

Help Wanted

Private sector job vacancies, Q4 2019

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The private sector job vacancy rate saw virtually no change in Q4 2019, holding at 3.2 per cent. On a seasonally adjusted basis, the rate has held steady now for six consecutive quarters. CFIB's latest count represents roughly 434,000 private sector unfilled openings, about 2,400 more than in Q3 2019 and 9,000 more than a year ago.

There was very little movement among regions in the latest readings as well—but the data still reflect very different labour market conditions. Vacancy rates in Nova Scotia and Newfoundland & Labrador each pushed upwards by a tenth of a point to 2.5 and 2.4 per cent respectively—though they remain well under the national average. No other changes were registered among the provinces.

The hottest labour markets continue to be Quebec, with 4.1 per cent jobs vacant, followed by British Columbia (3.6 per cent) and Ontario (3.2 per cent). There remains some slack in the prairie provinces with vacancy rates ranging from only 2.1 per cent in Alberta to 2.4 per cent in Manitoba. Conditions in the Maritimes are similar, but a little more widely spaced—3.0 per cent in New Brunswick versus 1.9 per cent in Prince Edward Island.

There are more notable changes by sector, however, with falling vacancy rates noted in agriculture, construction and retail. These movements are offset by increases in professional services, information, health care and hospitality.

Although geography and sector are factors, the drivers of vacancies are more significantly determined by future outlooks, growth intentions, business size and firm-specific job characteristics. There is also a strong influence on wages. Employers with at least one vacancy expect to push average organization-wide wage levels up by 2.0 per cent in Q4—versus a 1.4 per cent gain planned by businesses without any job openings.

Table 1: Private sector job vacancies by province, Q4 2019

	Rate*	Change**	Number
Canada	3.2%		433,900
Newfoundland & Lab .	2.4%	0.1%	3,500
Prince Edward Island	1.9%		900
Nova Scotia	2.5%	0.1%	7,900
New Brunswick	3.0%		7,300
Quebec	4.1%		123,500
Ontario	3.2%		171,500
Manitoba	2.4%		10,600
Saskatchewan	2.2%		7,300
Alberta	2.1%		34,500
British Columbia	3.6%		66,900

* Vacancies as a percentage of filled and unfilled jobs

** Change in rate from the revised previous quarter

Figure 1: Job vacancy rates

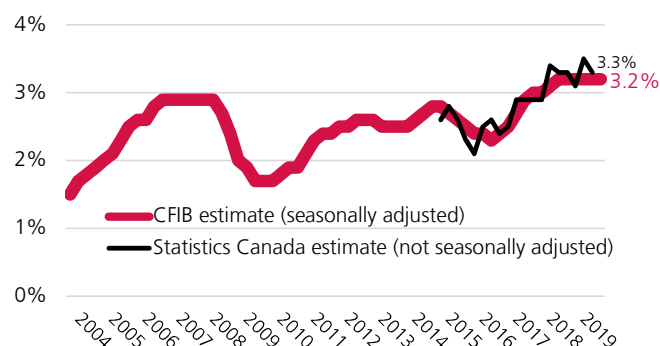


Figure 2: Vacancy rates by size of business

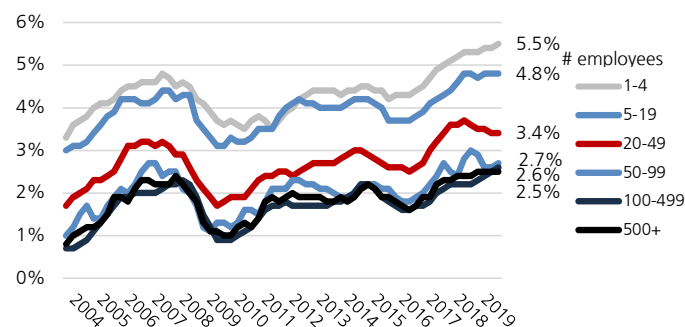


Figure 3: Average 12-month planned wage increases among businesses with and without job vacancies

