

February 5, 2010

QUÉBEC-ONTARIO

In January, Québec's unemployment rate falls to 8% where as Ontario's stagnates at 9.2%

HIGHLIGHTS

- Québec's unemployment rate fell from 8.4% in December to 8.0% in January, the lowest level seen since January 2009.
- This sudden drop is mostly due to a decline in the labour force (workers and job seekers) of 12,400 people in January while the number of jobs grew by 6,200 in the same month.
- In Ontario, employment advanced at almost five times the rate in Québec, with 30,300 jobs created in January.
- However, the labour market expanded at almost the same rate as the labour force, with 30,800 entering the job market, keeping the unemployment rate flat at 9.2% for the third consecutive month.

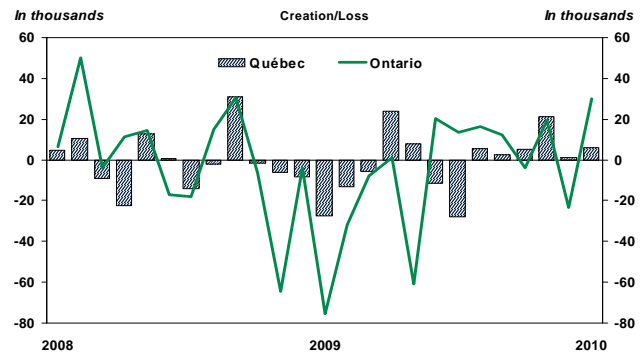
COMMENTS

Québec is reaping the benefits of its sixth straight month of job gains. While major fluctuations can be seen from month to month, the upward trend is holding firm. Since August 2009, 6 900 jobs have been created every month. In January, the other services (+9,100), business building (+8,900) and public administration (+8,800) sectors posted the highest increases by far. That said, most of the new recruits are mostly working in part-time positions.

The issue of the labour force is galvanizing the attention of most Québec observers. While everyone is pleased to see the unemployment rate fall, we would have preferred it to be due to strong job creation instead of a declining labour force. In 2009, the labour force grew by 0.3%, a slower rate than that seen between 2006 and 2008 (average of 1.1%). This indicator will have to be monitored closely as it is a good measure of the Québec economy's capacity to meet the needs of employers.

In Ontario, the job market is growing at a sluggish pace. Since September 2009, each uptick in employment has been followed by a loss. In January, the job gains are split almost evenly between

Employment – Six consecutive months of job growth in Québec and a see-saw pattern in Ontario



Sources: Statistics Canada and Desjardins, Economic Studies

full-time and part-time jobs. The business building (+20,800) and trade (+17,600) sectors welcomed the most new workers in January.

The situation with the labour force is less worrisome than in Québec, except for 2009 which was disappointing (gains of 0.3% vs. an average of 1.5% for the previous three years).

Implications: January's labour market data bodes well for the rest of 2010. However, the positive results seen in last month's job numbers are not enough for us to conclude that the effects of the recession have dissipated. The tension on financial markets is very palpable, and as long as the risk factors (U.S. mortgage market, debt load of certain countries, etc.) remain a cause for concern, this will cloud the overall economic climate. As such, too much edginess on the markets could shake the confidence of households and investors, which will only slow down the recovery that is beginning to take shape. Without putting a damper on the good news published this morning, we must keep in mind that the economy is still healing, and setbacks in the labour market could still take place.

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REFERENCE TABLES OF LABOUR MARKET

February 5, 2010

Variation by sector - January 2010

	GAINING Sectors	Balance		LOSING Sectors	Balance	
		1 month	1 year		1 month	1 year
CANADA	Bus., build. and other supp. serv.	34,400	6,400	Prof. and scient. services	-22,400	14,500
	Trade	23,400	32,500	Manufacturing	-15,700	-95,200
	Fin., insurance and real estate	14,300	29,100	Agriculture	-10,400	500
	Accommodation and food services	14,100	-3,400	Others services	-10,000	2,600
QUÉBEC	Others services	9,100	-7,800	Educational services	-9,200	11,800
	Bus., build. and other supp. serv.	8,900	-7,100	Manufacturing	-5,200	-3,500
	Public administration	8,800	7,900	Prof. and scient. services	-4,300	13,000
	Accommodation and food services	6,100	-19,800	Trade	-4,300	20,700
ONTARIO	Bus., build. and other supp. serv.	20,800	22,800	Others services	-13,300	-16,800
	Trade	17,600	-6,500	Health care	-9,800	7,400
	Fin., insurance and real estate	10,100	14,200	Information, culture and recrea.	-9,300	1,500
	Manufacturing	8,400	-36,800	Agriculture	-1,800	-900

