

Economy at a Glance

Prepared by Alex Carrick, ConstructConnect® Chief Economist

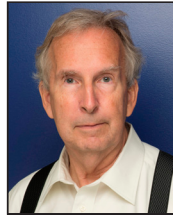
Big, but also odd, jobs gain for Canada in June (Part I)

In June, Canada added nearly a quarter of a million net new jobs, according to the *Labour Force Survey report* assembled and published by Statistics Canada. The +231,000 increase, however, was not comprised of a usual mix of gains in both full-time and part-time work. Rather, full-time employment shrank by -33,000 jobs while part-time endeavors took off to the tune of +263,000 positions.

Total employment in Canada is now +8.1% year over year, with full-time work at +6.0% and part-time work at +18.0%.

The boost in part-time work has come from an uptick in the 'accommodation and food services' sector, where employment is now +16.8% year over year, and it has benefited younger workers. Employment among individuals aged 15 to 24 is now +25.5% year over year.

Canada's jobs recovery ratio, versus the scary plunge from February to April of last year, has improved to 88.6%. In services, the jobs claw-back ratio has climbed above 90%. In the public or government sector, whatever job losses there were in the Spring of last year have been retrieved and then some.



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Canada's seasonally adjusted (SA) unemployment rate now sits at 7.8%, down from 8.2% in May. The nation's not seasonally adjusted (NSA) U rate, though, is a tight 6.0% when adjusted to the same methodological standards as are adopted in the U.S. A 6.0% NSA U rate for Canada is almost an exact match for the comparable U.S. figure of 6.1%.

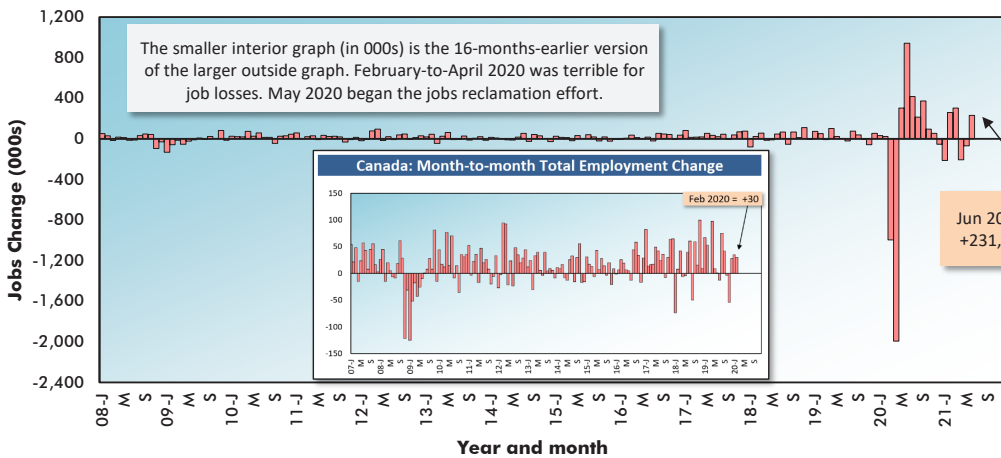
June was not a good month for Canadian jobs creation in either the manufacturing or construction sectors. Payrolls in the former shrank by -12,000, and in the latter by, -24,000.

Year-over-year employment in manufacturing is presently +5.7%, while in construction, it's +6.3%. Monthly Canadian housing starts averaging a gain of 50% versus their historical level are underpinning activity by the nation's construction labour force.

To be continued in *Economy at a Glance*, Vol. 17, Issue 108.

For more articles by Alex Carrick on the Canadian and U.S. economies, please visit: www.constructconnect.com/blog.

Graph I: Canada: Month-to-month Total Employment Change



Latest data point is for June 2021.

Cdn total employment in June 2021 was +1.2% m/m and +8.1% y/y. The y/y change was boosted by a low 'base' effect. June 2020's COVID-impacted figure (i.e., the denominator in the % change calculation) was deeply depressed.

