

CLIENT SEGMENT PROFILE

Youth

Atlantic Canada



February 2014

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Acronyms

NHS	National Household Survey
CSP	Client Segment Profile
NL	Newfoundland and Labrador
PEI	Prince Edward Island
NS	Nova Scotia
NB	New Brunswick
CSD	Canadian Survey on Disability

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About the Client Segment Profile

Each year, the Labour Market and Strategic Analysis Directorate of Strategic Services, Atlantic Region produces Client Segment Profiles (CSPs) for the Atlantic Region. The CSPs provide provincial and local demographic and labour market information, trends and prospects for selected socio-demographic groups of the labour force, including youth, older workers, Aboriginal people, newcomers, persons with disabilities, seniors, and official language minority communities.

CSPs are mainly intended to support regional Service Canada operations, especially with regard to the delivery of services and programs to specific client groups. However, they may also be of interest to those who seek to know more about the demographic and labour market trends for specific segments of the population.

Facts and statistics presented in this document reflect information available as of January 2014.

Key Points

- Youth's share of Atlantic Canada's overall population is declining.
- The proportion of youth in Atlantic Canada living in rural areas is decreasing.
- The number of Aboriginal and visible minority youth in Atlantic Canada is growing.
- The vast majority of youth in Atlantic Canada are Anglophone.
- Most youth live in a "census family"¹.
- The net-migration outflow of youth to other parts of Canada has increased since the 2008/2009 economic downturn.
- Youth enrollment in educational programs and levels of educational attainment are increasing.
- Ten percent of youth aged 20-29 have no educational certification.
- Rural youth have lower education levels than their urban counterparts.
- Education levels are highest for immigrant youth and lowest for Aboriginal youth.
- Almost 9% of the Region's youth population, aged 20-24, are high school dropouts.
- Youth have higher labour force participation and unemployment rates than does the population aged 30+.
- Aboriginal youth have lower labour force participation rates than non-Aboriginal youth, and Aboriginal youth have the highest unemployment rates of any group of youths.
- Youth in Atlantic Canada derive a higher share of their income from government transfer payments than do youth nationally.

¹ A census family is composed of a married or common-law couple, with or without children, or of a lone parent living with at least one child in the same dwelling. Couples can be of the opposite sex or of the same sex

- Female youth have a higher incidence of low income.
- The proportion of youth in Atlantic Canada neither enrolled in education nor in the labour force is higher than the national share.

Introduction

This profile provides an outline of the primary demographic and labour market characteristics of youth in Atlantic Canada. While current Federal programs and services target the 15 to 30 years of age group, in this document youth are defined as encompassing the section of the population aged 15-29. Whenever possible, the 15 to 19, 20 to 24 and 25 to 29 age subgroups will also be analyzed. However, due to data limitations the discussion will periodically refer to youth in a narrower age group of 15 to 24. The variables analysed are the demographic characteristics by age, mother tongue, living arrangements, education, labour market participation, and income for the youth population. Comparisons with the population aged 30 and above in the Atlantic Region and with the rest of Canada are also provided.

The data in this report is primarily from the Labour Force Survey, the 2011 National Household Survey (NHS) and, for comparative purposes, the 2006 Census. In 2011, the NHS replaced the long form of the Census. It canvasses, on a voluntary basis, close to one-third of all households. Even though the survey goes to more households than the Census, completion of the survey was voluntary which makes it difficult to compare Census and NHS data.¹

The information presented in this Profile will be updated as more recent statistical information and research findings become available.

Section 1: Demographical Information

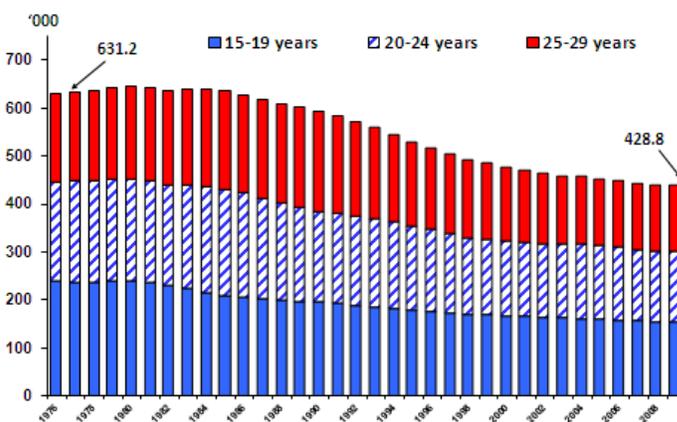
As of July 1, 2013, the population of Atlantic Canada was estimated at 2,368,778.² Of this population, 428,845 or 18% were youth aged 15-29. At 51%, males made up a slightly higher share of both the Region's and national youth population. Estimates suggest approximately 32% of youth in the Region were in the 15 to 19 age bracket, 35% were in the 20 to 24 age category, and the remaining 33% were 25 to 29 years of age. Nationally, youth account for a slightly higher share of Canada's overall population (20%).

In 1980, the youth population in Atlantic Canada peaked at 645,115 and accounted for almost 29% of the Region's total population. Between 1980 and 2013, the number of youth in the Region has, on average, declined on an annual basis. Population projections forecast the number of youth in the Region will continue to decline in future years.

Within the Region, the largest shares of youth live in Nova Scotia (NS) and New Brunswick (NB). Approximately 41% resided in NS while another 31% lived in NB. At just over 6%, Prince Edward Island (PEI) was home to the smallest share of Atlantic Canada's youth population, while the remaining 22% were living in NL.

According to Statistics Canada's population estimates, the share of youth relative to provincial populations ranges from a high of almost 19% in NS to a low of 17% in NL in 2013. Each Atlantic

Figure 1: Youth Population in Atlantic Canada



Source: Statistics Canada. Table 051-0001 - Estimates of population

² Estimates are based on 2011 Census counts adjusted for the Census' net under-coverage of the population and incompletely enumerated First Nations reserves, to which is added the estimated demographic growth from May 10, 2011, to June 30, 2013.

province is projected to record decreases in the number of youth as a share of total population over the next two decades.

The aging of the population coupled with low fertility rates and net out-migration of youth is expected to push the share of the Region's youth population down to 15% by 2031.³ Within the Region, NL is projected to have the lowest share of youth (14.4%) relative to its overall population by 2031.

Table 1: Estimated and Projected Share of Youth, Atlantic Canada, 2013-2031

Year	Canada	NL	PEI	NS	NB
2013	20.0%	17.3%	18.6%	18.7%	17.8%
2016	17.8%	16.6%	18.9%	18.4%	17.8%
2021	16.3%	15.1%	16.9%	16.7%	16.3%
2026	15.4%	14.5%	15.7%	15.8%	15.4%
2031	15.3%	14.4%	15.8%	15.8%	15.3%

Source: Statistics Canada, Population estimates Table Number: 051-0001, Population Projections cited are based on the medium growth scenario (M1), Catalogue no. 91-520-X.

If the projected demographic changes of a declining youth and an aging baby-boomer population occur, the Region can expect to encounter a reduced labour supply in the coming years.

Composition of Youth by Ethnicity, Immigrant Status, and Disability Rates

- **Aboriginal and visible minority youth make up a much smaller share of Atlantic Canada's youth population than nationally, but this share is growing.**
- **Immigrant youth make up only 3% of the youth population in Atlantic Canada.**
- **Approximately 5% of youth in the Region are limited in their daily activities by a disability.**

Aboriginal and visible minority youth make up small, but growing, shares of Atlantic Canada's youth population.⁴ While the total number of youth in Atlantic Canada decreased by 31,400, or 7%, between 2001 and 2011, the number of youth who identified themselves as Aboriginal or as a member of a visible minority group increased significantly.

According to the 2011 NHS, the number of Aboriginal youth in the Region was recorded at 22,230. Aboriginal youth accounted for close to 5% of the Region's overall youth population, and for almost one quarter of its Aboriginal population. Between 2001 and 2011, the number of Aboriginal youth in the Region increased by 8,515 or by 62%. By comparison, Atlantic Canada's non-Aboriginal youth population declined by 11% during the same time period. At the national level, the number of youth reporting Aboriginal identity rose by 45% over the same period.

Regardless of age, visible minorities make up a much smaller share of Atlantic Canada's population as compared to their share nationally (3.3% versus 19%). In 2011, approximately 5% of youth in the Region identified themselves as being a member of a visible minority group, as compared to 22% of youth nationally. Visible minority youth accounted for just over 28% of the Region's visible minority population. Black youth are a subset of the visible minority population, and at 33%, they comprised the largest single visible minority group in the Region. Between 2001 and 2011, the number of visible minority youth in the Region increased by 9,250 or 76%. Nationally, the number of visible minority youth rose by 53% over the same period.

