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Guide to Job Vacancy Statistics

2016



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User information

Symbols

The following standard symbols are used in Statistics Canada publications:

- . not available for any reference period
- .. not available for a specific reference period
- ... not applicable
- 0 true zero or a value rounded to zero
- 0^s value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded
- p preliminary
- r revised
- x suppressed to meet the confidentiality requirements of the *Statistics Act*
- E use with caution
- F too unreliable to be published
- * significantly different from reference category ($p < 0.05$)

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| 284-0002 | Survey of Employment, Payrolls and Hours (SEPH), job vacancy statistics, labour demand and job vacancy rate by North American Industry Classification System (NAICS), annual |
| 284-0003 | Survey of Employment, Payrolls and Hours (SEPH), job vacancy statistics, unemployed and unemployment-to-job vacancies ratio by North American Industry Classification (NAICS), 3-month moving average, unadjusted for seasonality |
| 284-0004 | Survey of Employment, Payrolls and Hours (SEPH), job vacancy statistics, unemployed and unemployment-to-job vacancies ratio by North American Industry Classification (NAICS), annual |

Selected surveys from Statistics Canada

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| 5202 | Job Vacancy Statistics |
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Section 1

Overview

Job vacancy statistics are produced based on two questions that were added to the existing monthly Business Payrolls Survey (BPS). Respondents are first asked whether they had vacant positions on the last business day of the reference month. If they answered “yes” to that question, then they are asked to report the number of positions that were vacant.

As a result of the addition of these new questions to the questionnaire, the Labour Statistics Division is able to provide monthly data on the number of job vacancies across the economy. The data are compiled at broad industrial levels for Canada and the provinces and territories, by size of enterprise.

To be considered vacant, a specific position must exist, work could start within 30 days, and the employer must be actively seeking employees from outside the organization to fill the position.

By combining job vacancy data with employment data from the Survey of Employment, Payrolls and

Hours, overall labour demand can be calculated, as well as the job vacancy rate. Unemployment data from the Labour Force Survey is combined with the number of vacant positions to produce the unemployment-to-job-vacancies ratio. This ratio is produced according to the two-digit North American Industry Classification System (NAICS) level for Canada as a whole and the provinces and territories. This ratio is an indicator of labour market tightness.

Every month job vacancy data are produced in the form of three-month moving averages, using data from that month and from the previous two months.

There are four major releases during the year—the first in March, the second in June, the third in September, and the fourth in December. These releases will provide a glimpse of the situation during the reference period, and will present summary tables of job vacancy rates and the unemployment-to-job-vacancies ratio. During the intervening months, a data availability announcement is made in *The Daily*.

Section 2

Methodology

2.1 Target population

The target population is the same as that of the BPS, and comprises all employers in Canada, except those primarily involved in agriculture; fishing and trapping; private household services; religious organizations; the defence services; federal, provincial and territorial public administration; and international and other extraterritorial public administration.

2.2 Sampling and survey design

Job vacancy data are collected as part of the monthly BPS, which has a stratified simple random sample of 15,000 establishments out of a population of 1,000,000 establishments, taken from the Business Register. A 1/12 rotation of the sample is done every month.

Internet, mail and telephone are the three collection methods currently available to BPS respondents.

2.3 Quality of the survey

Every month, coefficients of variation (CVs) are published for the job vacancy counts and rates, as well as for the unemployment-to-job-vacancies ratios, for Canada and the provinces and territories. CVs

for the unemployment-to-vacancies ratios are also produced by industry, for Canada and for the provinces and territories. The CVs are analyzed every month to identify the domains having less accurate job vacancy data.

The response rate includes all units that responded by providing usable information during the collection phase. The response rate for the job vacancy questions is around 70%.

2.4 Revisions and seasonal adjustment

Each month, Statistics Canada releases preliminary job vacancy data for the current month and revised data for the previous month. As job vacancy data are released, in three-month moving averages, the preliminary data are calculated from one month of preliminary and two months of revised data. From time to time, a historical revision is undertaken to account for changes related to new data sources, revised industry classifications, and frame changes. The job vacancy data series is revised at this time.