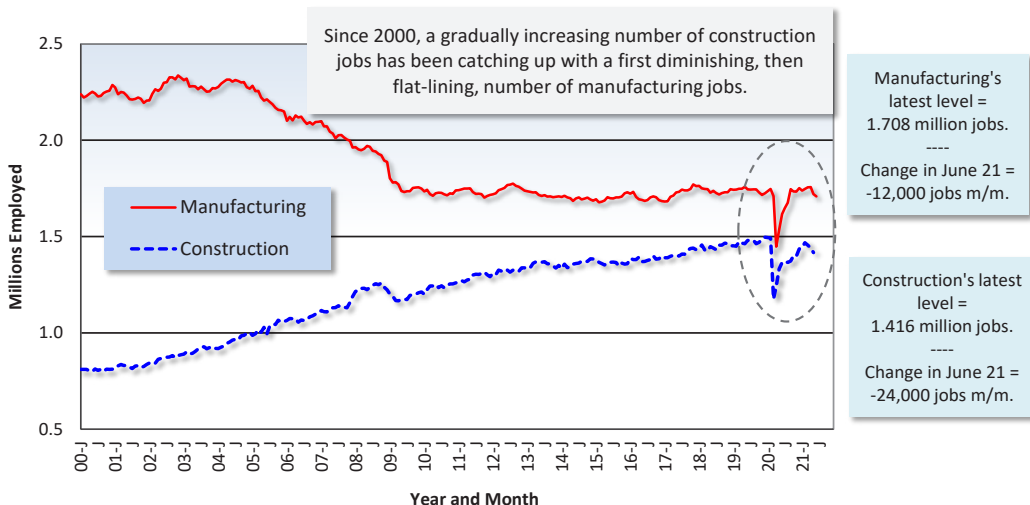
Data sources: Household Survey, Statistics Canada. Chart: ConstructConnect — CanaData.

Table I: Monitoring the Canadian Employment Recovery – June 2021

The Big Drop (revised data) April 2020 vs Feb 2020 (Feb 2020 was last month unaffected by COVID-19)	Change in Number of Jobs (Millions)		% Change		Jobs Recovery Since Apr 2020, Millions	Claw Back Ratio
	Jun 2021 vs Feb 2020 (Feb 2020 was last month unaffected by COVID-19)	Jun 2021 vs May 2021 (i.e., vs previous month)	Jun 2021 vs Feb 2020 (Feb 2020 was last month unaffected by COVID-19)	Jun 2021 vs May 2021 (i.e., vs previous month)		
-2.989 -15.6%	-0.340	0.231	-1.8%	1.2%	2.649	88.6%
-2.319 -15.3%	-0.199	0.279	-1.3%	1.9%	2.120	91.4%
-0.300 -17.2%	-0.039	-0.012	-2.2%	-0.7%	0.261	86.9%
-0.319 -21.3%	-0.079	-0.024	-5.3%	-1.7%	0.240	75.4%
-1.949 -12.5%	-0.336	-0.033	-2.2%	-0.2%	1.614	82.8%
-1.040 -29.1%	-0.005	0.263	-0.1%	8.0%	1.035	99.5%
-2.766 -18.1%	-0.521	0.187	-3.4%	1.3%	2.245	81.2%
-0.223 -5.7%	0.180	0.043	4.6%	1.1%	0.403	180.9%
-0.582 -20.2%	-0.069	0.078	-2.4%	2.9%	0.513	88.1%
-0.615 -50.0%	-0.272	0.101	-22.1%	11.8%	0.344	55.9%
-0.873 -34.2%	-0.078	0.164	-3.0%	7.1%	0.796	91.1%

Data source: Statistics Canada/Chart: ConstructConnect — CanaData.

Graph 2: Manufacturing vs Construction Employment in Canada



The last data points are for June, 2021.

Both sectors managed nice jobs bounce backs after last Spring's debacle, but they've struggled again lately. In 2000, the ratio of construction to manufacturing jobs in Canada was 0.36 to 1.00. Now, it's 0.83 to 1.00.

Data source: Statistics Canada. Chart: ConstructConnect — CanaData.

Economy at a Glance

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Big, but also odd, jobs gain for Canada in June (Part 2)



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Continued from *Economy at a Glance*, Vol. 17, Issue 107.

Returning to the 'all jobs' picture, British Columbia is the only province with an unemployment rate (6.6%) lower than the national figure and a year-over-year increase in jobs (+11.0%) that is higher than the Canada-wide result (see Graph 3).

Earlier this year, Ontario was recording labour market statistics that were disappointing compared with the other provinces.

Lately, though, Ontario has been doing much better with respect to both jobs creation (+8.6% vs +8.1% Canada-wide) and unemployment rate (8.4% vs 7.8% nationally).

