



CANADA

Employment lost ground in April

HIGHLIGHTS

- According to the *Labour Force Survey*, the Canadian labour market shed 19,700 jobs in April. Note that March posted a gain of 28,700 jobs.
- Much of the loss was in construction (-28,400 jobs), trade (-20,500 jobs) and information, culture and recreation (-9,800 jobs).
- Globally, the other activity sectors (which represent over 70% of the labour force) added 39,000 jobs.
- The unemployment rate is steady at 6.8%.

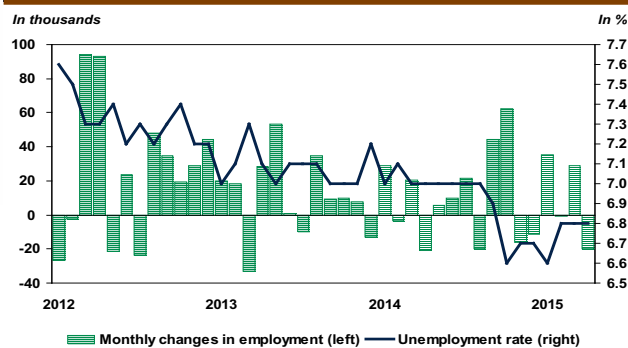
COMMENTS

The results of the *Labour Force Survey* have most definitely been yo-yoing for the last five months, with gains one month and losses the next. To see beyond this volatility, it is useful to analyze the results using a 6-month moving average, which has gone from 18,900 in February to just 2,600 in April. Despite recent difficulties in the Canadian economy, this level appears quite weak.

The overall picture of employment in April is not as bad as it appears. For one, the weather seems to have once again influenced employment during the month, as evidenced by the difficulties in construction. For another, the jobs lost are concentrated in a fairly limited number of activity sectors. In addition, regional results suggest certain disruptions should eventually reverse themselves. For example, Ontario posted the weakest trend in employment for the last six months. It is expected that this province will have among the strongest economic growth in the country in 2015. In contrast, Alberta astonishingly continues to report a positive trend in employment.

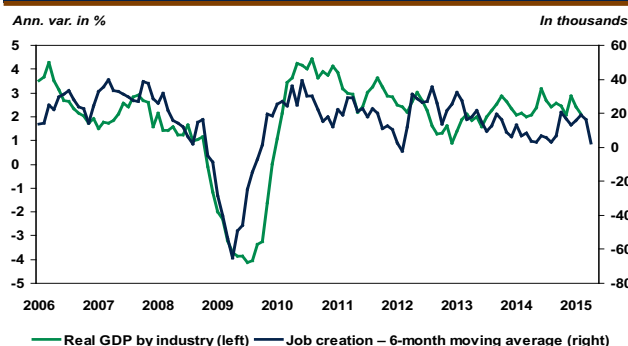
Implications: Once again, we note the extent of the extreme volatility in employment results. If we also consider the return to warmer weather, all the ingredients are there for a rebound in employment, likely in May.

Despite the job losses, the unemployment rates held steady at 6.8% in April



Sources: Statistics Canada and Desjardins, Economic Studies

The trend in employment has returned to a weaker level



Sources: Statistics Canada and Desjardins, Economic Studies

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