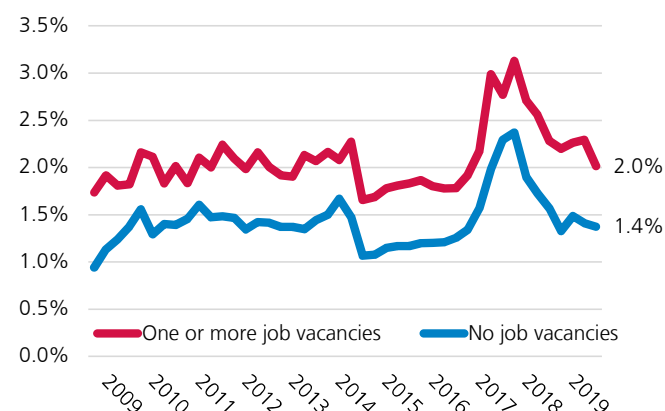


Figure 4: **Vacancy rates by province**

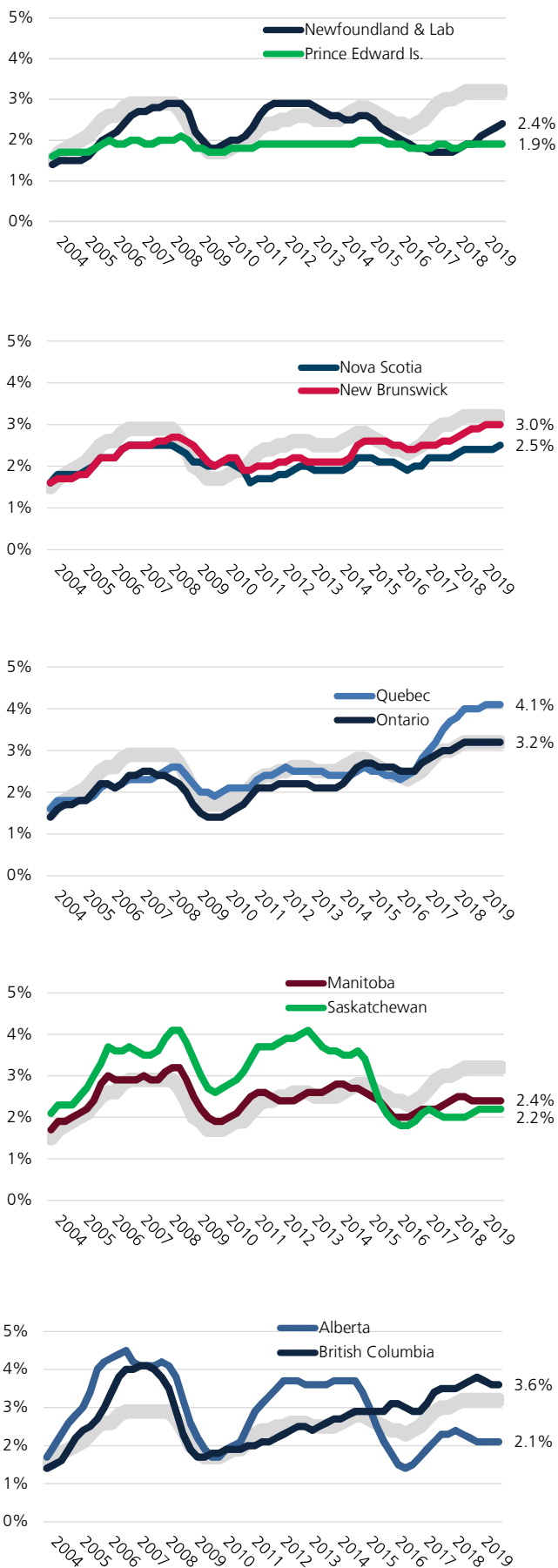


Figure 5: **Vacancy rates by industry**

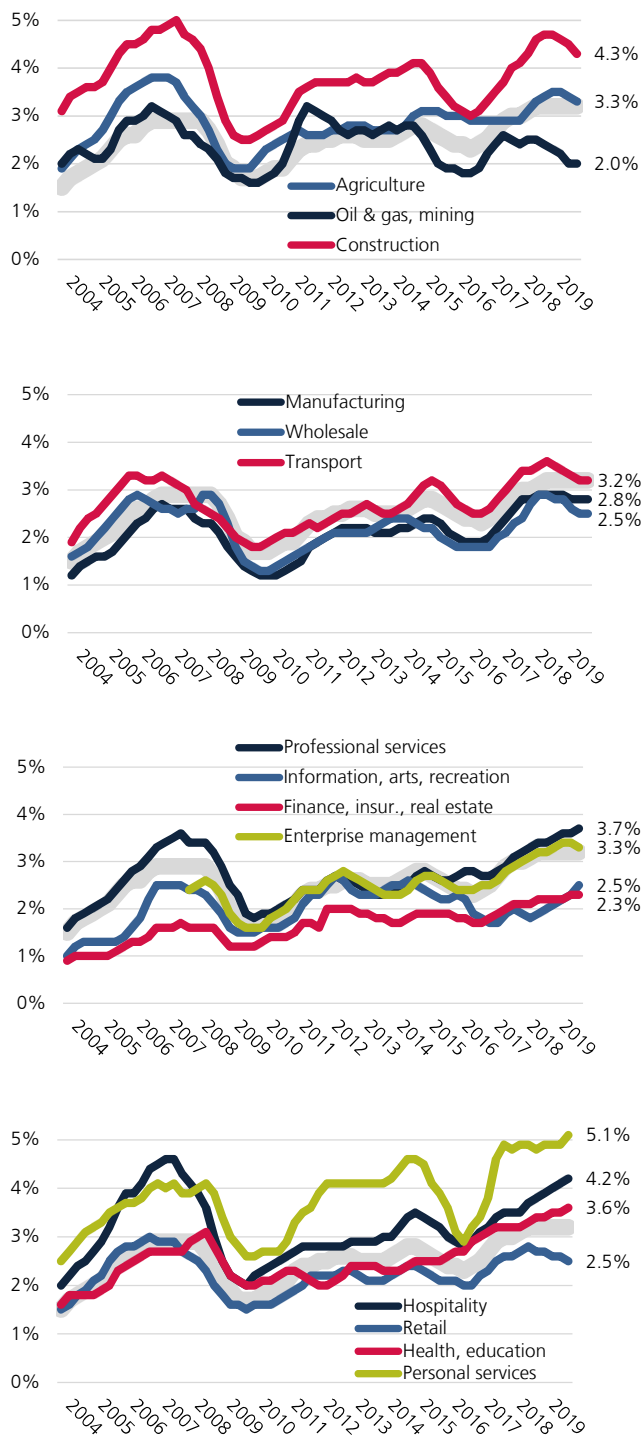
