



QUEBEC – ONTARIO

March 7, 2014

Employment falls in Quebec and rises timidly in Ontario in February

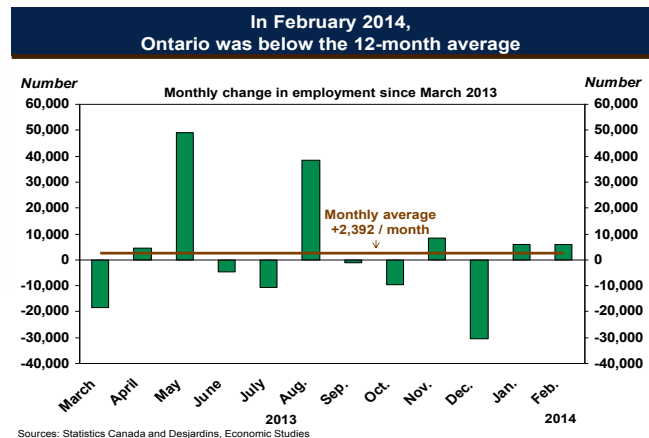
HIGHLIGHTS

- Statistics Canada reports 25,500 jobs lost in Quebec in February.
- The unemployment rate rose 0.3 percentage points, to 7.8%. Its highest level in the past 12 months was in July (8.1%).
- Once again, employment in Ontario barely grew, adding 6,100 new workers.
- The unemployment rate in Ontario stayed pat at 7.5% for the second month in a row.

COMMENTS

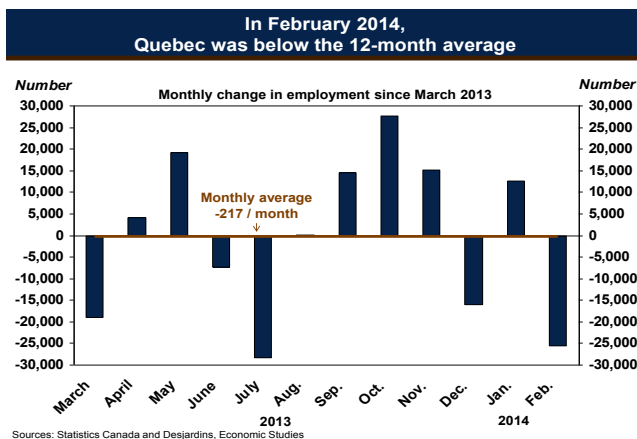
In Quebec, a similar loss of 28,300 jobs was recorded in July, followed by three months of growth. February marked the fourth month in a row, where losses and gains took turns in outperforming one another. February job losses were mainly in construction (-17,500), professional, scientific and technical services (-11,200) and finance and insurance (-9,300). The drop in employment mostly affected part-time jobs. Gains were noted in agriculture (+9,000), manufacturing (+5,000) and transportation and warehousing (+4,600).

In Ontario, the labour market added 6,100 jobs in February, most of which were full time. The advances stem from professional, scientific and technical services (+17,500),



other services (+14,400) and trade (+12,100). The finance and insurance (-14,200), healthcare (-11,900) and business management (-7,300) sectors saw the greatest retreats.

It only takes a quick glance at the movement in employment over the last 12 months to see how variable its performance was (graphics). February's numbers put Quebec and Ontario below the monthly average for job creation for the last 12 months (-217 and 2,392, respectively). We note an improvement in Quebec for the last six months (+4,733 jobs/month) and a deterioration in Ontario (-4,917 jobs/month).



Implications: Clearly, the hesitation characterizing the economic climate in 2013 has not fully dissipated. In addition, expectations for job creation are high. In these uncertain conditions, gains, as slim as they are, are welcomed. The labour market should strengthen in the coming months, boosted by a growing U.S. economy. As such, this morning's reported upswing in employment for February in the United States (175,000 jobs) raises hopes that, as 2014 unfolds, the other side of the border will gradually see better days.

Joëlle Noreau
Senior Economist

François Dupuis
Vice-President and Chief Economist

Yves St-Maurice
Senior Director and Deputy Chief Economist

418-835-2450 or 1 866 835-8444, ext. 2450
E-mail: desjardins.economics@desjardins.com

Hélène Bégin
Senior Economist

Benoit P. Durocher
Senior Economist

Francis Généreux
Senior Economist

Joëlle Noreau
Senior Economist

NOTE TO READERS: The letters k, M and B are used in texts and tables to refer to thousands, millions and billions respectively.