³ Statistics Canada. 2010.

⁴ The Employment Equity Act defines visible minorities as "persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour."

Of the 12,000 immigrant youth residing in Atlantic Canada at the time of the 2011 NHS, approximately 5,500 or 46% landed in Canada between 2006 and prior to May 10, 2011. Immigrant youth make up less than 3% of the Region's youth population.

Initial findings associated with the 2012 Canadian Survey on Disability (CSD) indicate that 14,550 youth aged 15-24 in Atlantic Canada reported being limited in their daily activities due to a disability.⁵ This represents approximately 5% of the youth population. Nationally, a slightly smaller proportion (4.4%) of youth reported a disability. As disability rates increase with age, the disability rate for the overall youth population (aged 15-29) is likely to be higher than the rate reported in this document.⁶ The most commonly reported types of disability for youth were learning, pain, and mental/psychological disabilities.

Among Atlantic Canada's population aged 25 and over, from the CSD the prevalence of disability was recorded at 19%. Pain and mobility are the most common types of disability reported by the population in the 25 and over age category. The CSD incorporates significant changes from previous surveys on disabilities, i.e. the Participation and Activity Limitation Surveys (PALS) 2006 and 2001, and to the way in which disability is defined. As a result, comparisons cannot be made between PALS and CSD data.⁷

Area of Residence

- ***A decreasing share of youth live in rural areas.***
- ***Atlantic Canada has a higher share of rural youth than nationally.***

For the purpose of this report, a rural area is defined as living outside of either a Census Metropolitan Area (CMA) or a Census Agglomeration (CA) which, combined, constitute urban areas.ⁱⁱ Regardless of age group, Atlantic Canada's population is significantly more rural than the rest of Canada. According to the 2011 Census, approximately 144,415, or 35%, of youth in Atlantic Canada were living in rural areas. By comparison, fewer than 16% of youth nationally were rural residents. The size of the rural population varies greatly from one province to another within Atlantic Canada. The share of rural youth was highest in NL at 44% and lowest in NS at 29%. In NB, the share was 35% and in PEI it was 39%.

Using Census data, between 2006 and 2011 the Region's rural youth population decreased by almost 9%, compared to a 2.7% increase in the urban youth population. One factor contributing to this decline is the net out-migration of young people from rural areas to urban areas within the Region and to other parts of Canada. Rural areas tend to struggle with higher unemployment and limited employment opportunities, especially for younger people. In addition, rural areas often do not have the ability to offer youth the opportunity to pursue post-secondary education. Frequently youth focus on the limitations of the rural areas and are attracted by the appeal of city living or living in an urban centre. Within the provinces, NL experienced the largest decrease in its rural youth population (13.7%) between 2006 and 2011, while NS had the lowest decline (6.7%). For NB and PEI their rural youth populations declined by 6.8% and 7.6%, respectively.

⁵ The survey population comprised all Canadians aged 15 or older as of May 10, 2011 who were living in private dwellings. The institutionalized population is excluded.

⁶ Future releases from the CSD and/or NHS may enable the disability rate for youth aged 15-29 to be estimated.

⁷ Statistics Canada. 2013a.

Table 2: Area of Residence of Youth, Atlantic Canada, 2011

Youth population	Atlantic		NL		PEI		NS		NB	
Youth Population	414,800		87,950		25,715		168,980		132,155	
Urban	270,385	65%	49,585	56%	15,720	61%	199,560	71%	85,520	65%
Rural	144,415	35%	38,365	44%	9,995	39%	49,420	29%	46,635	35%
On reserve										
Aboriginal youth*	5,145	23%	845	10%	2,375	28%	1,810	35%

Source: Statistics Canada, Census 2011 Table Number: 98-311-X2011019 and 2011 NHS Table Number: 99-012-X2011045. *Note. Some reserves are located in urban locations while others are located in rural areas. As such, the on-reserve population are already counted in the urban/rural estimates.

In 2011, the number of Aboriginal youth living on reserves was estimated at just 5,145, an increase from 4,085 at the time of the 2006 Census. However, the proportion living on reserves has declined from approximately 25% in 2006 Census to close to 23% in 2011. Nationally, the share of Aboriginal youth on reserves also declined during the same period. Two factors which may be contributing to the decline in the number of Aboriginal people recorded living on reserves are the change in the definition of reserves in the NHS compared to Census 2006, and the increasing trend in the number of Aboriginal people living off reserves.⁸ Within the Region, NB had the highest share of Aboriginal youth residing on reserves, while NL had the lowest. The sample size for PEI was too small for an estimation to be made.

A significantly higher proportion of immigrant youth are concentrated in urban areas of the Region as compared with non-immigrant youth. In 2011, the vast majority of immigrant youth (82%) in Atlantic Canada were urban dwellers. By comparison, 64% of their non-immigrant counterparts lived in urban areas of the Region. When the population of new immigrants who landed between 2006 and May 10, 2011 are considered separately, the proportion of youth choosing to reside in urban areas rises to 84%.

Languages

- **The vast majority of youth in the Region are Anglophone.**
- **10% of youth in the Region are Francophone.**
- **4% of youth in the Region speak a non-official language as their mother tongue.⁹**

Mother tongue refers to the first language learned at home in childhood and still understood by the individual at the time of the 2011 NHS. Four per cent of youth aged 15-29 in Atlantic Canada reported a non-official language as their mother tongue; this is up one percentage point from the time of the 2006 Census. Given the diversity of youth nationally, the proportion of youth who reported a non-official language as mother tongue rises to approximately 17% at the national level. In Atlantic Canada, the majority of youth are Anglophone, and 351,220 (or 85%) reported English as their mother tongue. Those with French as mother tongue (Francophone) numbered 41,665 or 10% of the Region's youth population. Nationally, Anglophone youth made up a smaller share of Canada's youth population (61%), while the proportion of Francophone youth was considerably larger at 20%.

In 2011, the vast majority (75%) of youth in the Region reported that they were able to conduct conversation in English only, 2% could speak French only, and 23% reported they could converse in both official languages. Within the Region, the proportion of youth who could converse in both official languages ranged from a low of 11% in NL to a high of 42% in NB. In PEI and NS, the respective shares of youth with knowledge of both English and French were 20% and 15%.

For the population aged 30 and over in Atlantic Canada, 84% reported being Anglophone and 13% were Francophone. The proportion of Atlantic Canadians in this age category with knowledge of both official languages is lower than that of youth (15% versus 23%).

⁸ Statistics Canada.2013b.

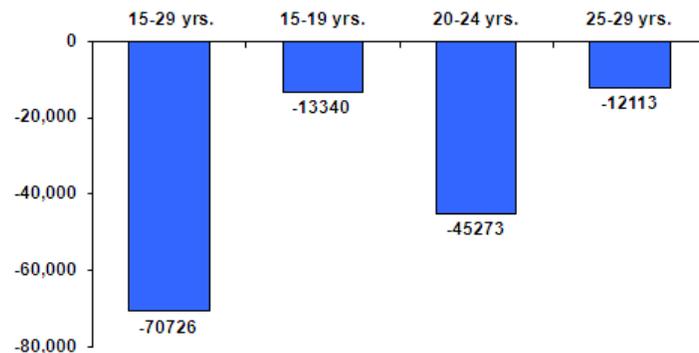
⁹ Refers to the ability to conduct a conversation in English, French, in both English and French, or in neither English nor French.

Interprovincial Migration

– Youth aged 20-24 are the most likely group to leave Atlantic Canada.

Interprovincial migration is the movement from one province or territory to another involving a permanent change in residence. While people move for various reasons, one incentive is economic. Higher incomes and better employment prospects in other provinces influence individual and household decisions to relocate. Between 2000 and 2013, the number of youth in Atlantic Canada moving to other provinces vastly exceeded the number of youth moving to the Region.¹⁰ During this time period, the Region recorded an estimated net-migration outflow of 70,726 youth.

Figure 2: Net-Migration Outflows from Atlantic Canada, 2000-2013



Source: Statistics Canada, Cansim, Table Number: 051-012

Youth aged 20-24 are the most likely age group to migrate away from the region. This is not unexpected, as many Atlantic

Canadian youth often leave having completed their education. Limited job opportunities, lack of prospects for career development, and life style also act as strong incentives to migrate. Ontario and Alberta are the top provinces of destination for the vast majority of Atlantic Canadians. Over the 2000-to-2013 period, the annual average net outflow of youth from the Region was approximately 5,400.