Because these are a new data series, it is not yet possible to perform seasonal adjustment, as this process requires at least five years of data. Changes in the number and job vacancy rates, from one period to the next, will contain seasonal, as well as non-seasonal variation.

Section 3

Terms and definitions

Employee: An employee is any person drawing pay for services rendered or for paid absences, and for whom the employer must complete a Canada Revenue Agency T4 form.

The employee concept includes full-time employees as well as part-time employees, defined as those who regularly work fewer hours than the establishment's standard workweek. It also includes working owners, directors, partners, and other officers of incorporated businesses.

The employee concept excludes owners or partners of unincorporated businesses, the self-employed, unpaid family workers, people working outside Canada, military personnel, and casual workers for whom a T4 is not required. It also excludes those who did not receive any pay from the employer for the entire survey reference period (e.g., people on strike, on unpaid holidays, or receiving remuneration from insurance, workers' compensation, or other related fund). Employees paid for part of the reference period, and unemployed or on strike for the rest of this period, however, are included in the survey.

Enterprise: An enterprise is any business or institution, whether it is incorporated or not. It includes sole proprietorships, partnerships, companies, and other forms of organization. An enterprise is considered to be simple if all its establishments operate in the same province or within the same industry classification; otherwise, it is classified as complex.

Establishment: For statistical purposes, an establishment is the smallest entity capable of reporting statistics of economic production—typically a factory, mine, store, or similar unit.

Geographic classification: Reporting units are assigned to a province or territory.

Industry classifications: The North American Industry Classification System 2012 (NAICS) is based on the supply side or on production-oriented principles. Each establishment is assigned an industry code

according to NAICS. A description of the various industries and groups of industries is contained in the publication *North American Industry Classification System (NAICS) Canada, (12-501-X)*. For analytical purposes, we have created special groupings that are not part of the NAICS classification.

Job vacancies: Vacant positions on the last business day of the month.

A job is vacant if it meets all three of the following conditions:

- a specific position exists;
- work could start within 30 days;
- the employer is actively seeking workers from outside the organization to fill the position.

The positions include those that are full time, part time, temporary, permanent, seasonal, and on call.

Positions excluded are those

- to be filled by promotion, demotion, internal transfer, or recall from layoff;
- with start dates that are more than 30 days in the future;
- for which employees have been hired, but the employees have not yet reported for work;
- to be filled by employees of temporary help agencies, volunteers, independent contractors, or consultants.

Job vacancy rate: The job vacancy rate is the number of job vacancies or vacant positions on the last business day of the month, expressed as a percentage of labour demand (occupied positions and vacant positions).

Labour demand: Labour demand is the sum of employed individuals (met labour demand) and the number of job vacancies (unmet labour demand).

Labour force: Civilian non-institutional population aged 15 and older who, during the survey reference week, were employed or unemployed.

Labour supply: Labour supply is the sum of employed individuals and unemployed individuals.

Unemployment¹: Unemployed people are those who, during the reference week, were available for work and were either on temporary layoff, had looked for work in the past four weeks, or had a job that would start within the next four weeks.

Unemployment rate: The number of unemployed people as a percentage of the labour force.

Unemployment-to-job vacancy ratios

All unemployed: This ratio is calculated by dividing the total number of unemployed people, regardless of previous work experience, by the number of vacant positions. This ratio shows how many unemployed individuals are available for each vacant position, and is a measure of the overall tightness of the labour market.

Unemployed, all sectors, worked within past 12 months: This ratio is calculated by dividing the number of unemployed people who last worked in the previous 12 months by the number of vacant positions.² This excludes unemployed people who worked more than 12 months earlier, as well as new entrants to the labour market.

By sector: For each sector, the ratio is calculated by dividing the number of unemployed people who last worked in that sector (does not include industries not covered by the BPS) in the previous 12 months by the number of vacant positions in the same sector. This ratio shows how many unemployed individuals are available for each vacant position in the sector, and is a measure of the tightness of the labour market within that sector.

1. Source: Labour Force Survey.

2. Calculated using only the industries covered by the BPS; therefore, the total does not include the agriculture sector and the provincial and federal public administration sector.