Source: LFS, Statistics Canada

Labour Market

January 2010	NUMBER OF EMPLOYEES	JOB CREATION in numbers					Last year in %
		January 2010	Last month	Last 3 months	Since december	Last year	
Seasonally adjusted data							
TOTAL JOBS	Canada	16,924,400	43,000	86,900	43,000	-16,000	-0.1%
	Québec	3,864,600	6,200	28,500	6,200	15,500	0.4%
	Ontario	6,557,700	30,300	26,400	30,300	-15,000	-0.2%
PUBLIC SECTOR EMPLOYEES	Canada	3,450,500	13,400	32,600	13,400	54,700	1.6%
	Québec	815,100	5,200	5,500	5,200	9,200	1.1%
	Ontario	1,255,500	12,000	28,600	12,000	600	0.0%
PRIVATE SECTOR EMPLOYEES	Canada	10,757,700	53,700	100,000	53,700	-120,900	-1.1%
	Québec	2,495,900	9,500	59,400	9,500	-4,400	-0.2%
	Ontario	4,265,800	18,800	5,700	18,800	-39,300	-0.9%
SELF-EMPLOYED	Canada	2,716,300	-24,000	-45,600	-24,000	50,400	1.9%
	Québec	553,600	-8,500	-36,500	-8,500	10,800	2.0%
	Ontario	1,036,500	-300	-7,800	-300	23,800	2.4%

