

Student unemployment hits record high
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The Atlantic region may not have been impacted by the economic downturn as severely as other regions, but the uncertain economic climate has caused many employers to forgo summer hiring plans, leaving thousands of students without jobs.

"What we're seeing and what we're hearing from small-business owners is that while things are stabilizing, small- and medium-sized businesses are in a defensive mode - they're not in that proactive, aggressive hiring mode," said Leanne Hachey, Atlantic vice-president of the Canadian Federation of Independent Business. "That's why they're not bringing on those summer students they had hired in the past.

"They're saying 'I would rather maintain my staffing levels, rather than taking someone on in the event we're not able to afford that person' and have to let them go."

Hachey was reacting to Friday's release of Statistics Canada's monthly labour force survey. The report found New Brunswick's figures remained relatively unchanged but the youth unemployment rate is hovering in the 16 per cent range.

"We are very fortunate in Atlantic Canada. We haven't felt the effects of the downturn as much as other regions in Canada have," Hachey said. "Relatively speaking, we've managed to escape somewhat unscathed. That said, it is being felt across the country, including in Atlantic Canada.

"People are nervous about making big expenditures, nervous about making big investments and big investments include people. While people are a business's most important asset they're very expensive, too, when you consider the time it takes to train the employee and bring the employee up to speed, especially if you're talking about a student who may only be there for three or four months.

"It's not a situation anyone wants to see, but you can understand why it would be the case."

Jeannine Usalcas, a labour analyst with Statistics Canada, said the unemployment rate for New Brunswick youth (ages 15 to 24) was 15.9 per cent last month, a whopping 34 per cent increase over the 11.9 per cent rate for the same group last summer.

As difficult as those numbers are, they're better than the national average of 20.9 per cent and far below the Ontario rate of 24.2 per cent.

"In Canada, employment was down 152,000 for students last month, compared to last July, and the national unemployment rate for youth is 20.9 per cent - that's a 7.1 percentage point increase from last year, it's the highest on record," said Usalcas.

She added the student unemployment figures were fairly consistent between the three age groups in the youth bracket, 15-16, 17-19 and 20-24.

A spokeswoman for students said the lack of jobs might prevent some students from returning to class in the fall.

"Students who are unable to find work this summer will have a much harder time paying for their education this fall, and might not be able to return to school in September," said Arati Sharma, national director of the Canadian Alliance of Student Associations (CASA). "There are government resources available to students to assist them during these difficult times. But we are concerned that very few students are aware of them."

The report showed there were 3,100 less full-time jobs in the province last month, compared to June. In contrast, there were 1,000 more people employed part-time in July.

"A lot of the decline in employment was in full-time employment, as opposed to part-time," said Usalca. "Generally, that's what's been happening across Canada - the losses have mostly been in full-time employment since the start of the downturn."

The provincial unemployment rate for July was 9.4 per cent.

Usalca said the province is doing well compared to other jurisdictions.

"New Brunswick isn't doing as bad as some of the other provinces," she said. "Since last October, when the downturn began, New Brunswick is down 1.2 per cent in terms of total employment and the national average is a decrease of 2.4 per cent."