

ECONOMIC NEWS

Employment Surges in February in Quebec and Ontario

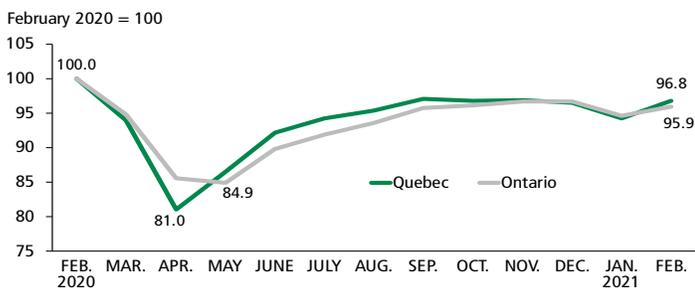
HIGHLIGHTS

- ▶ Statistics Canada is reporting that Quebec gained 112,600 jobs in February, two-thirds of which were part-time, proof that non-essential wholesalers and retailers reopened in February.
- ▶ The unemployment rate literally plunged from 8.8% in January to 6.4% in February, its lowest level since February 2020 and the lowest rate in Canada.
- ▶ Ontario saw an estimated 100,300 jobs created last month. As in Quebec, most of the jobs created were part-time (62%), primarily in food services, wholesaling and retailing.
- ▶ The drop of the unemployment rate was lower than in Quebec but still significant: down one percentage point, the unemployment rate fell below the 10.0% mark to 9.2%.

COMMENTS

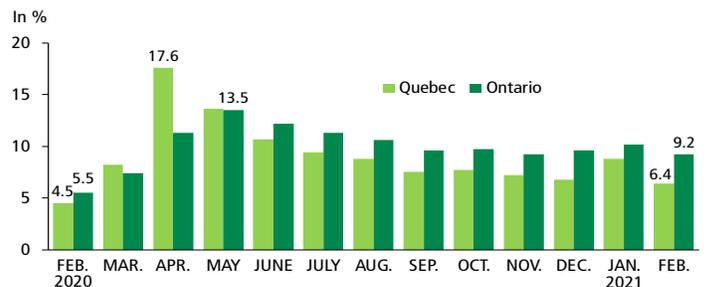
February's gain of 112,600 jobs helped Quebec wipe out December's (-16,000) and January's (-97,900) losses. Wholesaling and retailing accounted for 67,100 new jobs, followed by 18,600 in other services (e.g., garages, personal care) and 13,100 in

GRAPH 1
Quebec's and Ontario's labour markets have not yet returned to February 2020 employment levels



Sources: Statistics Canada and Desjardins, Economic Studies

GRAPH 2
Unemployment rates remain higher than in February 2020 but should fall



Sources: Statistics Canada and Desjardins, Economic Studies

construction. Employment in Quebec was back up to 96.8% of February 2020's level (graph). In Ontario, the 100,300 additional workers only partially filled the gap left by the loss of 153,500 jobs in January. Accommodation and food services accounted for the highest number of new hires (+34,900), followed by wholesaling and retailing (+30,300). Employment is currently sitting at 95.9% of February 2020's level.

IMPLICATIONS

The results released this morning were expected in the wake of the gradually lifting of the lockdown that started in February in Quebec and Ontario. Both provinces will continue to post gains in March. Going forward, certain regions will benefit as more wholesalers, retailers and restaurants open according to specific rules. These sectors will be rehiring, which should translate into another hike in employment and drop in the unemployment rate in the coming months.

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