Within Atlantic Canada, NL had the highest net outflow (-26,228) of youth to other parts of Canada between 2000 and 2013; NS had the second highest net loss of youth (-21,114) during this period. In total, NB had a net migration outflow of 17,809 of youth over the 2000-to-2013 period. At 5,545, PEI recorded the smallest net outflow.

Over the 2000-to 2013-period, the net out-migration of youth destined for other parts of Canada peaked at 9,200 in 2006, and reached its lowest level (1,743) in 2009. Following the economic slowdown in 2009 and Atlantic Canada's lackluster recovery, the net-migration outflow of youth has risen significantly. Initial estimates suggest the Region had a net loss of 8,090 youth due to interprovincial migration in 2013.

Families

– The majority of youth live in “census families”.

– The share of lone-parent families headed by youth was slightly higher in Atlantic Canada than nationally.

According to the 2011 NHS, the vast majority (82%) of youth aged 15-29 in the Region were part of a census family¹¹, with the remaining 18% either living with relatives or living alone. For the over 141,700 Atlantic Canadian youth aged 15-19, almost 95% were living in a census family. Of these, 72% lived with two parents, and almost one-in-four (25%) lived with one parent. Fewer than 3,600 or 2.7% of youth 15-19 were living with a spouse, common-law partner, or as a lone parent.

Between the ages of 20 to 24, youth generally move from dependent living with parents to independent living, sometimes with others, often with a partner. For youth in the 20 to 24 age category, close to 21%

¹⁰ Refers to the period July 1, 2012 to June 30, 2013.

¹¹ A census family is composed of a married or common-law couple, with or without children, or of a lone parent living with at least one child in the same dwelling. Couples can be of the opposite sex or of the same sex.

were living with a spouse, common-law partner, or as a lone parent, while almost 54% were living with one or both parents in 2011. Approximately 9,500 or 7% youth aged 20-24 in the Region lived alone.

For the oldest group of youth (age 25-29), over 55% had formed their own family household, that is, were living with a spouse, common law partner or as a single parent. Youth in this age bracket were less likely to be living with either both or one parent (20%) and had the highest proportion of those living alone (11%).

Across the Region there were no notable differences in the overall living arrangements of youth. However, the share of lone-parent families headed by youth was slightly higher in Atlantic Canada than nationally (3.7% versus 2.3%).

Education

– Enrolment in school and levels of educational attainment are on the increase in Atlantic Canada.

– One-in-ten youth aged 20-29 have no certificate, diploma or degree.

– Aboriginal youth have the lowest and immigrant youth have the highest levels of educational attainment among youth in the Region.

– Females are more likely than males to be enrolled in school.

During the period of 1976 to 2013, the share of youth in Atlantic Canada enrolled in school either on a full- or part-time basis during the school months rose from 29% to 44%. This growth may reflect an increased demand for more educated workers in a knowledge-based economy. Enrolment rose from 63% to 84% for youth in the youngest age category (15-19). During the same period, the proportion of youth in the 20 to 24 age category enrolled in school increased the most, by 26 percentage points (38% versus 12%). While the percentage of older youth aged 25-29 enrolled in school is small, it more than doubled over the 1976-2013 period. In 2013, approximately 12% of older youth were enrolled in school, up from 5% in 1976. As youth are the main source of new skills in the labour force, increasing enrolment rates are an encouraging trend.

In general, females are more likely than males to be enrolled in school. In 2013, approximately 46% of females aged 15-29 in Atlantic Canada were enrolled in school, compared to 42% of males. The enrolment gender gap widens significantly for those aged 20-24. A 10 percentage point difference was recorded between the share of females aged 20-24 enrolled in school and their male counterparts (43% versus 33%).

Educational attainment tends to increase with age and reflects the transitions that occur at different stages of life as youth mature into adults. Since the majority of youth aged 15-19 are enrolled in school and are likely to be completing their first certificate or diploma, the analysis which follows focuses on youth 20 to 29 years of age.

The share of youth aged 20-29 with no certificate, diploma or degree in Atlantic Canada was similar to the national average. In 2011, approximately 10% of these youth in the Region had no certificate, diploma or degree as compared to 23% of the population aged 30 and over. Within the Region, the share of youth at this level ranged from 12% in NL to 8% in PEI. Both NS and NB had shares close to the regional average of 10%. The educational attainment levels of youth are increasing. According to the 2006 Census, 13% of the Region's youth population, or three percentage points above results from the 2011 NHS, had no certificate, diploma or degree.

Table 3: Educational Attainment of Youth Aged 20 – 29, Atlantic Canada, 2011

Highest educational attainment	20-29 yrs.		20-24 yrs.		25-29 yrs.	
Total Population	268,550		140,850		127,770	
No certificate, diploma or degree	27,370	10.2%	15,285	10.9%	12,085	9.5%
High school certificate or equivalent	97,895	36.5%	65,230	46.3%	32,665	25.6%
Postsecondary certificate, diploma or degree ¹²	143,285	53.4%	60,335	42.8%	82,950	65.0%
Apprenticeship or trades certificate or diploma	22,390	8.3%	11,240	8.0%	11,150	8.7%
College, CEGEP or other non-university certificate or diploma	53,550	19.9%	23,565	16.7%	29,985	23.5%
University certificate or diploma below bachelor level	7,505	2.8%	4,125	2.9%	3,380	2.6%
University cert., diploma or degree at bachelor level or above	59,810	22.3%	21,390	15.2%	38,420	30.1%

Source: Statistics Canada, 2011 NHS Table Number: 99-012-X2011039

At the other end of the educational continuum, approximately 22% of Atlantic Canada's youth aged 20-29 graduated from university at the bachelor level or above. By comparison, 17% of adults aged 30 and over recorded this level of educational attainment. Within the Region, NS had the largest proportion of youth who were university graduates at the bachelor level or above (25%), followed by PEI (23%). The proportions of youth with this level of educational attainment in NB and NL were quite similar at 21% and 20%, respectively. The share of the Region's youth with this level of educational attainment had been 19.5% in 2006, and so this increased by almost three percentage points in 2011.

Both within the Region and nationally, a smaller proportion of female youth had no certificate, diploma or degree at the time of the 2011 NHS than their male counterparts (8% versus 12%). The gender gap in educational attainment is more pronounced at the postsecondary level. In 2011, almost 58% of females had some form of postsecondary accreditation, or 10 percentage points higher than males aged 20-29. Approximately 28% of females graduated university at the bachelor level or above, as compared to 17% of their male counterparts.

Educational attainment rates vary significantly between age groups. For example, youth in Atlantic Canada in the 20 to 24 age group were more likely to report a high school certificate as their highest level of educational attainment and less likely to have some form of postsecondary accreditation, relative to older youth (aged 25-29). This is no surprise as older youth would have had more time in their lives to complete higher levels of education.

The levels of educational attainment also vary considerably in terms of urban versus rural dwellers. Youth living in urban parts of the Region are more likely to have completed high school and higher levels of education than youth in rural areas. In 2011, 9% of youth aged 20-29 in urban areas of Atlantic Canada had no certification, diploma or degree, while approximately 13% of those living in rural areas had this level of educational attainment. At the other end of the educational scale, almost 26% of urban youth in the Region had university credentials at or above the bachelor level. By comparison, close to 15% of their rural counterparts had this level of educational attainment, a gap of 11 percentage points. Within Atlantic Canada, the province of NL had the largest proportion of rural youth with no certification, diploma or degree (17%), and the smallest share with university accreditation (12%).

¹² Includes any level of educational attainment above high school.

Table 4: Educational Attainment of Youth, Aged 20-29, by Province and Urban/Rural Status, 2011

Educational attainment	NL		PEI		NS		NB	
	No Cert.	University ¹³	No Cert.	University	No Cert.	University	No Cert.	University
Youth Population	12.0%	20.0%	8.1%	22.6%	9.9%	24.6%	9.7%	20.7%
Urban	8.9%	25.3%	7.5%	25.6%	8.7%	27.3%	9.0%	27.7%
Rural	16.8%	11.8%	9.1%	17.3%	13.2%	17.1%	9.9%	18.2%

Source: Statistics Canada, 2011 NHS Table Number: 99-012-X2011039.

