

ECONOMIC NEWS

Labour Market in November: Unemployment Rates Continue to Fall in Quebec and Ontario

HIGHLIGHTS

- ▶ Quebec's labour market added 15,700 jobs in November, most of which were full-time.
- ▶ Accommodation and food services (-37,400) and information, culture and recreation (-15,000) were down significantly.
- ▶ The unemployment rate dropped considerably, moving from 7.7% to 7.2% from October to November.
- ▶ The number of workers in Ontario rose for the sixth month in a row, with 36,600 jobs generated in November. All the jobs created were full-time.
- ▶ Ontario's unemployment rate hit 9.1%, down 0.5 percentage points compared to October.

COMMENTS

Employment was expected to rise moderately given the measures introduced to stop the spread of COVID-19. Tables 1 and 2 show that not all sectors are affected equally. The tighter restrictions on the accommodation and food services sectors in Quebec and Ontario this fall are leaving a deeper mark on the labour market compared with the levels reached last February. However, sectors like professional, scientific and technical services seem to be managing well in both provinces.

IMPLICATIONS

The drop in unemployment rates is significant. However, Quebec and Ontario are feeling the brunt of the pandemic's second wave, which has led to a number of restrictions that are impacting the labour market. Employment in Ontario may pull back in December as the full effect of the stricter lockdown measures recently imposed is felt.

TABLE 1

Quebec: Sector-based changes in employment since February 2020

	FEBRUARY 2020	NOVEMBER 2020	LEVEL NOVEMBER/ FEBRUARY
	In thousands	In thousands	In %
Construction	281.5	266.0	94.5
Manufacturing	502.7	484.1	96.3
Wholesale and retail trade	663.5	673.6	101.5
Prof., scient. and tech. serv.	353.3	372.3	105.4
Health	602.2	609.4	101.2
Educational services	318.0	353.2	111.1
Accommodation/food serv.	263.7	173.8	65.9
Information/culture/recreation	183.4	144.7	78.9

Sources: Statistics Canada and Desjardins, Economic Studies

TABLE 2

Ontario: Sector-based changes in employment since February 2020

	FEBRUARY 2020	NOVEMBER 2020	LEVEL NOVEMBER/ FEBRUARY
	In thousands	In thousands	In %
Construction	563.1	544.9	96.8
Manufacturing	761.4	774.6	101.7
Wholesale and retail trade	1,115.9	1,092.9	97.9
Prof., scient. and tech. serv.	687.2	706.0	102.7
Health	924.8	893.0	96.6
Educational services	547.9	539.2	98.4
Accommodation/food serv.	448.5	362.8	80.9
Information/culture/recreation	308.8	296.5	96.0

Sources: Statistics Canada and Desjardins, Economic Studies

Joëlle Noreau, Senior Economist

François Dupuis, Vice-President and Chief Economist • Mathieu D'Anjou, Deputy Chief Economist
 Hélène Bégin, Senior Economist • Benoit P. Durocher, Senior Economist • Francis Généreux, Senior Economist • Joëlle Noreau, Senior Economist
 Desjardins, Economic Studies: 418-835-2450 or 1 866-835-8444, ext. 5562450 • desjardins.economics@desjardins.com • desjardins.com/economics

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 © 2020, Desjardins Group. All rights reserved.