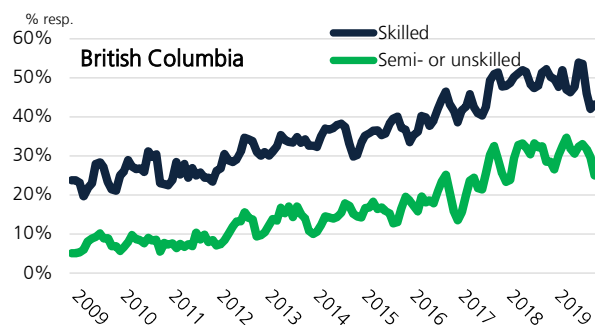
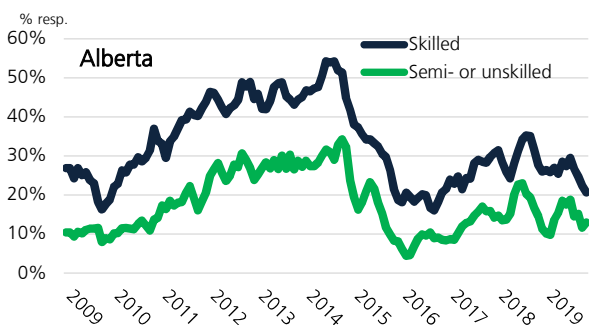
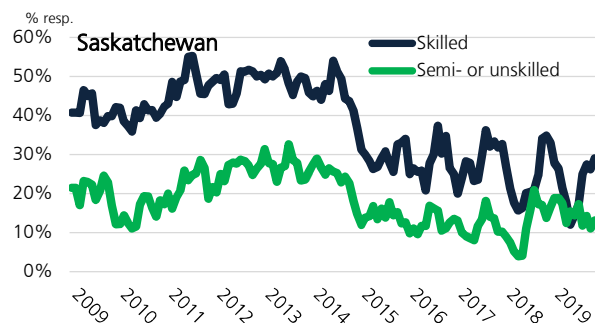
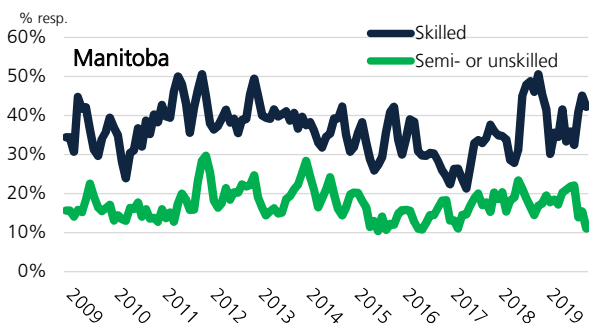
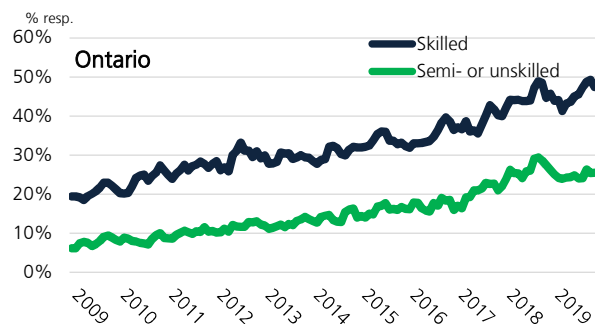