Both in Atlantic Canada and nationally, levels of educational attainment are lowest for Aboriginal youth and highest for immigrant youth. In 2011, the share of the Region's Aboriginal youth aged 20-29 with no certificate, diploma or degree was just over twice that of non-Aboriginal youth (20.2% versus 9.7%). Nationally, the gap between Aboriginal youth in this age category with no certificate, diploma or degree and their non-Aboriginal counterparts was more pronounced. Close to 32% of the Aboriginal population nationally had this level of educational attainment, as compared to 9.5% of Canada's non-Aboriginal population. Within the Region, NB had the highest percentage of Aboriginal youth without any educational certification while NS had the lowest (23% versus 17.5%). An estimated 20% of Aboriginal youth in NL had no certificate, diploma or degree. For PEI, the sample size was too small for estimates to be reliable. Between 2006 and 2011, the levels of educational attainment improved slightly with fewer individuals, whether Aboriginal or not, with no certificate, diploma or degree. In 2006, the share of the Region's Aboriginal and non-Aboriginal youth with no formal educational certification was 25% and 12%, respectively.

When the on-reserve population is considered separately, there is a notable increase in the proportion of youth without any formal educational certification. Close to 45% of youth on reserves in the Region had no certificate, diploma or degree according to the 2011 NHS. While high, this is significantly less than the share nationally (60%).

Table 5: Educational Attainment by Client Segment Populations: Aboriginal and Immigrant Youth, Aged 20 – 29, Atlantic Canada, 2011.¹⁴

Highest educational attainment	Aboriginal		Non-Aboriginal		New Immigrant		Non-immigrant	
Total Population	13,345		255,215		3,480		254,840	
No certificate, diploma or degree	2,700	20.2%	24,675	9.7%	180	5.2%	26,856	10.5%
High school certificate or equivalent	4,830	26.2%	93,065	36.5%	1,020	29.3%	93,420	36.7%
Postsecondary certificate, diploma or degree	5,820	43.6%	137,460	53.9%	2,200	63.2%	143,580	52.8%
Apprenticeship or trades certificate or diploma	1,330	10.0%	21,065	8.3%	190	5.5%	21,875	8.6%
College, CEGEP or other non-university cert./diploma	2,475	18.5%	51,070	20.0%	355	10.2%	52,040	21.4%
University certificate or diploma below bachelor level	310	2.3%	7,190	2.8%	255	6.5%	6,645	2.6%
University cert., diploma or degree at bachelor or above	1,645	12.3%	58,150	22.8%	1,430	41.1%	54,020	21.2%

Source: Statistics Canada, 2011 NHS Table Numbers: 99-012-X2011039 & 99-012-X2011042

Immigrant youth, whether recent arrivals or not, have higher levels of educational attainment than their non-immigrant counterparts. In 2011, close to 5% of immigrant youth in the Atlantic Canada had no formal certification, as compared to just over 10% of the Region's non-immigrant youth. At the other end of the educational continuum, almost 38% of immigrant youth had university certification at or above the

¹³ Refers to a university certificate, diploma or degree at, or above, the bachelor level.

¹⁴ Future releases from the 2011 NHS should provide similar data for persons with disabilities and by mother tongue.

bachelor level, which is 17 percentage points higher than the proportion of non-immigrant youth with this level of certification.

Immigrant youth who can be classified as newcomers to Atlantic Canada are highly educated. Almost 41% of those who arrived between 2006 and May 10, 2011 report having university accreditation at or above the bachelor level; this is the highest proportion for youth of any age group. It is possible that some new immigrants may have attained this level of education after their arrival in Canada. Conversely, new immigrants have the lowest share of youth with no certificate, diploma or degree.

Although enrolments in school and levels of educational attainment have increased, some individuals leave the education system without any formal certification. This creates barriers to employment and also places them at greater risk of becoming unemployed, especially when the economy is weak. In addition, their employment is usually concentrated in low-skill, low-wage positions.

The dropout rate indicates the percentage of individuals aged 20-24 who have not obtained a high school diploma, or equivalent, and are not attending school. At the time of the 2011 NHS, approximately 12,135, or 8.6%, of youth in Atlantic Canada can be categorized as having dropped out of school. The high school dropout rate of 20 to 24 year-olds living in rural parts of the Region was 2.6 percentage points higher than the rate for those living in urban areas (10.4% versus 7.8%). High school dropout rates have been declining over the past two decades. Dropout rates in Atlantic Canada have declined from 11% at the time of the 2006 Census, and from almost 18% in 1990. Results from the 2011 NHS suggest that within the Region, dropout rates are highest in NL at 10.2% and lowest in PEI at 7.1%. For NB and NS, the dropout rates were 8.5 and 8.1%, respectively.

Males are more likely to drop out of school than females. Approximately 10% of males in the Region were school dropouts in 2011, while 6.9% of females are in this category, a three percentage point gap. The reasons for dropping out of school differ between men and women. Young men frequently cite lack of engagement in school and/or the desire to work and earn money. In comparison, personal or family reasons, such as pregnancy or the need to look after their children, are the main reasons for dropping out of school reported by women.¹⁵ Family characteristics are also associated with the decision to drop out. Youth in families whose parents or sibling dropped out of school or who come from families from disadvantaged socio-economic backgrounds are more likely to be high school dropouts.

However, dropping out does not necessarily mean these individuals are finished with their studies, as a number return to high school or complete academic upgrading programs, often referred to as a "second chance system," which enables them to enter college directly. An estimated 29% of high school dropouts nationally returned to school in 2004/2005. Women are more likely to go back into the education system than men. Approximately 35% of women returned to school, compared to 26% of men.¹⁶ For those who do not, entering the workforce and gaining employment is much more difficult without some basic level of educational attainment.

¹⁵ Bowlby, Jeffrey and McMullen, K. 2002.

¹⁶ Raymond, Mélanie. 2008.

Section 2: Labour Market Analysis

Labour Force Participation

- *The labour force participation rates of youth in Atlantic Canada are higher than those of the population aged 30 and over.*
- *There is little difference in labour force participation rates of youth by gender.*
- *Labour force participation rates are lower in rural areas.*
- *Females have higher employment rates.*

Most youth work for the first time and make their first career choices between the ages of 15 and 25. Job prospects for youth are linked to their skills and educational attainment. Youth balance their interest in working and starting their careers with the reality that staying in school to obtain higher education and training enhances their chances of long-term success in the labour market.

The labour force participation rates of youth in Atlantic Canada are consistently higher than those of the population aged 30 and over.¹⁷ Youth participation rates peaked in 2008 and have trended downwards since. The economic downturn in 2008 saw a decline in youth participation rates and an increase in their unemployment rates. In contrast, the participation rates for the population in the 30+ age category trended slightly upwards since the slowdown.

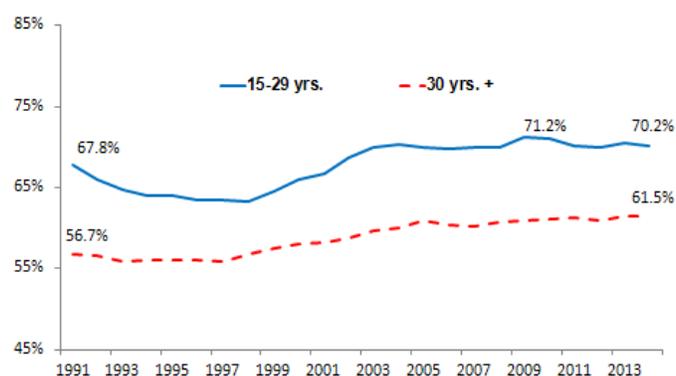
Regardless of age, males have marginally higher participation rates compared to their female counterparts. In 2013, an estimated 70.1% of males aged 15-29 in the Region participated in the labour force, as compared to 69.5% of females in the same age group. For the population aged 30 and over, the difference between male and female participation rates (66.3% versus 57.3%) was more pronounced.

Among the different sub-segments of youth in the Region, those in the youngest age category (15-19), understandably had the lowest participation rates (49.1%) in 2013, as the vast majority in this age category are in school. Participation rates were significantly higher for youth aged 20-24 (76.0%), and increased to 84.1% for their peers in the oldest age group, 25-29.

Province of residence influences the labour market attachment of youth in Atlantic Canada. In 2013, participation rates of youth aged 15-29 ranged from a high of almost 75% in PEI to a low of 67.6% in NL. NS and NB recorded participation rates of 71% and 69.3%, respectively.

