

## ECONOMIC NEWS

# At 4.5%, the Unemployment Rate Posts a Record Low in Quebec in February, but Rises to 5.5% in Ontario

### HIGHLIGHTS

- ▶ The unemployment rate in Quebec hit 4.5% in February according to Statistics Canada estimates, a record not seen since 1976, the year of the very first *Labour Force Survey*.
- ▶ This is a remarkable drop of 0.6 percentage points from January's 5.1%.
- ▶ This record level in Quebec is due to 20,000 more jobs and a considerable decline in the labour force (-8,000) during the same month.
- ▶ In Ontario, the unemployment rate rose from 5.2% to 5.5% between January and February.
- ▶ The labour market in that province lost 3,200 jobs, while the labour force increased by 17,900 persons last month.

### COMMENTS

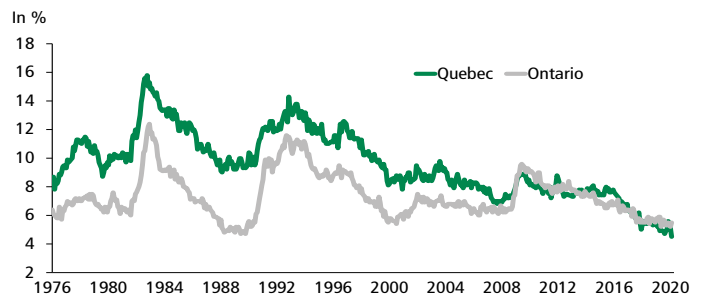
The labour market gained around 20,000 jobs in Quebec in February for the third month in a row. The same period in Ontario was not as rosy, with the loss of 3,200 jobs and an average monthly job creation rate of 12,233 from December to February.

In Quebec, February's new hires were spread between full-time (+13,900) and part-time (+6,100) work. Educational services (+8,400), professional, scientific and technical services (+8,200), and information and culture (+8,100) posted the bulk of the gains.

In Ontario, full-time hiring (+20,300) failed to completely offset the losses in part-time jobs (-23,500) last month. Professional, scientific and technical services saw the biggest drops (-20,000), followed by accommodation and food services (-12,500).

### GRAPH

**Unemployment in Quebec hits a record low in February**



Sources: Statistics Canada and Desjardins, Economic Studies

With the unemployment rate at 4.5%, Quebec has set a new record and is widening the gap with Ontario. Still, it's important to remember that this mark is due, in part, to the drop in the labour force.

### IMPLICATIONS

The record unemployment rate can't hide the fact that there are still a number of factors in Quebec and Ontario that will slow down hiring, including an aging workforce, a labour shortage, and the slowdown in the global economy. Recent events, such as the railway slowdown in Canada and concerns surrounding the coronavirus, could also have an impact. We'll keep you posted.

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