IMPORTANT: This document is based on public information and may under no circumstances be used or construed as a commitment by Desjardins Group. While the information provided has been determined on the basis of data obtained from sources that are deemed to be reliable, Desjardins Group in no way warrants that the information is accurate or complete. The document is provided solely for information purposes and does not constitute an offer or solicitation for purchase or sale. Desjardins Group takes no responsibility for the consequences of any decision whatsoever made on the basis of the data contained herein and does not hereby undertake to provide any advice, notably in the area of investment services. The data on prices or margins are provided for information purposes and may be modified at any time, based on such factors as market conditions. The past performances and projections expressed herein are no guarantee of future performance. The opinions and forecasts contained herein are, unless otherwise indicated, those of the document's authors and do not represent the opinions of any other person or the official position of Desjardins Group. Copyright © 2014, Desjardins Group. All rights reserved.

March 7, 2014

Variation by sector - February 2014						
	GAINING Sectors	Balance		LOSING Sectors	Balance	
		1 month	1 year		1 month	1 year
CANADA	Others services	18,000	-300	Health care	-27,500	28,000
	Information, culture and recrea.	14,400	24,700	Fin., insurance and real estate	-24,600	14,400
	Trade	13,400	-2,700	Prof. and scient. services	-17,500	39,500
	Others primaries	9,800	33,900	Educational services	-8,400	1,000
QUEBEC	Agriculture	9,000	4,300	Construction	-17,500	-25,400
	Manufacturing	5,000	18,100	Prof. and scient. services	-11,200	-6,800
	Transportation and warehousing	4,600	21,200	Fin., insurance and real estate	-9,300	11,900
	Information, culture and recrea.	3,500	1,700	Educational services	-5,600	6,400
ONTARIO	Prof. and scient. services	17,500	31,400	Fin., insurance and real estate	-14,200	7,900
	Others services	14,400	12,500	Health care	-11,900	6,100
	Trade	12,100	16,400	Bus., build. and other supp. serv.	-7,300	1,800
	Public administration	4,000	-31,300	Accommodation and food services	-6,800	-24,500

Source: LFS, Statistics Canada

Labour Market							
February 2014	NUMBER OF EMPLOYEES	JOB CREATION					
		in numbers					
Seasonally adjusted data	February 2014	Last month	Last 3 months	Since december	Last year	Last year in %	
TOTAL JOBS	Canada	17,790,300	-7,000	-21,600	22,400	94,700	0.5%
	Quebec	4,032,700	-25,500	-28,900	-12,800	-2,600	-0.1%
	Ontario	6,888,900	6,100	-18,200	12,100	28,700	0.4%
PUBLIC SECTOR EMPLOYEES	Canada	3,586,300	-50,700	-19,300	-36,000	-41,300	-1.1%
	Quebec	877,800	-14,500	-7,200	2,200	14,800	1.7%
	Ontario	1,305,700	-19,500	-22,400	-36,400	-57,300	-4.2%
PRIVATE SECTOR EMPLOYEES	Canada	11,499,000	35,200	-8,600	21,600	128,500	1.1%
	Quebec	2,603,000	-13,000	-37,600	-21,700	-26,100	-1.0%
	Ontario	4,526,400	35,500	3,200	21,200	53,900	1.2%
SELF-EMPLOYED	Canada	2,705,100	8,600	6,500	36,900	7,500	0.3%
	Quebec	551,800	1,900	15,800	6,600	8,600	1.6%
	Ontario	1,056,800	-9,900	1,100	27,300	32,100	3.1%