Place of residence, in terms of urban or rural area, is a factor in determining labour market engagement and outcomes. Labour force participation rates in urban parts of the Region are higher than in rural areas. According to 2011 NHS data, 62.7% of rural youth were labour force participants, as compared to 71.9% of their urban counterparts, a gap of

Figure 3: Labour Force Participation Rates, Youth and Population aged 30 + in Atlantic Canada



Source: Statistics Canada, Cansim, Table Number: 280-0002

¹⁷The labour force refers to the civilian, non-institutional population 15 years of age and over who, during the Labour Force Survey reference week, were employed or unemployed. The labour force participation rate is the percentage of working age people (15 years of age and over) in the population who are part of the labour force. This is calculated by taking the size of the labour force, and dividing it by the population (15+).

almost 10 percentage points. As was the case at the provincial level, participation rates were highest for rural dwellers in PEI and lowest for rural youth in NL.

Table 6: Labour Force Activity of Youth Aged 15 – 29 by Urban/Rural Status, Atlantic Canada, 2011

Labour Force Activity	NL		PEI		NS		NB	
	Urban.	Rural	Urban	Rural	Urban	Rural	Urban	Rural
Population	48,625	37,965	15,115	9,900	114,510	48,150	83,365	45,980
In the labour force	34,130	20,505	11,515	6,840	81,635	31,415	60,790	30,350
Employed	28,955	14,770	9,640	5,505	68,160	25,095	51,850	24,410
Unemployed	5,190	5,730	1,840	1,330	13,450	6,355	8,840	6,010
Participation Rate	70.2%	54.0%	76.2%	69.1%	71.3%	65.2%	72.9%	66.0%
Unemployment Rate	15.2%	27.9%	16.7%	19.4%	16.5%	20.2%	14.5%	19.8%

Source: Statistics Canada, 2011 NHS Table Number: 99-012-X2011039

Although the labour force participation rate is often used as an indicator to portray labour market conditions, the employment rate is also a useful tool. Approximately 249,700, or 60%, of Atlantic youth were employed in 2013. The employment levels of youth decreased by 2,000 in 2013 compared to the previous year, and by 17,100 from their pre-2008/2009 recessionary level. Within the 15 to 29 age subgroup, the employment rate varies significantly by age category, with it being much higher for the 25 to 29 subgroup than for their much younger peers (aged 15-19). For youth aged 15-19, 38% were working in 2013, as compared to 75% of older youth (25-29 years). For youth aged 20-24, the difference in employment rates between this cohort and their older peers was less pronounced (64% versus 75%).

While males have marginally higher participation rates in the labour force, females have higher employment rates.¹⁸ Approximately 61% of females aged 15-29 in the Region were employed in 2013, three percentage points above the comparative rate for males. However, a significantly higher proportion of females were working part-time jobs. Almost four-in-ten (40%) females worked part time in 2013, compared to 25% of males.

In Atlantic Canada, there were 65,800 young people working part time in 2013, or 45% of all 15 to 24 year-olds who were working, as compared to 48% of Canadian youth. Close to 89% of these part-time workers in the Region are considered to be working part time voluntarily, while the remaining 11% are involuntarily working part-time jobs and citing 'business conditions' as their main reason for doing so. The vast majority of part-time workers in this age category (67%) cite 'going to school' as their main reason for working part time.¹⁹

In 2013, close to 35% of youth aged 15-24 with jobs in the Region were in temporary employment, which is five percentage points higher than the share of employed youth nationally.²⁰ There were no notable gender differences in the proportion of youth holding temporary jobs. Within the Region, NL had a much higher share of youth working on a temporary basis (43%) as compared to the Regional average. The proportion of employed youth in temporary jobs was approximately 32% in NS and PEI, rising to 34% in NB. One component of temporary employment, seasonal, accounted for a higher share of overall employment in Atlantic Canada than nationally (10% versus 7%). In this age group, more men (12.5%) than women (7.5%) held seasonal positions. The share of youth in seasonal employment ranged from 8% in NL to 14% in PEI.

¹⁸ The employment rate is the number of persons employed expressed as a percentage of the population 15 years of age and over.

¹⁹ The Labour Force Survey does not report reasons for part-time employment for youth aged 15-29, but only for those aged 15-24.

²⁰ A temporary job has a predetermined end date; these include seasonal jobs, temporary, term, or contract jobs and casual work. Data are available for the 15 to 24 age subgroup only.

Of the Region's total youth population (418,300), 44% were students in 2013, and 76,600 of these students were in the labour force during the school year. Students in Atlantic Canada had a labour force participation rate of 42%, four percentage points below the national rate for students. The vast majority of students in the Region worked part time (85%). By comparison, non-students aged 15-29 had both a significantly higher labour force participation rate (88%) and a lower rate of part-time employment (16%).

Aboriginal youth in Atlantic Canada are as less likely to be in the labour force as compared to their non-Aboriginal counterparts. In 2011, 57.2% of Aboriginal youth in the Region participated in the labour market, just over 11 percentage points below the rate for non-Aboriginal youth (68.9%). Nationally, the gap between the labour force participation rates of Aboriginal (55%) and non-Aboriginal (69.3%) youth was wider at 14.3 percentage points at the time of the NHS.

Table 7: Labour Force Activity of Aboriginal Youth by Age, Atlantic Canada, 2011

Labour Force Activity	15-29 yrs.	15-19 yrs.	20-24 yrs.	25-29 yrs.
Population	22,225	8,880	7,460	5,885
In the labour force	12,715	3,065	5,225	4,425
Employed	9,425	2,205	3,730	3,490
Unemployed	3,285	865	1,490	930
Participation Rate	57.2%	34.5%	70.0%	75.2%
Unemployment Rate	25.8%	28.2%	28.5%	21.0%

Source: Statistics Canada, 2011 NHS, Table Number: 99-012-X2011039

Within the Region, the Aboriginal participation rates of youth ranged from a low of 56.4% in NB to a high of 59.2% in PEI. For NS and NL, the NHS report participation rates of 56.9% and 57.9% respectively.

Aboriginal youth living on reserves face even greater challenges in the labour force. In 2011, 5,145 of the Region's total Aboriginal youth population were living on reserves. Of the on-reserve population, 2,075 or just over 40% were labour force participants, down from 44% at the time of the 2006 Census. Less than one-in-four (23%) of on-reserve youth were employed in 2011.

In Atlantic Canada, labour force participation rates are lowest for on-reserve Aboriginal youth and highest for non-immigrant youth. Immigrant youth, both established and new arrivals, have lower labour force attachment compared to their non-immigrant counterparts. In 2011, approximately 61% of immigrant youth participated in Atlantic Canada's labour market as compared to almost 69% of the Region's non-immigrant youth population, a gap of eight percentage points. It is possible that a portion of this participation gap may be explained by barriers such as the lack of 'Canadian' work experience and/or Canadian 'networks.'

Table 8: Labour Force Activity of Youth: Immigrants, New Immigrants, and Non-Immigrants, Atlantic Canada, 2011

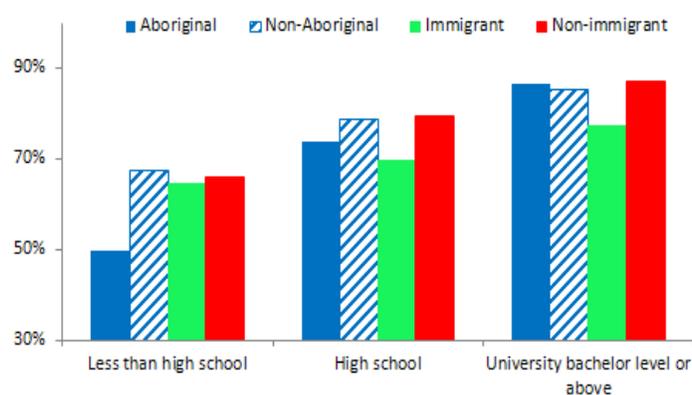
Labour Force Activity	Immigrants	New Immigrant	Non-immigrant
Population	11,900	5,520	391,710
In the labour Force	7,225	3,055	269,955
Employed	5,985	2,560	222,430
Unemployed	1,230	465	47,540
Participation Rate	60.7%	55.3%	68.9%
Unemployment Rate	17.0%	15.2%	17.6%

Source: Statistics Canada, 2011 NHS, Table Number 99-012-X2011042

Labour force participation rates increase as the level of educational attainment increases. In 2011, the participation rate for youth in the Region aged 25-29 was lowest for those with no certificate, diploma or degree at 62%, rising to 78% for high school graduates, and to almost 85% for those with university certification at or above the bachelor level. Youth with a registered apprenticeship certificate had the highest rate of participation at approximately 91%.