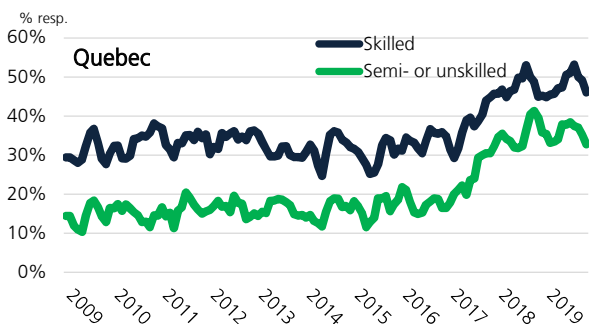
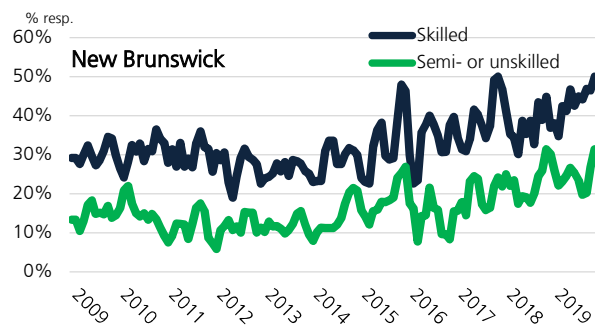
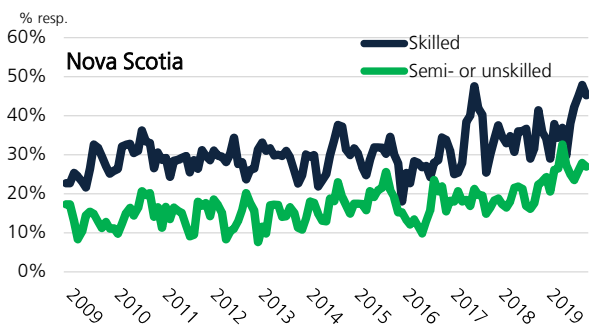
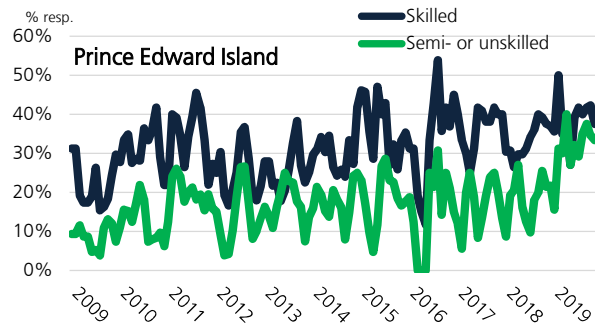
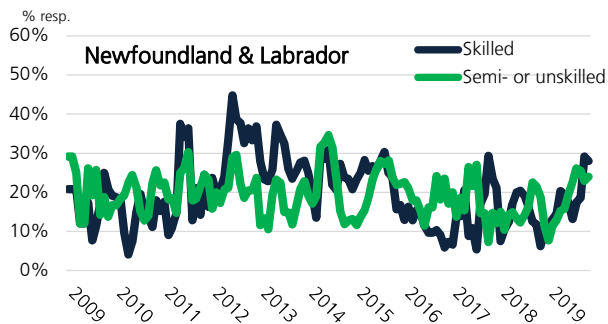