Source: Statistics Canada, Labour Force Survey

Labour Market - Recent trends Seasonally adjusted data

	Employment in numbers	Job creation in last:			Labour Force Numbers	Variation over 1 month	Participation rate	Employment rate	Unemploy- ment rate
		1 month	3 months	12 months					
Canada									
2013.02	17,695,600	44,200	67,300	341,600	19,030,800	60,400	66.7%	62.0%	7.0%
2013.03	17,643,200	-52,400	-25,700	193,000	19,022,600	-8,200	66.6%	61.8%	7.3%
2013.04	17,655,100	11,900	3,700	153,600	19,015,000	-7,600	66.5%	61.8%	7.2%
2013.05	17,744,600	89,500	49,000	248,700	19,091,600	76,600	66.7%	62.0%	7.1%
2013.06	17,748,400	3,800	105,200	243,100	19,103,700	12,100	66.7%	61.9%	7.1%
2013.07	17,705,600	-42,800	50,500	221,700	19,075,600	-28,100	66.5%	61.7%	7.2%
2013.08	17,770,100	64,500	25,500	250,100	19,133,300	57,700	66.6%	61.9%	7.1%
2013.09	17,775,100	5,000	26,700	213,000	19,100,500	-32,800	66.4%	61.8%	6.9%
2013.10	17,786,800	11,700	81,200	215,400	19,118,200	17,700	66.4%	61.8%	7.0%
2013.11	17,811,900	25,100	41,800	183,600	19,138,100	19,900	66.4%	61.8%	6.9%
2013.12	17,767,900	-44,000	-7,200	99,000	19,151,400	13,300	66.4%	61.6%	7.2%
2014.01	17,797,300	29,400	10,500	145,900	19,130,500	-20,900	66.3%	61.6%	7.0%
2014.02	17,790,300	-7,000	-21,600	94,700	19,133,400	2,900	66.2%	61.6%	7.0%
Quebec									
2013.02	4,035,300	-12,900	-1,400	111,100	4,358,600	1,200	65.3%	60.5%	7.4%
2013.03	4,016,400	-18,900	-25,200	57,100	4,352,100	-6,500	65.2%	60.2%	7.7%
2013.04	4,020,600	4,200	-27,600	41,200	4,363,700	11,600	65.3%	60.2%	7.9%
2013.05	4,039,700	19,100	4,400	45,900	4,376,900	13,200	65.5%	60.4%	7.7%
2013.06	4,032,400	-7,300	16,000	48,200	4,376,400	-500	65.4%	60.3%	7.9%
2013.07	4,004,100	-28,300	-16,500	41,400	4,356,400	-20,000	65.1%	59.8%	8.1%
2013.08	4,004,300	200	-35,400	4,200	4,348,500	-7,900	64.9%	59.8%	7.9%
2013.09	4,018,900	14,600	-13,500	12,800	4,348,200	-300	64.9%	60.0%	7.6%
2013.10	4,046,500	27,600	42,400	28,200	4,375,900	27,700	65.2%	60.3%	7.5%
2013.11	4,061,600	15,100	57,300	24,900	4,379,100	3,200	65.3%	60.5%	7.3%
2013.12	4,045,500	-16,100	26,600	3,900	4,384,000	4,900	65.3%	60.3%	7.7%
2014.01	4,058,200	12,700	11,700	10,000	4,384,900	900	65.3%	60.4%	7.5%
2014.02	4,032,700	-25,500	-28,900	-2,600	4,375,300	-9,600	65.1%	60.0%	7.8%
Ontario									
2013.02	6,860,200	31,200	37,600	119,600	7,431,200	39,400	66.6%	61.5%	7.7%
2013.03	6,841,800	-18,400	-14,500	52,500	7,410,400	-20,800	66.4%	61.3%	7.7%
2013.04	6,846,400	4,600	17,400	63,700	7,413,400	3,000	66.3%	61.3%	7.6%
2013.05	6,895,300	48,900	35,100	139,500	7,439,000	25,600	66.5%	61.7%	7.3%
2013.06	6,890,500	-4,800	48,700	112,600	7,446,300	7,300	66.5%	61.5%	7.5%
2013.07	6,880,000	-10,500	33,600	88,300	7,446,700	400	66.4%	61.4%	7.6%
2013.08	6,918,400	38,400	23,100	153,800	7,478,600	31,900	66.6%	61.7%	7.5%
2013.09	6,908,400	-10,000	17,900	116,900	7,452,700	-25,900	66.3%	61.5%	7.3%
2013.10	6,898,800	-9,600	18,800	103,600	7,451,200	-1,500	66.3%	61.3%	7.4%
2013.11	6,907,100	8,300	-11,300	84,500	7,454,100	2,900	66.2%	61.4%	7.3%
2013.12	6,876,800	-30,300	-31,600	20,500	7,466,300	12,200	66.3%	61.0%	7.9%
2014.01	6,882,800	6,000	-16,000	53,800	7,438,200	-28,100	66.0%	61.0%	7.5%
2014.02	6,888,900	6,100	-18,200	28,700	7,448,700	10,500	66.0%	61.0%	7.5%