Source: Statistics Canada, Labour Force Survey

Labour Market - Recent trends									
Seasonally adjusted data									
	Employment in numbers	Job creation in last:			Labour Force Numbers	Variation over 1 month	Participation rate	Employment rate	Unemploy- ment rate
		1 month	3 months	12 months					
Canada									
2009.01	16,940,400	-130,000	-263,800	-101,600	18,282,900	-36,500	67.4%	62.4%	7.3%
2009.02	16,857,600	-82,800	-253,900	-243,100	18,313,500	30,600	67.4%	62.1%	8.0%
2009.03	16,815,700	-41,900	-254,700	-296,800	18,307,500	-6,000	67.3%	61.9%	8.1%
2009.04	16,848,100	32,400	-92,300	-272,300	18,342,200	34,700	67.4%	61.9%	8.1%
2009.05	16,812,600	-35,500	-45,000	-327,600	18,376,100	33,900	67.4%	61.7%	8.5%
2009.06	16,817,500	4,900	1,800	-318,100	18,394,700	18,600	67.4%	61.6%	8.6%
2009.07	16,786,800	-30,700	-61,300	-316,000	18,364,500	-30,200	67.2%	61.4%	8.6%
2009.08	16,820,000	33,200	7,400	-292,600	18,420,600	56,100	67.3%	61.5%	8.7%
2009.09	16,860,700	40,700	43,200	-333,700	18,388,600	-32,000	67.1%	61.5%	8.3%
2009.10	16,837,500	-23,200	50,700	-366,700	18,379,300	-9,300	67.0%	61.4%	8.4%
2009.11	16,909,700	72,200	89,700	-201,800	18,455,100	75,800	67.2%	61.6%	8.4%
2009.12	16,881,400	-28,300	20,700	-189,000	18,437,200	-17,900	67.1%	61.4%	8.4%
2010.01	16,924,400	43,000	86,900	-16,000	18,456,100	18,900	67.1%	61.5%	8.3%
Québec									
2009.01	3,849,100	-27,200	-41,600	-36,100	4,177,600	-17,000	65.2%	60.1%	7.9%
2009.02	3,836,000	-13,100	-48,500	-59,800	4,174,800	-2,800	65.1%	59.8%	8.1%
2009.03	3,830,500	-5,500	-45,800	-56,100	4,187,700	12,900	65.3%	59.7%	8.5%
2009.04	3,854,400	23,900	5,300	-9,700	4,213,100	25,400	65.6%	60.0%	8.5%
2009.05	3,862,400	8,000	26,400	-14,600	4,234,000	20,900	65.9%	60.1%	8.8%
2009.06	3,851,000	-11,400	20,500	-26,800	4,219,900	-14,100	65.6%	59.9%	8.7%
2009.07	3,823,200	-27,800	-31,200	-40,500	4,198,600	-21,300	65.2%	59.4%	8.9%
2009.08	3,828,800	5,600	-33,600	-32,800	4,210,300	11,700	65.3%	59.4%	9.1%
2009.09	3,831,100	2,300	-19,900	-61,300	4,197,100	-13,200	65.1%	59.4%	8.7%
2009.10	3,836,100	5,000	12,900	-54,600	4,183,100	-14,000	64.8%	59.4%	8.3%
2009.11	3,857,400	21,300	28,600	-27,100	4,197,000	13,900	64.9%	59.7%	8.1%
2009.12	3,858,400	1,000	27,300	-17,900	4,212,200	15,200	65.1%	59.6%	8.4%
2010.01	3,864,600	6,200	28,500	15,500	4,199,800	-12,400	64.8%	59.7%	8.0%
Ontario									
2009.01	6,572,700	-75,500	-143,700	-66,700	7,155,100	-25,200	67.6%	62.1%	8.1%
2009.02	6,540,700	-32,000	-111,100	-149,100	7,176,400	21,300	67.7%	61.7%	8.9%
2009.03	6,532,800	-7,900	-115,400	-153,200	7,168,900	-7,500	67.5%	61.5%	8.9%
2009.04	6,533,800	1,000	-38,900	-163,700	7,164,200	-4,700	67.4%	61.5%	8.8%
2009.05	6,473,100	-60,700	-67,600	-239,000	7,150,700	-13,500	67.2%	60.9%	9.5%
2009.06	6,493,200	20,100	-39,600	-201,900	7,166,400	15,700	67.3%	61.0%	9.4%
2009.07	6,506,800	13,600	-27,000	-170,200	7,168,800	2,400	67.2%	61.0%	9.2%
2009.08	6,522,900	16,100	49,800	-169,200	7,193,200	24,400	67.4%	61.1%	9.3%
2009.09	6,535,200	12,300	42,000	-187,600	7,182,600	-10,600	67.2%	61.1%	9.0%
2009.10	6,531,300	-3,900	24,500	-185,100	7,180,100	-2,500	67.1%	61.0%	9.0%
2009.11	6,550,600	19,300	27,700	-101,200	7,213,100	33,000	67.3%	61.1%	9.2%
2009.12	6,527,400	-23,200	-7,800	-120,800	7,190,200	-22,900	67.0%	60.8%	9.2%
2010.01	6,557,700	30,300	26,400	-15,000	7,221,000	30,800	67.2%	61.1%	9.2%

Source: Statistics Canada, Labour Force Survey

Other Labour Market Indicators

SEASONALLY ADJUSTED DATA	Last publication		-1 MONTH	-3 MONTHS	-6 MONTHS	Same month -1 YEAR
	Month	Level				
CANADA						
Average weekly wages (\$)	November	830.46	827.02	824.15	817.87	819.87
Average hours worked in the manufacturing sector	November	37.0	36.6	37.3	36.7	37.0
QUÉBEC						
Average weekly wages (\$)	November	764.37	761.72	762.19	752.03	748.56
Average hours worked in the manufacturing sector ¹	November	36.8	36.2	36.5	36.1	36.5
ONTARIO						
Average weekly wages (\$)	November	856.57	852.66	849.47	843.11	847.51
Average hours worked in the manufacturing sector ¹	November	37.8	37.5	38.2	37.5	37.8

