

## CANADA

### Employment rebounded in September

#### HIGHLIGHTS

- The labour market enjoyed the addition of 74,100 jobs in September, more than enough to make up for the 11,000 jobs lost in August.
- The ranks of the self-employed fell by 55,600 in favour of a 129,600 job increase in the private and public sectors. This result entirely reversed the fluctuations recorded in August.
- The goods-producing sectors created 60,200 jobs, mainly through large gains in natural resources (+27,700) and construction (+29,900).
- Employment in the service-producing sectors increased by 13,800 jobs.
- The unemployment rate went from 7.0% to 6.8%.

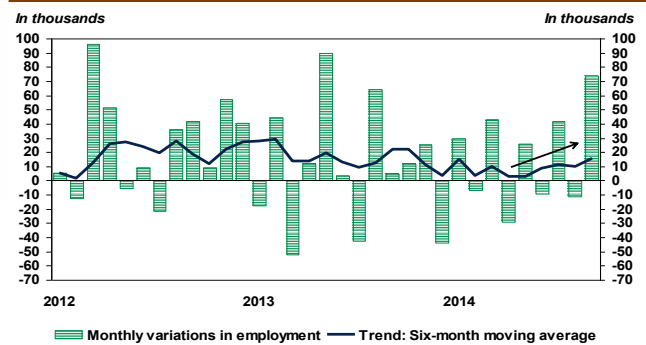
#### COMMENTS

Undoubtedly, this morning's results will not help rebuild confidence in the Labour Force Survey. As expected, August's drop in employment, and especially the major fluctuations in self-employed and private sector employment, were completely reversed in September. But with 74,100 jobs created, we can't help but think that the results are now far too positive.

The six-month moving average rose to 15,400, marking its highest level since January. It would take 29,000 job losses in October for this trend to hold steady at this level.

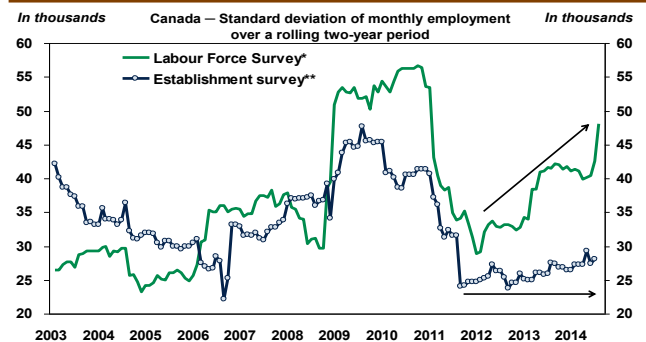
That said, aside from the high volatility in monthly results, the employment trend based on the Labour Force Survey is showing some improvement compared with the disappointing results obtained a few times since the beginning of 2014. This corroborates the more positive data obtained up to now by the establishment survey, which are much less volatile, as we demonstrated in a recent Economic Viewpoint.

#### The trend in employment accelerates



Sources: Statistics Canada and Desjardins, Economic Studies

#### Labour Force Survey results more volatile than establishment survey results



\* Excluding self-employed workers; \*\* Excluding unclassified enterprises.  
Sources: Statistics Canada and Desjardins, Economic Studies

**Implications:** Overall, the labour market is growing fairly well across the country, creating an average of 17,500 jobs per month. The unemployment rate has also fallen to 6.8% in September, a first since the Great Recession. This should reassure monetary authorities who recently triggered some fears concerning the vitality of the labour market.

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