Source: Statistics Canada, Labour Force Survey

Other Labour Market Indicators

SEASONALLY ADJUSTED DATA	Last publication		-1 MONTH	-3 MONTHS	-6 MONTHS	Same month -1 YEAR
	Month	Level				
CANADA						
Average weekly wages (\$)	December	1,050.46	1,029.06	1,015.94	1,034.18	1,024.48
Average hours worked in the manufacturing sector	December	30.6	30.4	30.5	30.3	30.5
QUEBEC						
Average weekly wages (\$)	December	971.47	933.38	945.12	951.52	951.55
Average hours worked in the manufacturing sector	December	30.1	29.8	30.2	30.0	29.9
ONTARIO						
Average weekly wages (\$)	December	1,075.72	1,061.70	1,032.46	1,065.47	1,055.68
Average hours worked in the manufacturing sector	December	30.3	30.2	30.3	30.1	30.3

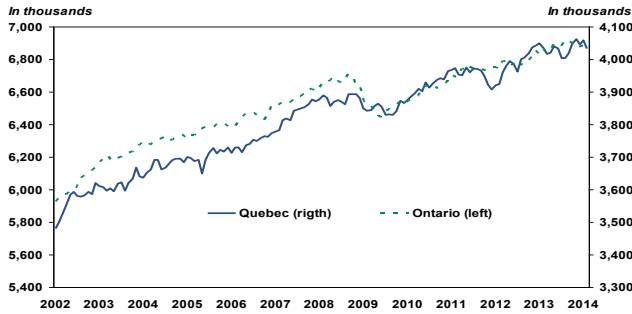
Source: Statistics Canada, Labour Force Survey

Annual Data

Annual average	2008	2009	2010	2011	2012	2013
CANADA TOTAL JOBS	17,019,300	16,813,100	17,041,000	17,306,200	17,498,800	17,731,200
JOB CREATION	213,700	-206,200	227,900	265,200	192,600	232,400
Job growth (%)	1.3%	-1.2%	1.4%	1.6%	1.1%	1.3%
Unemployment rate	6.1%	8.3%	8.0%	7.5%	7.2%	7.1%
QUEBEC TOTAL JOBS	3,880,400	3,848,400	3,915,100	3,953,600	3,984,400	4,032,200
JOB CREATION	46,300	-32,000	66,700	38,500	30,800	47,800
Job growth (%)	1.2%	-0.8%	1.7%	1.0%	0.8%	1.2%
Unemployment rate	7.2%	8.5%	8.0%	7.8%	7.8%	7.6%
ONTARIO TOTAL JOBS	6,666,300	6,502,000	6,610,000	6,731,300	6,783,800	6,879,400
JOB CREATION	102,000	-164,300	108,000	121,300	52,500	95,600
Job growth (%)	1.6%	-2.5%	1.7%	1.8%	0.8%	1.4%
Unemployment rate	6.5%	9.0%	8.7%	7.8%	7.8%	7.5%

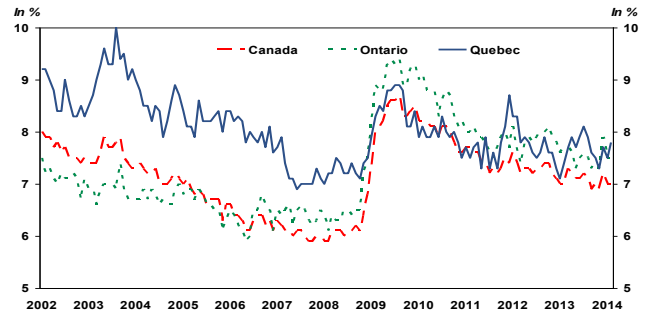
Source: Statistics Canada, Labour Force Survey

QUEBEC / ONTARIO – Level of employment



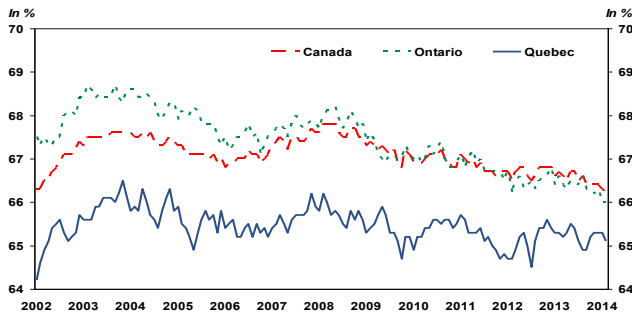
Sources: Statistics Canada and Desjardins, Economic Studies