A sizeable gender gap in participation rates was recorded between males and females with no certificate, diploma or degree. In 2011, 74% of males with this level of educational attainment were in the labour force, as compared with only 54% of their female counterparts, a 20 percentage point difference. The gender participation gap narrowed to eight percentage points for those with a high school diploma (82% for males versus 74% for females). At levels of educational attainment above high school, differences in participation rates by gender were quite small.

Differences in participation rates by level of educational attainment are also present within the Region when specific groups are analyzed separately.²¹ The participation rates of Aboriginal youth are lower at each level of educational attainment than the rates for non-Aboriginal youth, except for university graduates at the bachelor level or above. Regardless of level of educational attainment or period of arrival, immigrant youth are less likely to participate in the Region's labour market than their non-immigrant counterparts. This outcome is not unique to the Atlantic Region; nationally, the same disparities in participation rates exist between the Aboriginal and non-Aboriginal youth populations and between immigrant and non-immigrant youth.

Figure 4: Labour Force Participation Rates, Youth 20-29 yrs. by Level of Educational Attainment, Atlantic Canada, 2011

Source: Statistics Canada, 2011 NHS Table Numbers 99-012-X2011039 and 99-012-X2011042

²¹ Future releases from the 2011 NHS should provide similar data for persons with disabilities and by mother tongue.

Occupational Grouping

– Sales and Services is the main occupational group for youth.

The vast majority of youth worked in three of the ten broad occupation groups.²² The three most common occupational groups for youth aged 15-29 in the Region are: sales and services (40.3%), trades, transport and equipment operators and related occupations (12.4%), and education, law and social, community and government services (11.8%). These occupations accounted for close to 65% of jobs for youth, according to the 2011 NHS.

There are noteworthy gender differences in occupational groupings. Both male and female youth have sales and service occupations as their top general occupational group; however, females have a higher concentration in this occupational group (48% versus 33%). In addition, the male and female second and third largest general occupational groups are quite different. Nearly one quarter of males (24%) were in trades etc., while almost 15% of females were in education, law and social, community and government services occupations. Males in trade occupations are mostly in unskilled labourer jobs. For females, the third largest occupational group was business, finance and administrative occupations, where approximately 13% were employed. In comparison, natural and applied sciences and related occupations accounted for 8.4% of male employment, their third largest occupational group.

Among youth in the 15 to 19 age range, 70% were in sales and service occupations. The majority of young people are still in school and are potentially only available to work for a few hours a week. This partly explains their high concentration in sales and service occupations which offer numerous part-time positions. In addition, many jobs in this occupation group require only a high school education or less, and hence are more accessible. Trades, transport and equipment operators and related occupations employed 7% of the youngest youth cohort, while natural resources, agriculture and related production occupations accounted 4.8%, thus comprising the second and third largest groups of employment.

Two-thirds of youth aged 20-24 were also concentrated in the same top three occupational groups, but sales and service occupations made up a much smaller share (42%). Fifteen percent of the Region's youth in this category worked in occupations in trades, etc., while a further 10% of workers were in occupations in education, law and social, community and government services.

Fifty-five percent of workers in the oldest youth group, aged 25-29, were in occupations belonging to the three largest occupational groups. However, for these youth, the proportion in sales and services declined to 24%, while the share of workers in occupations in education etc., increased to over 17%. Approximately 13% of workers were in occupations in trades, etc. By comparison, the top three occupational groups for workers in the 30 and over age bracket in the Region were: sales and services (19%), business, finance and administration (16.2%), and trades (15.5%).

²² Occupation was classified with the National Occupational Classification 2011. It consists of 10 broad occupational categories which are subdivided into 40 major groups. 'Occupation groups' in this document refer to the 1-digit broad occupational categories.

Unemployment Rates

- *Youth unemployment rates are higher in Atlantic Canada than nationally.*
- *Unemployment rates are higher in rural areas.*
- *Females have lower unemployment rates but are more likely than males to work part time.*

Youth unemployment rates tend to be significantly higher than those for individuals aged 30 and over.²³ Youth are generally more mobile and are often more likely to explore a range of jobs before getting established in a career. Further, youth labour market conditions are more cyclical than overall labour market conditions, and it appears that youth rely more on new job openings as new entrants to the labour market. A slowdown in the economy may limit new job openings which may adversely affect labour market outcomes for youth.

In 2013, the annual average unemployment rate for youth aged 15-29 in Atlantic Canada stood at 15%, compared to 8.6% for the population aged 30+, a gap of 6.4 percentage points. Reflecting fewer employment opportunities in Atlantic Canada, regardless of age, national unemployment rates were lower than those in the Region. In 2013, approximately 11.1% of youth nationally were unemployed, compared to 5.7% of their counterparts 30 years of age and above. During the 2000-to-2013 period, youth unemployment rates reached their lowest level (11.9%) in 2007; however, over this period they averaged 14.6%.

While there was little difference in the labour force participation rates by gender, females tend to have, on average, significantly lower unemployment rates relative to males. In 2013, the estimated unemployment rate for female youth in Atlantic Canada was 12%, compared to almost 18% for males. One factor which may contribute to lower unemployment rates for females is that females are more likely to accept and work part-time jobs than males.

Table 9: Youth Unemployment Rates by Age, Gender, and Province, Atlantic Canada, 2013

Unemployment Rates	NL		PEI		NS		NB	
	Male	Female	Male	Female	Male	Female	Male	Female
Youth Population 15-29	16.8%	11.8%	18.2%	13.3%	17.9%	12.3%	18.2%	11.9%
15-19	19.4%	25.0%	18.5%	17.2%	27.0%	22.1%	24.5%	17.6%
20-24	17.6%	9.3%	22.0%	14.6%	18.6%	11.3%	18.8%	12.5%
25-29	14.8%	7.4%	13.9%	8.6%	12.3%	7.5%	14.1%	8.0%
Adults 30 +	11.5%	9.5%	11.4%	8.6%	8.1%	5.9%	10.9%	6.8%

Source: Statistics Canada, Cansim, Table Number 280-0002.

Unemployment rates within the Region are highest for the two youngest cohorts of youth, which may have a long-lasting impact on their career prospects. Among labour economists, there is consensus that a period of unemployment at the time an individual enters into the labour market can lead to “persistently lower wages many years thereafter,” an effect known as ‘scarring’.²⁴

Although youth have high unemployment rates, the length of time they are unemployed is somewhat shorter than the duration for individuals aged 25 and older. In 2013, the average duration of unemployment was 12.9 weeks for the 15 to 24 age subgroup in Atlantic Canada, as compared to 19 weeks for those aged 25 and older.²⁵ Youth have relatively shorter periods of unemployment (1-4 weeks

²³ The unemployment rate is the number of unemployed persons expressed as a percentage of the labour force.

²⁴ Schwerdtfeger, Martin. 2013

²⁵ The Labour Force Survey does not report duration of unemployment for youth aged 15-29, but only for those aged 15-24.

shorter) compared to their older counterparts. Approximately 41% of youth under age 25 were unemployed for less than five weeks, while close to 27% of those aged 25 and over were unemployed for this short duration. Less than 12% of youth in the Region are unemployed for over 26 weeks, which is six percentage points less than workers in the 25 and above age group. Nationally, a higher proportion of youth (45%) are unemployed for less than five weeks, while a smaller share is unemployed for over 26 weeks (10%). Also, the average duration of youth unemployment in Canada is one week less than in Atlantic Canada.

Unemployment rates across the Region are consistently higher for youth residing in rural areas than for urban dwellers in 2011. Lower levels of economic activity in rural areas and isolation from larger labour markets are contributing factors to higher unemployment rates in rural parts of the Region. At almost 22%, the unemployment rate for youth living in rural areas of the Region is close to six percentage points higher than the rate for urban youth (15.6%). The disparity was largest in NL where the recorded rate for youth in rural parts of the province was 27.9%, while the rate for their urban counterparts registered at 15.2%. This translates into a gap of almost 13 percentage points. In comparison, the difference between rural and urban unemployment rates was considerably smaller in PEI and narrowed to just over three percentage points (19.4% versus 16.2%). In NS the difference in unemployment rates was also less pronounced, at 20.2% for youth residing in rural areas, compared with 16.5% for urban dwellers. The gap in unemployment rates widened slightly for youth in NB. An unemployment rate of 19.8% was recorded for youth in rural areas of the province, while their urban counterparts registered an unemployment rate of 14.5%.