Source: Statistics Canada, Labour Force Survey

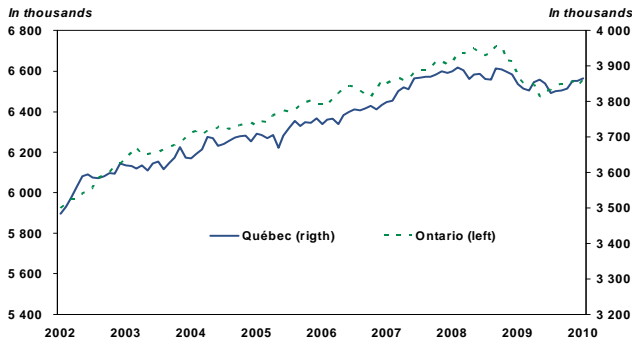
¹: unadjusted data

Annual Data

Annual average	2004	2005	2006	2007	2008	2009
CANADA TOTAL JOBS	15,946,980	16,169,720	16,484,330	16,866,420	17,125,900	16,848,900
JOB CREATION	274,700	222,740	314,610	382,090	259,480	(277,000)
Job growth (%)	1.8%	1.4%	1.9%	2.3%	1.5%	(1.6%)
Unemployment rate	7.2%	6.8%	6.3%	6.0%	6.1%	8.3%
QUÉBEC TOTAL JOBS	3,680,470	3,717,280	3,765,460	3,851,710	3,881,700	3,844,200
JOB CREATION	51,640	36,810	48,180	86,250	29,990	(37,500)
Job growth (%)	1.4%	1.0%	1.3%	2.3%	0.8%	(1.0%)
Unemployment rate	8.5%	8.3%	8.0%	7.2%	7.2%	8.5%
ONTARIO TOTAL JOBS	6,316,510	6,397,750	6,492,710	6,593,780	6,687,300	6,526,100
JOB CREATION	103,350	81,240	94,960	101,070	93,520	(161,200)
Job growth (%)	1.7%	1.3%	1.5%	1.6%	1.4%	(2.4%)
Unemployment rate	6.8%	6.6%	6.3%	6.4%	6.5%	9.0%

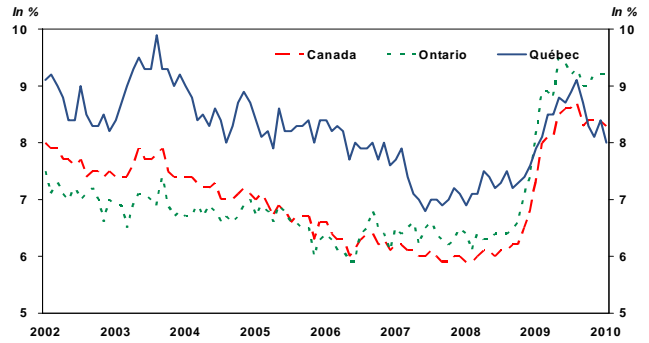
Source: Statistics Canada, Labour Force Survey

QUÉBEC / ONTARIO – Level of employment



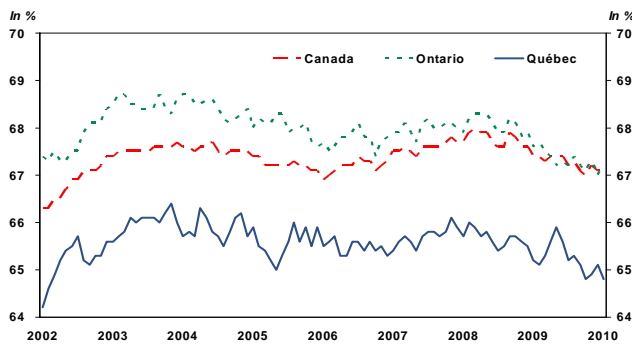
Sources: Statistics Canada and Desjardins, Economic Studies

CANADA / QUÉBEC / ONTARIO – Unemployment Rate



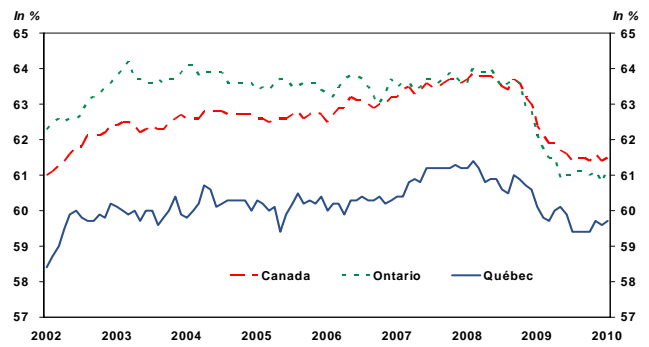
Sources: Statistics Canada and Desjardins, Economic Studies

