

ECONOMIC NEWS

Canada: Labour Market Takes a Break in June

HIGHLIGHTS

- ▶ Canada labour market pauses in June, with job losses estimated at 2,200.
- ▶ The unemployment rate ticked up from a record 5.4% in May to 5.5% due to an increase in the number of job seekers.
- ▶ Across the country, most of the job gains were recorded in the Western provinces of Alberta (+10,400) and Saskatchewan (+2,500).
- ▶ Quebec and Ontario saw few changes in employment (+1,800 and -7,000, respectively), with the changes falling within the standard error calculated by Statistics Canada.
- ▶ Quebec's unemployment rate fell back to the record 4.9 % reached in April, while Ontario's unemployment rate ticked up by 0.2 percentage point to 5.4%.

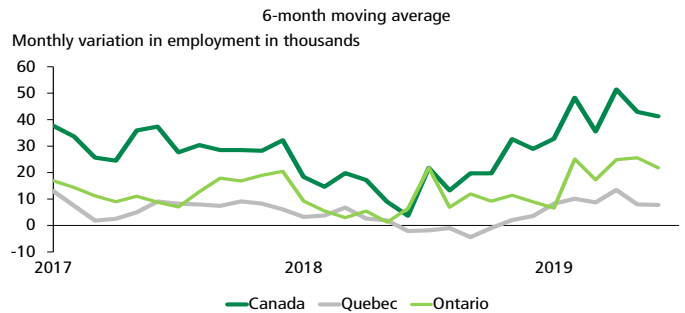
COMMENTS

At first glance, Canada's labour market barely changed. In fact, 26,200 part-time jobs vanished while 24,100 new full-time jobs were created. The labour force grew by 30,500, mitigating the loss of 49,200 workers in May. In Quebec, full-time jobs (+5,300) outpaced part-time job losses (-3,600). In Ontario, the loss of 12,900 full-time jobs outweighed the new 6,000 part-time jobs created.

In Canada, 132,000 new workers were hired in the second quarter, a tad more than in the first quarter (+115,500). In Quebec, an estimated 28,100 new jobs were created between April and June versus 18,400 between January and March. Ontario recorded fewer gains in Q2 (61,000) than in Q1 (69,500). That said, job creation in Ontario clearly outstripped the gains recorded in the third and fourth quarters of 2018. Overall, Canada's labour market remains strong.

GRAPH

Canada, Quebec and Ontario post major job gains, despite a few jolts



Sources: Statistics Canada and Desjardins, Economic Studies

IMPLICATIONS

Canada's labour market took a break in June after posting record-setting monthly job creation in April (+106,500) and in May, to reach the lowest unemployment rate in 43 years. This lull was predictable and does not—for the moment—point to any deterioration that is likely to change the Bank of Canada's stand on interest rates.

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