Figure 6: **Labour shortage concerns by job skill level (3-mth moving averages)**



Notes: methodology and data quality

The current results are based on 2,234 responses from the latest quarter. The series comes from CFIB's *Your Business Outlook Survey*, which is conducted monthly with a stratified random sampling of ID-validated business owner-operator members.

On the survey, respondents provide the total number of full-time and part-time people currently employed at their business. They are also asked "How many jobs in your firm currently have been vacant for at least 4 months because you have been unable to find suitable employees?" Non-responses are treated as zero vacancies. Vacancy rates are defined as total vacancies, divided by the sum of total employment and vacancies. Data outliers are identified using regression analysis, and then dealt with by capping those vacancies at the 90th percentile level in each business size class.

To account for small quarterly sample sizes, data for the 500+ employment size group are imputed by using the aggregate historical ratios relative to the other business size categories from 2004 to 2017. Aggregate employment and vacancies are then reweighted by province and by industry based on quarterly data from Statistics Canada's Survey of Employment, Payrolls and Hours (SEPH), subtracting out public sector employment based on custom tabulations from Statistics Canada's Labour Force Survey (LFS).

National quarterly data are seasonally adjusted and trended using x-12 methodology. To deal with occasional missing data points, provincial and industry sector data are further smoothed before seasonal adjustment, and then re-adjusted afterwards to ensure their totals add up to national figures.

Because of the use of centralized moving averages, new quarterly data may result in revisions of past estimates.

Comparison with Statistics Canada's job vacancy estimates.

Beginning in Q1 2015, Statistics Canada's new Job Vacancy and Wage Survey¹ (JVWS) is producing vacancy rate estimates that are almost double the previous rates based on the Survey of Employment Payrolls and Hours (SEPH). The JVWS's initial data are now almost identical to CFIB's quarterly figures, largely because they now share closer survey methodologies. Most significantly, Statistics Canada is now surveying owners and business managers in branch locations who are responsible for hiring, rather than head office payroll departments. Key remaining differences are the larger sample size of the JVWS and the seasonally adjusted nature of the CFIB data.

¹ <https://www150.statcan.gc.ca/n1/daily-quotidien/191217/dq191217b-eng.htm>