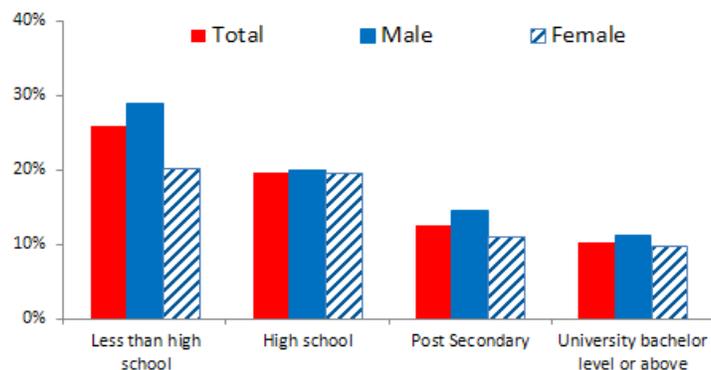
For the youngest cohort of youth, those aged 15-19, the difference between rural and urban unemployment rates was less than four percentage points, with 24.9% for rural residents compared to 21.4% for those living in urban areas. For youth in the middle subgroup, aged 20-24, an approximate six percentage point disparity exists between rural and urban unemployment rates (24.6% versus 18.2%) in the Region. By comparison, their older peers in the 25 to 29 age bracket recorded the widest gap. In 2011, an unemployment rate of 16.6% was recorded for older youth living in rural Atlantic Canada, while the unemployment rate for those in urban areas stood at 9.9%.

The population of Aboriginal youth in Atlantic Canada had less successful outcomes in the labour market in 2011 than did the non-Aboriginal population. There is a noticeable disparity in the unemployment rates between the two population groups. At approximately 26%, the unemployment rate for Aboriginal youth in the Region was significantly higher than the rate for their non-Aboriginal counterparts (17%), a nine percentage point difference. Unemployment is particularly high among the on-reserve population. In 2011, the unemployment rate was almost 43% for Aboriginal youth living on reserves in Atlantic Canada.

While there was a sizable difference in the labour force participation rates of immigrant youth and non-immigrant youth (61% versus 69%), their unemployment rates were similar. In 2011, an estimated 17.6% of immigrant youth in Atlantic Canada's labour force were unemployed, while the unemployment rate for non-immigrant youth was 17%.

The likelihood of being unemployed is highest for those with the lowest levels of

Figure 5: Unemployment Rates, Youth 20-29 yrs. by Gender and Level of Educational Attainment, Atlantic Canada, 2011



Source: Statistics Canada, 2011 NHS Table Numbers 99-012-X2011039

education. In 2011, the unemployment rate in Atlantic Canada for youth aged 20-29 with no certification, diploma or degree was estimated at 29.5%, and it decreased to 19.7% for those with a high school diploma or equivalent. For university graduates at or above the bachelor level, the unemployment rate declined to 10.2%.

In general, regardless of level of educational attainment, males recorded higher unemployment rates than females. The unemployment rate was highest for males with no formal certification. At almost 29%, the rate was nine percentage points higher than that for females with this level of education. Male and female unemployment rates were virtually identical for youth whose highest level of educational attainment was a high school diploma or equivalent.

Income

– Youth in Atlantic Canada derive a higher share of their income from government transfer payments than do youth nationally.

– Median employment income for youth is lower in the Region than it is nationally.

Income can be classified into two broad categories: income from private sources and income from government sources.²⁶ In 2010, approximately 85% of total income reported by the Region's youth population, aged 15-24, was derived from market income, while government transfer payments accounted for the remaining 15%. On average, youth in the Region received a higher share of their total income in the form of government transfer payments compared to youth nationally (10.7%).

In 2010, the median total income of youth ranged from \$8,356 in PEI to \$10,162 in NL.²⁷ The median total income of youth was lower in the Region than for youth at the national level (\$9,557), with the exception of NL. Employment income was the principal component of the total income of both Atlantic Canadians aged 15-24 and youth nationally. However, employment income contributed to a marginally higher share of youth's total income nationally relative to youth in Atlantic Canada.

As with the overall population, earnings among youth differ by gender. In 2010, the median employment income of young females, working full time, full year in the Region was approximately \$4,000 less than their male counterparts.

Table 10: Composition of Income: Youth Aged 15-24, Atlantic Canada, 2010

Youth population	Canada	NL	PEI	NS	NB
Median income from all sources	\$9,557	\$10,162	\$8,356	\$9,115	\$9,389
Median employment income full-time, full-year workers	\$25,278	\$22,152	\$23,023	\$22,566	\$23,070
Composition of total income (100%)					
Employment income - As a % of total income	83.3%	77.4%	81.3%	80.9%	81.0%
Government transfers - As a % of total income	10.7%	18.2%	15.3%	12.5%	14.2%
Other money - As a % of total income	6.0%	4.4%	3.4%	6.6%	4.8%

Source: Statistics Canada, 2011 NHS Table Numbers: 99-014-X2011032 & 99-014-X2011041

Income data from the NHS suggest a significant earnings gap between youth and workers aged 25-54. On average, the median employment income of youth working full time, full year was close to half that of their peers aged 25-54. Factors such as limited education and work experience, along with the high

²⁶ Income from private sources, or market income, includes employment income, investment income and private retirement income, etc. Income from government sources refers to any form of government transfer payments.

²⁷ Median income is the amount which divides the income distribution into two equal groups, half having income above that amount, and half having income below that amount.

concentration of youth in low wage, sales and services occupations may help explain the gap. Although income levels increase with age and level of educational attainment, youth with more education are still transitioning into the workforce and have yet to fully benefit from their investment in skill and knowledge development.

Incidence of Low Income

- **The prevalence of low income is higher in Atlantic Canada than nationally.**
- **A higher share of females experience low-income situations than males.**

Low income can be measured in several different ways in household surveys. For the standard products of the NHS, the line chosen is a relative measure: the after-tax low-income measure (LIM-AT), which does not apply to the population on reserves or in the territories.²⁸ As such, the discussion which follows refers to the off-reserve Aboriginal population living in one of Canada's 10 provinces.

Aboriginal people are more likely than non-Aboriginal people to be living in low-income situations. According to estimates from the NHS, 53,730, or 19.3%, of youth aged 15-24 in Atlantic Canada were living below the LIM-AT in 2010 as compared to 17.3% nationally. Similarly, the prevalence of low income was higher for the population aged 25 and over in the Region as compared to the national average (16.1% versus 13.7%).

Table 11: Incidence of Low Income by Province and Gender, Atlantic Canada, 2010

Incidence of Low Income	NL		PEI		NS		NB	
	Male	Female	Male	Female	Male	Female	Male	Female
Total Population	16.0%	19.7%	14.3%	17.1%	16.0%	18.8%	15.4%	18.8%
Youth 15-24 yrs.	16.7%	18.6%	16.7%	16.2%	19.6%	22.8%	17.4%	19.7%
Population 25 +	14.3%	19.1%	12.8%	16.8%	13.9%	17.7%	13.7%	18.0%

Source: Statistics Canada, 2011 NHS Table Number: 99-014-X2011043.

Both nationally and in Atlantic Canada, the prevalence of low income is higher for women than for men, regardless of age. Just over 20% of women in Atlantic Canada aged 15-24 were living in low income households in 2010, two percentage points higher than young men (18%). Nationally, the gender gap in the incidence of low income among youth was marginally smaller (18% versus 16.5%). Within the Region, NS reported the highest proportion of youth, regardless of gender, that were living in low-income households, while PEI had the lowest share. It should be noted that living in low income is a temporary situation for many youth. Often, getting a job or a better paying one, improvements in the overall health of the economy or a change in family status can impact the numbers of youth living below the LIM-AT.

²⁸ Individuals are defined as having low income if the after-tax income of their household falls below 50% of the median adjusted Canadian household after-tax income in 2010.

