

## ECONOMIC NEWS

# Canada: The Labour Market Continues to Improve

### HIGHLIGHTS

- ▶ According to the results of the Labour Force Survey, September closed out with another strong gain in employment with the creation of 378,200 jobs.
- ▶ With this increase, close to 76% of the 3,004,500 jobs lost in March and April have been recouped.
- ▶ The total number of jobs (18,469,900) in Canada in September was at 96.3% of February levels.
- ▶ The unemployment rate for Canada as a whole continued to fall, dropping 1.2 percentage points to 9.0% in September.
- ▶ The lowest unemployment rate is in Saskatchewan (6.8%), followed by Manitoba (7.0%) and Quebec City (7.4%).

### COMMENTS

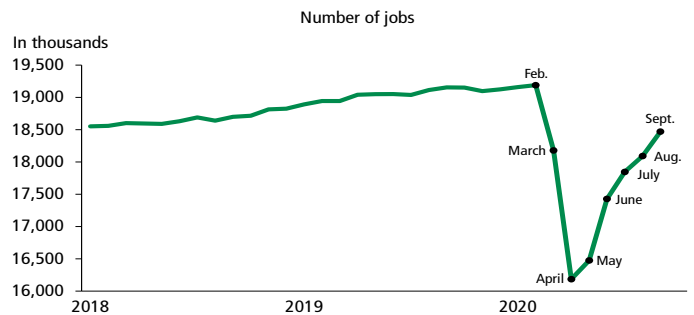
This is good news this morning, as the labour market recovery has been faster than expected in September. The number of people participating in the labour market has also continued to rise. The total increase in the labour force since May now stands at 1,699,300 individuals, which covers nearly all of the losses from March and April (1,720,000 individuals). That said, the participation rate (that is, the ratio of the labour force to the total population) was still slightly below its pre-pandemic level in September at 65.0%, compared to 65.5% in February.

### IMPLICATIONS

Despite the solid growth in recent months, the labour market is not out of the woods yet, as major obstacles will have to be overcome this fall. On the one hand, a second wave of the pandemic has forced some parts of the country to impose new restrictions, which is expected to affect employment in some sectors. On the other hand, the impact of the replacement of some federal support measures with employment insurance enhancements remains uncertain.

### GRAPH 1

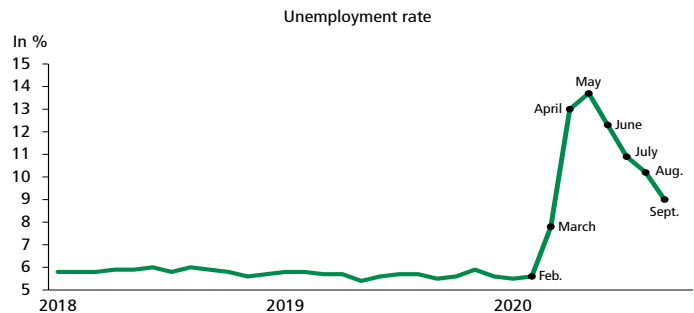
#### Employment continued to bounce back in September



Sources: Statistics Canada and Desjardins, Economic Studies

### GRAPH 2

#### The unemployment rate fell further in September... but the numbers are still high from a historical standpoint



Sources: Statistics Canada and Desjardins, Economic Studies

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