

ECONOMIC NEWS

The Labour Market in Quebec and Ontario Loses Steam in October

HIGHLIGHTS

- ▶ After four consecutive months of growth, Statistics Canada reports a decline in employment of 9,500 in October compared with September in Quebec.
- ▶ At the same time, there was a drop in the labour force of 4,800 people, bringing the unemployment rate to 5.0%, up 0.2 percentage points from the previous month.
- ▶ Full-time jobs accounted for all losses in October (-13,400), which were only partially offset by part-time hires (+3,900).
- ▶ Employment fell in Ontario as well, with 16,200 jobs lost. This decline follows two months of monthly growth of more than 40,000 jobs. The unemployment rate stayed the same at 5.3%.
- ▶ As in Quebec, full-time work fell short in October (-24,200) and the increase in part-time work partially closed the gap (+8,000).

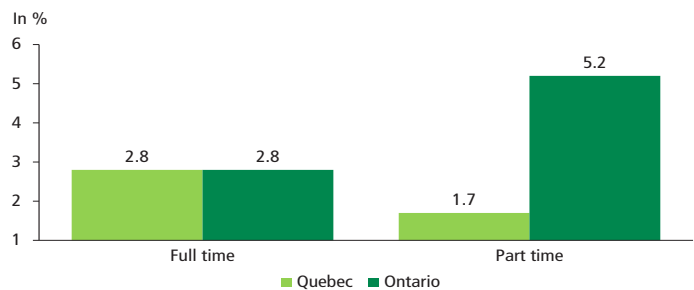
COMMENTS

October reflected a breather in a hectic labour market, especially in recent months. The main job losses in Quebec were in other services (-8,100), construction (-7,700) and wholesale and retail trade (-6,300). In Ontario, the number of workers was trimmed mainly in manufacturing (-17,500). Jobs were lost in healthcare and social assistance (-9,400) and construction (-7,400).

All of the jobs lost in both provinces in October were full-time jobs. However, in the past year, 97,700 full-time jobs were created in Quebec and 165,600 in Ontario; both provinces have an identical growth rate of 2.8%. Part-time work grew at a faster pace in Ontario (5.2%) than in Quebec (1.7%).

GRAPH

For the past year, part-time employment growth between Quebec and Ontario has been uneven



Sources: Statistics Canada and Desjardins, Economic Studies

IMPLICATIONS

Should we be surprised by the results published this morning? Not at first glance. The growth recorded in recent months called for a correction. While the economies in Quebec and Ontario are expanding, recruitment difficulties and the number of posted job vacancies point to a labour market dynamic that was expected to slow, at least temporarily.

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