

ECONOMIC NEWS

Job Numbers Are Up in Quebec and Ontario

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HIGHLIGHTS

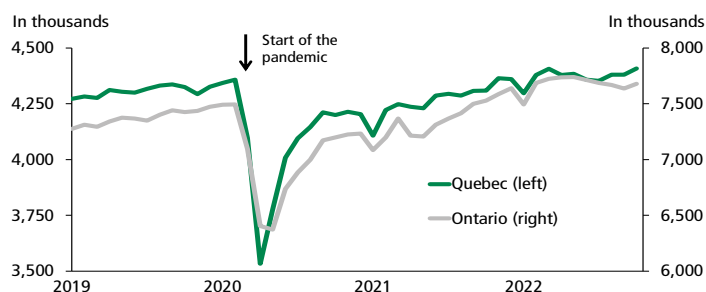
- ▶ Canada added a robust 108,300 jobs in October, concentrated mainly in Ontario (+42,700) and Quebec (+27,800).
- ▶ For Ontario, it marks the first increase in jobs since May, most of them part-time (+37,400).
- ▶ Quebec's increase is comparable to the one it recorded in August, after a flat September. Full-time employment grew by 64,600 jobs in October.
- ▶ In Ontario, the unemployment rate edged up from 5.8% in September to 5.9% in October as the labour force increased sharply.
- ▶ In Quebec, the unemployment rate fell to 4.1% in October from September's 4.4%.

COMMENTS

We weren't expecting to see this kind of a rebound in Quebec and Ontario. The past few months have been particularly challenging for Ontario, which has posted four consecutive

GRAPH 1

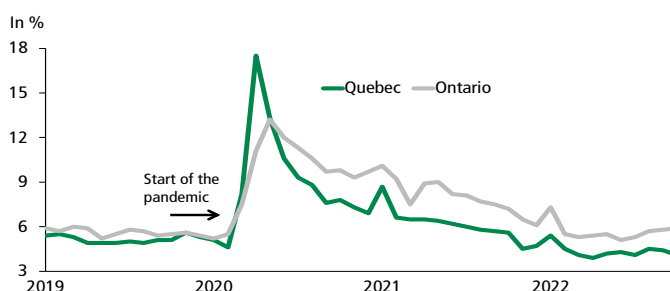
Quebec and Ontario added jobs in October



Sources: Statistics Canada and Desjardins, Economic Studies

GRAPH 2

The unemployment rate remains quite low in both provinces



Sources: Statistics Canada and Desjardins, Economic Studies

months of workforce declines. In Quebec, October's surge in new jobs follows a flat September and alternating gains and losses since spring.

In both provinces, October's positive results were spread across multiple sectors. Ontario's biggest gains were in accommodation and food services (+12,900) and professional, scientific and technical services (+11,700). In Quebec, the big winner was the construction industry (+16,800) followed by financial services, insurance and real estate (+7,400).

IMPLICATIONS

This good labour market news should be taken with a grain of salt. In Ontario, October's numbers might only mark an interruption in the downtrend—don't necessarily expect the rebound to continue. And while Quebec may have added new jobs, it comes at a time when practically all economic indicators are pointing down. Chances are that October's labour market improvements won't last; next month's numbers will be a real test. One thing's for sure: despite both provinces showing signs of cooling off in recent months, the labour market remains overheated.