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Table 2: Canada's Provincial Labour Markets – June 2021

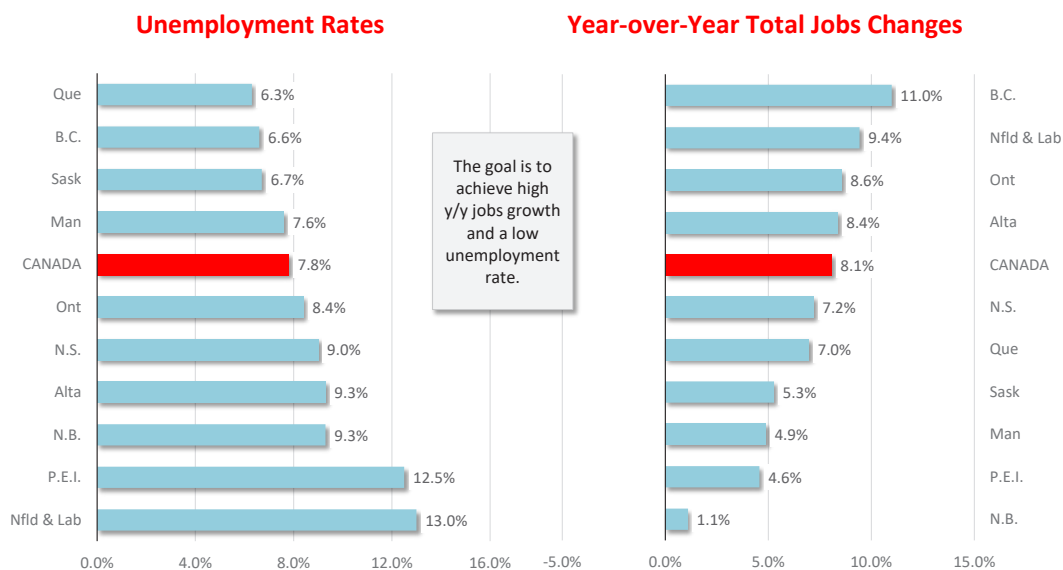
Province	Unemployment rate		Employment (000s)			
	Jun 2020	Jun 2021	Jun 2020	Jun 2021	Net	% change
Newfoundland and Labrador	17.9%	13.0%	200.6	219.5	18.9	9.4%
Prince Edward Island	15.1%	12.5%	74.4	77.8	3.4	4.6%
Nova Scotia	13.3%	9.0%	426.8	457.5	30.7	7.2%
New Brunswick	10.3%	9.3%	354.7	358.6	3.9	1.1%
Québec	10.7%	6.3%	4,012.0	4,291.6	279.6	7.0%
Ontario	12.2%	8.4%	6,725.5	7,300.7	575.2	8.6%
Manitoba	10.3%	7.6%	617.3	647.4	30.1	4.9%
Saskatchewan	11.6%	6.7%	528.9	556.8	27.9	5.3%
Alberta	15.8%	9.3%	2,050.1	2,221.5	171.4	8.4%
British Columbia	13.3%	6.6%	2,395.2	2,658.3	263.1	11.0%
CANADA	12.5%	7.8%	17,385.5	18,789.7	1,404.2	8.1%

Ontario is currently accounting for the largest portion (41.0%) of the national year-over-year jobs increase.

In second spot is Quebec (19.9%), but it's only barely ahead of B.C. (18.7%). Alberta is in fourth (12.2%). By way of comparison, the shares of Canada's total population are: Ontario, 38.8%; Quebec, 22.5%; B.C. 13.5%; Alberta, 11.7%. ... Therefore, B.C. is most clearly 'punching above its weight' in jobs creation.

Data source (seasonally adjusted figures): Statistics Canada/Table: ConstructConnect — CanaData.

Graph 3: Canada's Provincial Labour Markets – June 2021



In June 2021, British Columbia was the only province to record an unemployment rate (6.6%) lower than the total Canada figure (7.8%) and a year-over-year jobs increase (+11.0%) greater than the country-wide performance (+8.1%).

Data source: Statistics Canada/Chart: ConstructConnect — CanaData.

Table 3: Canadian Workforce Earnings, Year Over Year, June 2021

	Y/Y Change
All employees, average weekly	-0.8%
All employees, average hourly	-0.1%
Union coverage, average weekly	0.8%
Union coverage, average hourly	1.5%
Non-union, average weekly	-1.3%
Non-union, average hourly	-0.7%
All employees, full-time average weekly	0.9%
All employees, part-time average weekly	-1.6%

At times last year, with many 'gig' jobs disappearing and some remaining workers earning bonuses for extra hours put in & for risking their health, compensation rates were in double-digit percentage changes. Those influences are now receding. ... In June 2021, the number of full-time jobs was +6.0% y/y, but part-time positions soared even more, +18.0% y/y due to a low base (i.e., low denominator) in the percentage-change calculation. ... These figures are derived from Table 11 of Statistics Canada's monthly Labour Force Survey report.

Based on not seasonally adjusted (NSA) 'current' dollar data. 'Current' means there has been no scaling back to remove effects of inflation.

Data source: Table 11, Statistics Canada's Labour Force Survey. Table: ConstructConnect — CanaData.