CANADA / QUÉBEC / ONTARIO – Participation Rate



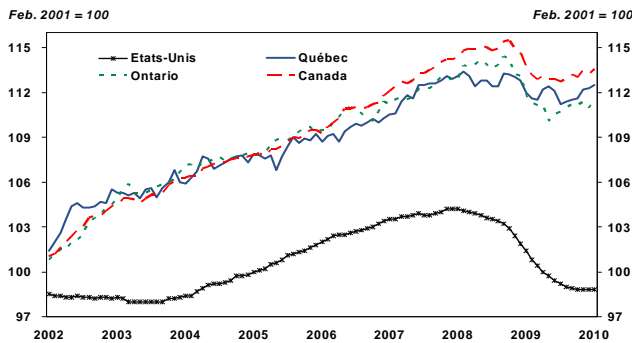
Sources: Statistics Canada and Desjardins, Economic Studies

CANADA / QUÉBEC / ONTARIO – Employment Rate



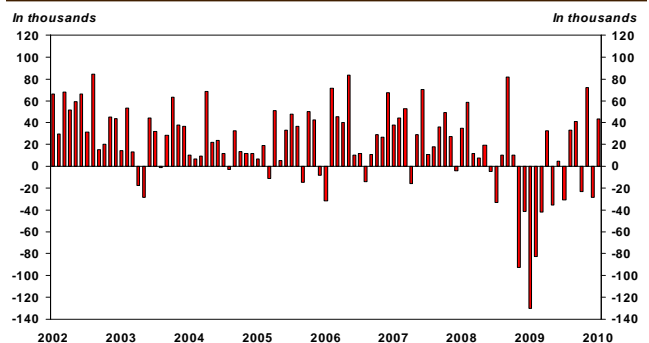
Sources: Statistics Canada and Desjardins, Economic Studies

ÉTATS-UNIS / CANADA / QUÉBEC / ONTARIO – Employment Index



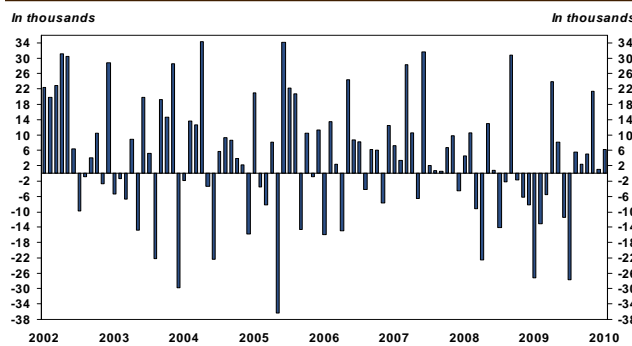
Sources: Statistics Canada and Desjardins, Economic Studies

CANADA – Evolution of employment



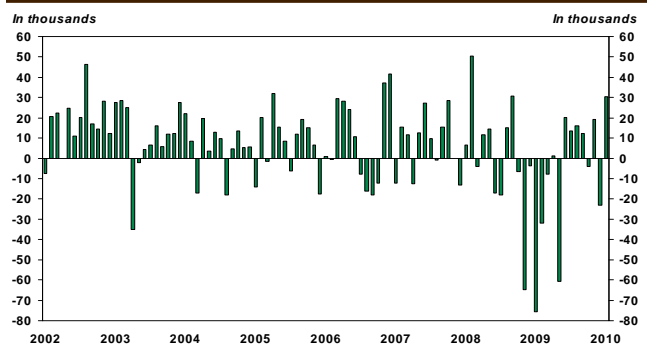
Sources: Statistics Canada and Desjardins, Economic Studies

