

# Cdn Jobs: Super Headline, Saintly Part-Time, Fewer Indy Workers

Canadian employment rose by a hearty 43,000 in January versus consensus expectations of a 15,000 gain and a revised 28,300 drop in December. However, the friendly headline comes with a big but...part-time jobs accounted for almost all of the gain, rising 41,500, while full-time was up a meagre 1,400. Still, part-time jobs are better than none, and the unemployment rate dipped a tick to 8.3%, after three months of holding at 8.4%. All of the job gains were in services, and—more encouragingly—in the private sector (+53.7k), as self-employment actually fell last month. Average hourly wages eased again to a mild 1.8% y/y from 2.4%, amid a still relatively high jobless rate.

Goods-producing sectors saw job losses almost across the board, as manufacturing fell 15.7k, and construction dipped. On the flip side, services added jobs, led by a 34.4k rise in management & administration, and a 23.4k rise in retail & wholesale trade. Education has been the strongest sector in the past year (+4.6% y/y), but was flat last month. Six provinces saw gains in January, led by a 30,300 advance in Ontario and a 12,000 pick-up in B.C. Quebec's jobless rate tumbled 4 ticks to 8.0%, and is now well below the national average and more than a point below Ontario's (which was flat at 9.2%).

|                                    | Jan   | Dec   | Nov   | (average change) |          |
|------------------------------------|-------|-------|-------|------------------|----------|
| (thousands)                        |       |       |       | 3-month          | 12-month |
| <b>Total</b>                       | 43.0  | -28.3 | 72.2  | 29.0             | -1.3     |
| (month/month % change)             | 0.3   | -0.2  | 0.4   | 2.1 **           | -0.1 *** |
| <b>Full-Time</b>                   | 1.4   | -29.4 | 15.4  | -4.2             | -6.0     |
| <b>Part-Time</b>                   | 41.5  | 1.3   | 56.6  | 33.1             | 4.7      |
| <b>Goods Producing</b>             | -23.1 | -15.5 | 4.6   | -11.3            | -12.3    |
| <b>Manufacturing</b>               | -15.7 | -12.1 | 10.2  | -5.9             | -7.9     |
| <b>Construction</b>                | -0.4  | 4.5   | -10.3 | -2.1             | -1.2     |
| <b>Service Producing</b>           | 66.1  | -12.8 | 67.6  | 40.3             | 11.0     |
| <b>Trade</b>                       | 23.4  | 17.0  | 6.3   | 15.6             | 2.7      |
| <b>Unemployment Rate (%)</b>       | 8.3   | 8.4   | 8.4   | 8.4 *            | 7.3 *    |
| <b>Avg. Hr. Wages (y/y % chng)</b> | 1.8   | 2.4   | 2.3   | 3.3 *            | 4.8 *    |

\* 3 and 12 months ago    \*\* 3-month % change, a.r.    \*\*\* year/year % change

**The Bottom Line:** The erratic labour market recovery continues. While the details of this report were less impressive than the headline results, there is little doubt that the job market is grinding forward. Note that employment is now just 0.1% below year-ago levels, an amazingly quick turnaround from the dismal conditions of early last year, all things considered. Douglas Porter, 416-359-4887