CANADA / QUEBEC / ONTARIO – Unemployment Rate



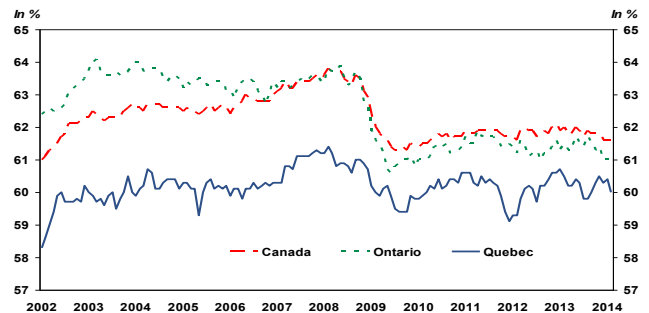
Sources: Statistics Canada and Desjardins, Economic Studies

CANADA / QUEBEC / ONTARIO – Participation Rate



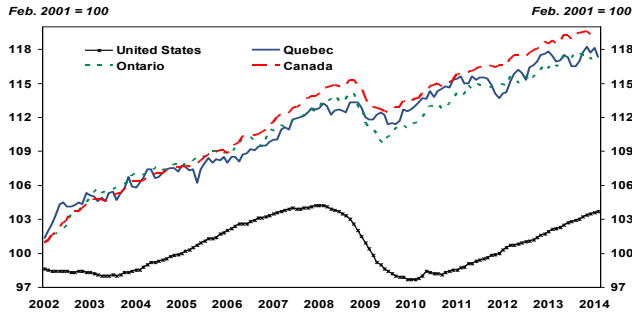
Sources: Statistics Canada and Desjardins, Economic Studies

CANADA / QUEBEC / ONTARIO – Employment Rate



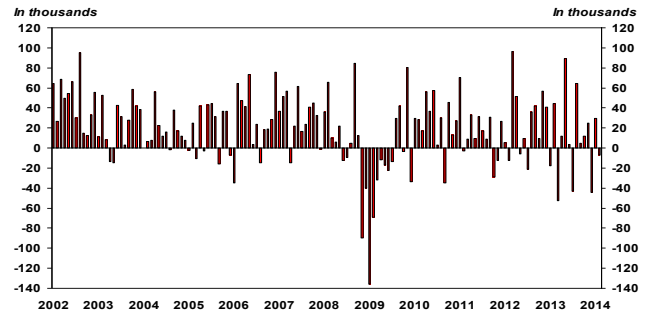
Sources: Statistics Canada and Desjardins, Economic Studies

UNITED STATES / CANADA / QUEBEC / ONTARIO – Employment Index



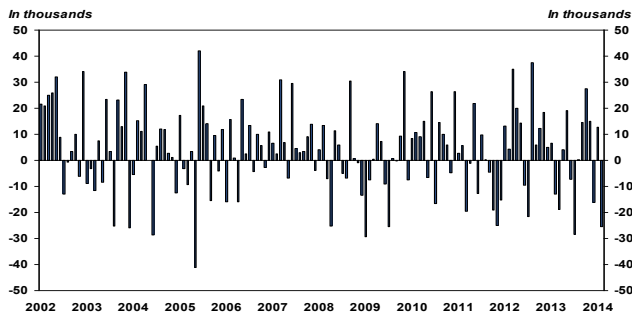
Sources: Statistics Canada and Desjardins, Economic Studies

CANADA – Evolution of employment



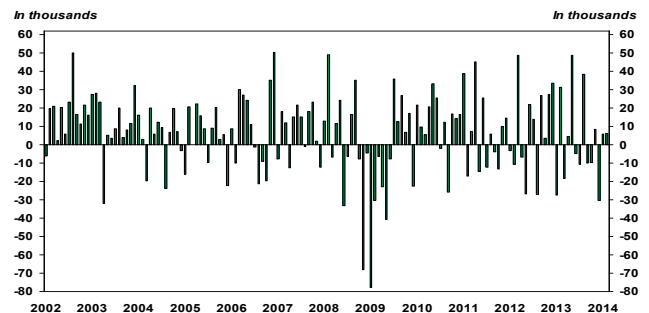
Sources: Statistics Canada and Desjardins, Economic Studies