QUÉBEC – Evolution of employment



Sources: Statistics Canada and Desjardins, Economic Studies

ONTARIO – Evolution of employment



Sources: Statistics Canada and Desjardins, Economic Studies

LABOUR MARKET BY PROVINCE

SEASONALLY ADJUSTED DATA		January 2010	PREVIOUS MONTHS				Monthly averages			Employment In the last year
			2009.12	2009.11	2009.10	2009.09	3 months	6 months	12 months	
CANADA	JOBES	16,924,400	16,881,400	16,909,700	16,837,500	16,860,700	16,905,167	16,872,283	16,847,667	16,940,400
	CREATION	43,000	(28,300)	72,200	(23,200)	40,700	28,967	22,933	(1,333)	(16,000)
	Unemployment rate	8.3%	8.4%	8.4%	8.4%	8.3%	8.4%	8.4%	8.4%	-0,1%*
Newfoundland	JOBES	218,600	217,200	215,700	212,900	216,900	217,167	216,050	215,050	215,300
	CREATION	1,400	1,500	2,800	-4,000	1,900	1,900	983	275	3,300
	Unemployment rate	14.9%	15.2%	15.7%	17.0%	15.4%	15.3%	15.7%	15.6%	1,5%*
Prince Edward Island	JOBES	71,700	71,200	71,400	70,600	69,800	71,433	70,533	69,758	68,100
	CREATION	500	-200	800	800	1,300	367	400	300	3,600
	Unemployment rate	9.9%	10.8%	11.2%	11.4%	11.9%	10.6%	11.5%	11.9%	5,3%*
Nova Scotia	JOBES	447,000	452,000	455,100	454,000	451,700	451,367	452,167	452,408	453,300
	CREATION	-5,000	-3,100	1,100	2,300	-1,500	-2,333	-583	-525	-6,300
	Unemployment rate	9.8%	9.6%	9.5%	9.1%	9.5%	9.6%	9.5%	9.3%	-1,4%*
New Brunswick	JOBES	364,500	365,400	368,200	370,000	367,900	366,033	367,033	366,242	367,900
	CREATION	-900	-2,800	-1,800	2,100	1,700	-1,833	-100	-283	-3,400
	Unemployment rate	9.3%	8.9%	8.7%	8.3%	8.1%	9.0%	8.7%	8.9%	-0,9%*
Québec	JOBES	3,864,600	3,858,400	3,857,400	3,836,100	3,831,100	3,860,133	3,846,067	3,844,492	3,849,100
	CREATION	6,200	1,000	21,300	5,000	2,300	9,500	6,900	1,292	15,500
	Unemployment rate	8.0%	8.4%	8.1%	8.3%	8.7%	8.2%	8.4%	8.5%	0,4%*
Ontario	JOBES	6,557,700	6,527,400	6,550,600	6,531,300	6,535,200	6,545,233	6,537,517	6,525,458	6,572,700
	CREATION	30,300	-23,200	19,300	-3,900	12,300	8,800	8,483	-1,250	-15,000
	Unemployment rate	9.2%	9.2%	9.2%	9.0%	9.0%	9.2%	9.2%	9.1%	-0,2%*
Manitoba	JOBES	612,400	604,000	609,600	606,100	608,600	608,667	608,833	607,425	606,400
	CREATION	8,400	-5,600	3,500	-2,500	-3,700	2,100	750	500	6,000
	Unemployment rate	5.4%	5.8%	5.3%	5.7%	5.3%	5.5%	5.6%	5.3%	1,0%*
Saskatchewan	JOBES	519,800	522,100	520,900	519,800	519,800	520,933	520,183	520,525	521,000
	CREATION	-2,300	1,200	1,100	0	1,100	0	183	-100	-1,200
	Unemployment rate	4.7%	4.8%	5.1%	5.1%	4.7%	4.9%	4.9%	4.8%	-0,2%*
Alberta	JOBES	1,987,600	1,995,300	1,987,800	1,975,100	1,984,900	1,990,233	1,984,267	1,985,717	2,019,500
	CREATION	-7,700	7,500	12,700	-9,800	10,000	4,167	500	-2,658	-31,900
	Unemployment rate	6.6%	6.6%	7.1%	7.2%	6.8%	6.8%	6.9%	6.7%	-1,6%*
British Columbia	JOBES	2,280,500	2,268,500	2,273,000	2,261,700	2,274,700	2,274,000	2,269,667	2,260,633	2,267,200
	CREATION	12,000	-4,500	11,300	-13,000	15,100	6,267	5,400	1,108	13,300
	Unemployment rate	8.1%	8.3%	8.0%	8.0%	7.3%	8.1%	7.9%	7.8%	0,6%*

Source: Statistics Canada, Labour force Survey * Change in employment in the last year