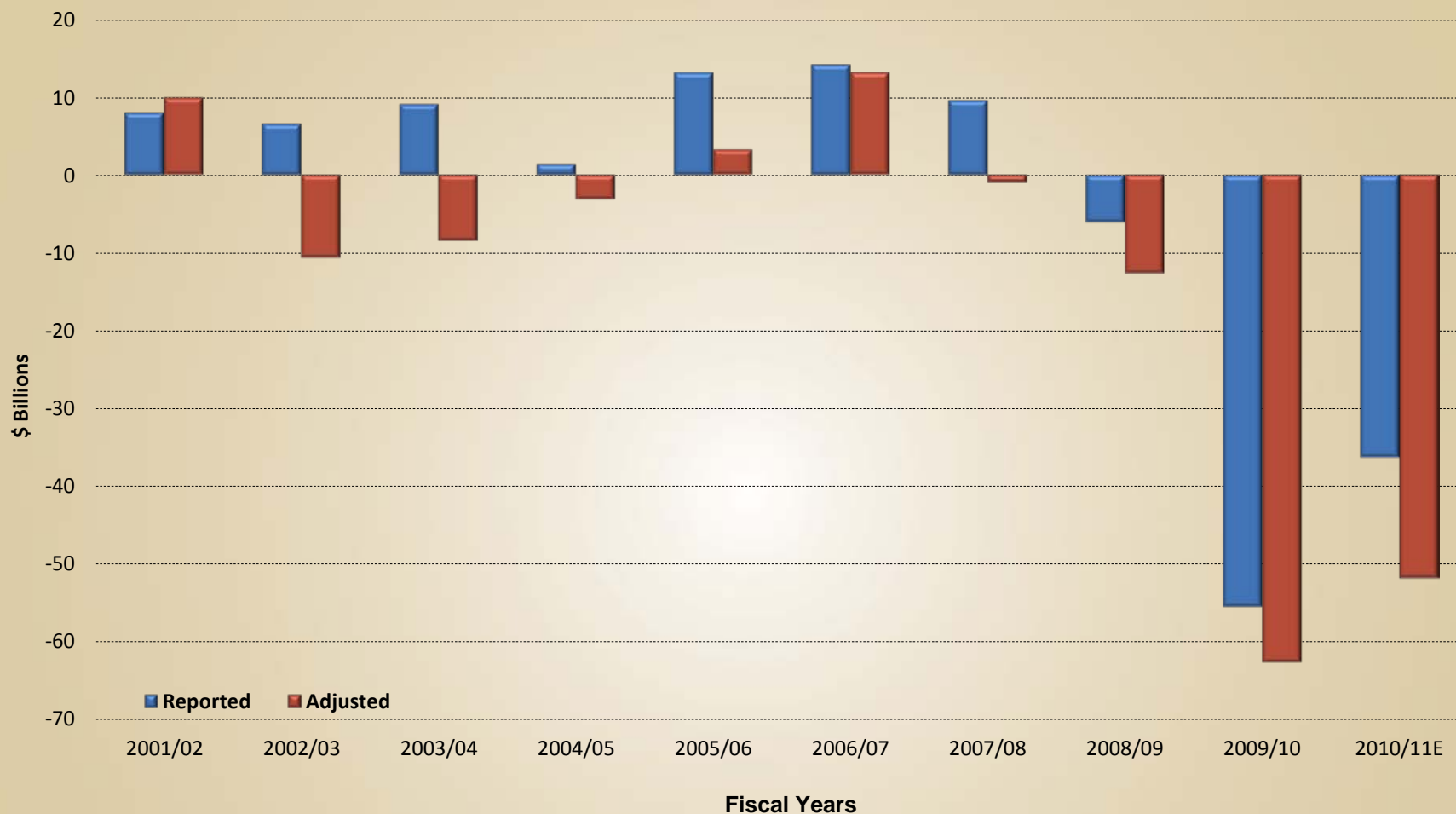


Source: Calculated from Public Accounts and actuarial reports, various years; data for 2010/11 are estimated

FEDERAL BUDGET BALANCE, 2001/02 TO 2010/11: REPORTED VS ADJUSTMENT FOR FAIR-VALUE COST OF EMPLOYEE PENSIONS



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Source: Calculated from Public Accounts and actuarial reports, various years; data for 2010/11 are estimated



- Recorded pension accruals: about 11% of recorded compensation
- Fair-value pension accruals: about 33% of recorded compensation
- Unrecorded pension accruals: about 22% of compensation



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