QUEBEC – Evolution of employment



Sources: Statistics Canada and Desjardins, Economic Studies

ONTARIO – Evolution of employment



Sources: Statistics Canada and Desjardins, Economic Studies

LABOUR MARKET BY PROVINCE

SEASONALLY ADJUSTED DATA		February 2014	PREVIOUS MONTHS				Monthly averages			Employment In the last year
			2014.01	2013.12	2013.11	2013.10	3 months	6 months	12 months	
CANADA	JOBS	17,790,300	17,797,300	17,767,900	17,811,900	17,786,800	17,785,167	17,788,217	17,749,692	17,695,600
	CREATION	-7,000	29,400	-44,000	25,100	11,700	-7,200	3,367	7,892	94,700
	Unemployment rate	7.0%	7.0%	7.2%	6.9%	7.0%	7.1%	7.0%	7.1%	0.5%*
Newfoundland	JOBS	232,500	232,700	234,000	232,300	234,700	233,067	232,800	232,817	234,100
	CREATION	-200	-1,300	1,700	-2,400	4,100	67	83	-133	-1,600
	Unemployment rate	11.8%	12.0%	10.8%	12.0%	11.1%	11.5%	11.4%	11.4%	-0.7%*
Prince Edward Island	JOBS	74,700	74,600	73,600	73,700	74,500	74,300	74,067	74,175	75,400
	CREATION	100	1,000	-100	-800	1,200	333	117	-58	-700
	Unemployment rate	11.5%	11.3%	11.6%	11.6%	10.7%	11.5%	11.3%	11.3%	-0.9%*
Nova Scotia	JOBS	450,700	447,800	449,500	451,200	452,300	449,333	451,083	453,433	454,200
	CREATION	2,900	-1,700	-1,700	-1,100	-2,700	-167	-883	-292	-3,500
	Unemployment rate	8.9%	8.6%	9.2%	8.9%	9.2%	8.9%	8.9%	8.9%	-0.8%*
New Brunswick	JOBS	353,100	351,300	353,700	352,000	350,300	352,700	352,167	350,967	353,100
	CREATION	1,800	-2,400	1,700	1,700	-2,300	367	567	0	0
	Unemployment rate	9.8%	9.9%	9.7%	9.7%	10.1%	9.8%	10.0%	10.3%	0.0%*
Quebec	JOBS	4,032,700	4,058,200	4,045,500	4,061,600	4,046,500	4,045,467	4,043,900	4,031,742	4,035,300
	CREATION	-25,500	12,700	-16,100	15,100	27,600	-9,633	4,733	-217	-2,600
	Unemployment rate	7.8%	7.5%	7.7%	7.3%	7.5%	7.7%	7.6%	7.7%	-0.1%*
Ontario	JOBS	6,888,900	6,882,800	6,876,800	6,907,100	6,898,800	6,882,833	6,893,800	6,886,267	6,860,200
	CREATION	6,100	6,000	-30,300	8,300	-9,600	-6,067	-4,917	2,392	28,700
	Unemployment rate	7.5%	7.5%	7.9%	7.3%	7.4%	7.6%	7.5%	7.5%	0.4%*
Manitoba	JOBS	631,400	633,100	630,500	631,600	630,400	631,667	631,700	632,317	636,900
	CREATION	-1,700	2,600	-1,100	1,200	-2,800	-67	33	-458	-5,500
	Unemployment rate	5.3%	5.6%	5.5%	5.6%	5.5%	5.5%	5.5%	5.5%	-0.9%*
Saskatchewan	JOBS	557,900	556,800	558,000	556,900	557,600	557,567	557,067	556,217	552,700
	CREATION	1,100	-1,200	1,100	-700	2,400	333	-117	433	5,200
	Unemployment rate	3.9%	4.3%	3.9%	4.1%	3.7%	4.0%	4.1%	4.1%	0.9%*
Alberta	JOBS	2,262,100	2,243,300	2,236,700	2,246,400	2,235,200	2,247,367	2,243,317	2,222,850	2,179,800
	CREATION	18,800	6,600	-9,700	11,200	-1,000	5,233	5,117	6,858	82,300
	Unemployment rate	4.3%	4.6%	4.8%	4.7%	4.5%	4.6%	4.6%	4.7%	3.8%*
British Columbia	JOBS	2,306,400	2,316,800	2,309,700	2,299,100	2,306,400	2,310,967	2,308,350	2,308,908	2,314,000
	CREATION	-10,400	7,100	10,600	-7,300	-5,300	2,433	-1,333	-633	-7,600
	Unemployment rate	6.4%	6.4%	6.6%	6.7%	6.6%	6.5%	6.6%	6.6%	-0.3%*

Source: Statistics Canada, Labour force Survey * Change in employment in the last year