Section 3: Issues and Challenges

Not in Education, Employment or Training (NEET)

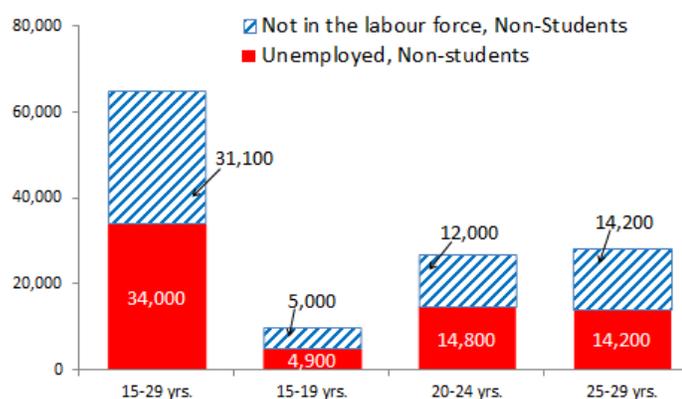
The transition from school to work is an important, and often challenging, major life event for youth. For some this transition is not always successful, especially during periods of economic downturns. Young people leaving school experience greater challenges finding employment when unemployment rates are high. In addition, youth already working are often more likely to lose their jobs than their older, more experienced coworkers. However, soft labour markets frequently motivate youth to remain in school longer, as high unemployment rates lower the opportunity costs of education. That is, when there are few employment opportunities for young and inexperienced individuals, it may be better to delay entry into the labour market and instead invest in higher educational qualifications. A higher qualification increases an individual's employability.²⁹

Combined, Atlantic Canada's slow population growth, low immigration levels, and negative interprovincial migration are currently limiting the growth of the Region's labour force. The proportion of youth who are neither in employment, nor in education and training, the "NEET population," is one potential source of labour supply.

While the unemployment rate is a frequently used indicator of the health of the labour market, unemployment rates can provide a misleading picture of youth, as a large proportion of youth are in school and not in the labour force. The NEET is seen as a better indicator of the size of the population who are having less success moving from school-to-employment, as it takes into account the impact of school enrolments. The NEET indicator has been developed by the Organization for Economic Co-operation and Development and is based on data for the first three months of the year, in order to exclude the summer months.³⁰

NEET estimates can be further broken down into those who are unemployed and looking for work and those who are not in the labour force (NILF).

Figure 6: Distribution of NEET Youth by Age, Atlantic Canada 2013



Source: Statistics Canada, Cansim Table Number 282-0005.

A low proportion of NEETs in a given age category may be viewed as an indicator of the ease with which youth transition between school and employment. However, as noted by Quintini and Martin (2006, p. 11) "even when youth NEET rates are very high, this might be generated by choices (e.g. travel, leisure)". Reasons for being NEET, such as travel or unpaid work such as parental level or volunteering, should not be interpreted as indicative of negative economic conditions.³¹

In 2013, approximately 44% of 15 to 29 year-olds in the Region were students, 41% were employed non-students, and the remaining 15.5% or 65,100 of youth fell into the NEET category. This category can be further broken down into 34,000 unemployed (8.1%) and 31,100 NILF (7.4%). The NEET unemployed

²⁹ OECD. 2010.

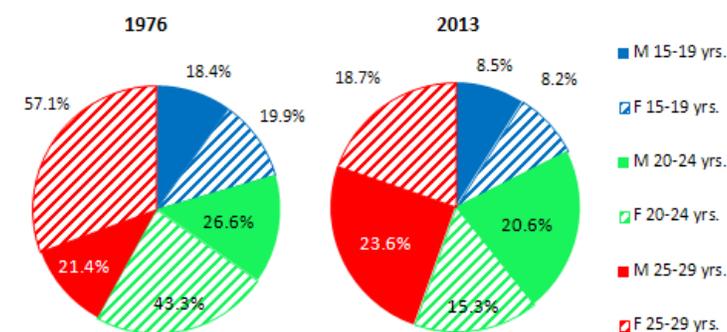
³⁰ The NEET rate is calculated as [non-students unemployed + non-students not in the labour market] divided by the total population of youth (students and non-students).

³¹ Marshall, Katherine. 2012

rate is lower than the standard, official unemployment rate because the denominator, i.e. the reference base, includes all youth, many of whom are not in the labour force, primarily students. The NEET population is fairly equally divided between those who are unemployed and those NILF.

Older youth, aged 25-29, accounted for the largest share of the Region's NEET population (44%) and is followed by those in the 20 to 24 age group which accounted for 41%, while their peers in the youngest age category accounted for approximately 15% of NEETs in 2013. Men are more likely to be NEET across the Region than are women. Men accounted for 55% of Atlantic Canada's youth aged 15-29 who are in the NEET category.

Figure 7: Composition of NEET, Atlantic Canada, 1976 and 2013



Source: Statistics Canada, Cansim, Table Number: 280-0005

In 2013, the NEET rates in the Region varied from a low of 7.3% for the youngest cohort of youth (15-19) to a high of 21% for the oldest cohort. In between these two groups, approximately 18% of youth aged 20-24 were NEET in 2013. Therefore, the NEET rate seems to rise with age. Across the Region, the NEET rates were similar within each province.

The overall NEET rate in the Region decreased from 30% in 1976 to 15.5% in 2013, primarily because of a decline in the number of non-students aged 20-29 who are in the NILF category. The decline is largely a result of the inflow of women into the labour force and out of the NILF classification. The most significant changes have been for women aged 20-29. The main factors behind these changes have been declining fertility rates, postponed parenthood, and social policies which make it easier for mothers to remain in school or return to work. Prior to the 2008 economic downturn, the Region's NEET rate reached a low of 14% in 2007, the same year that youth unemployment rates also reached their lowest level. The number of youth in the Region who are NEET edged up to 17.3% in 2009 as growth in participation in education did not kept pace with the employment decline during the 2008-2009 time period. Nationally, the NEET rate declined from 20.4% in 1976 to 11.5% in 2013.

Although an increasing share of youth are enrolled in education, some leave without a certificate, diploma or degree and are, therefore, particularly vulnerable to adverse labour market conditions. Data availability has limited the current analysis to gender and age group. Individuals with no educational certification are likely to face greater challenges integrating into the labour market, with long-term effects on their future employment and earning prospects. There is also the potential for a sizable public cost associated with high levels of NEETs, in terms of long-term unemployment costs, loss of human capital and foregone tax revenues.

The reasons for youth dropping out of school or the labour market are multifaceted and beyond the scope of this analysis. However, the outcomes for both individuals and society make it important to deter young people from falling into the gap between education and work and becoming NEET, and to help them enter, or re-enter, the labour market or return to the education system and thus increase the probability of their success in the labour market.³²

³² OECD, 2010.

Conclusion

Atlantic Canada's youth population has been declining steadily for over 30 years. Today, youth 15 to 29 years of age represent 18% of the Region's entire population, compared to approximately 28% in 1980. Statistics Canada's population projections suggest a continued decrease in the number of youth in the Region. By 2031, projections suggest that youth will account for approximately 15% of Atlantic Canada's total population. While the overall youth population is decreasing, the ethnic composition of the youth population is changing. The number of Aboriginal youth and visible minority youth is increasing. The declining youth population and its changing composition will present numerous challenges and opportunities. Many of these will depend on area of residence, language skills, educational attainment, socioeconomic status, and lifestyles.

As a result of the economic downturn of 2008/2009 and the Region's relatively stagnant recovery, coupled with changing technology whereby particular jobs and skills are made obsolete, many youth are experiencing problems obtaining jobs. Improving the education, literacy, and essential skills profiles of youth will be key factors in facilitating future employment in high-skilled jobs which require postsecondary education and lead to successful labour market outcomes.

Notwithstanding the current challenges many youth face, demographics are on their side. As the population ages and the proportion of youth in the population declines, employment rates should increase. Therefore, when the economy picks up, young people should be in a good position to avail of future employment opportunities and higher earnings.

***Note:** In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.*

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For information on the Labour Force Survey, the National Household Survey, and the 2001/2006 Census please visit the Statistics Canada Web site at: www.statcan.gc.ca

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ⁱ Data quality note: When comparing estimates from the 2006 Census long form and estimates from the 2011 National Household Survey (NHS) it is necessary to take into account the fact that the two sources represent different populations. The target population for the 2006 Census long form includes usual residents in collective dwellings and persons living abroad whereas the target population for the NHS excludes them. Moreover, the NHS estimates are derived from a voluntary survey and are therefore subject to potentially higher non-response error than those derived from the 2006 Census long form. Data comparability over time is thus an issue. Source: *Statistics Canada. 2013a*, p.23.

ⁱⁱ CMAs and CAs in Atlantic Canada include:

NL: St. John's, Bay Roberts, Grand Falls-Windsor, Corner Brook;

PEI: Charlottetown, Summerside;

NS: Halifax, Kentville, Truro, New Glasgow, Cape Breton ;

NB: Moncton, Saint John, Fredericton, Bathurst, Miramichi, Campbellton (New Brunswick part), and Edmundston.