

It's a Small-Town World After All

A Publication of BMO Capital Markets Economic Research • Douglas Porter, CFA, Chief Economist, BMO Financial Group

Canadian employment continued to rebound in June, but has only clawed back 41% of the pandemic losses, and remains 9.2% below peak levels. Regionally, every province has been hit by the pandemic, and we're starting to see the fallout more clearly after some wild swings in the data.

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Provincial Labour Market Summary

June 2020

	Employment		Unemp. Rate		Emp. Rate	Pre-COVID to:	
	(000s : 3-mo. chng)	(y/y % chng)	(%)	(ppts : y/y)		Trough (%)	Latest (%)
Canada	-751.3	-8.5	12.3	6.7	56.0	-15.7	-9.2
BC	-102.7	-10.4	13.0	8.4	55.3	-15.6	-9.3
AB	-124.0	-11.3	15.5	8.8	58.4	-15.5	-10.3
SK	-22.0	-7.5	11.6	6.4	60.2	-12.7	-7.4
MB	-22.2	-5.1	10.1	4.4	58.9	-13.5	-7.2
ON	-375.8	-8.8	12.2	6.7	55.0	-15.3	-10.3
QC	-78.1	-6.7	10.7	5.8	56.8	-18.7	-7.8
NB	4.6	-2.4	9.9	2.0	55.1	-13.7	-2.9
NS	-13.1	-7.5	13.0	6.3	53.1	-16.0	-8.0
PEI	-4.9	-5.3	15.2	6.1	56.1	-14.0	-8.7
NL	-13.2	-9.0	16.5	3.4	46.5	-15.7	-8.5

On a peak-to-trough basis, Canadian employment fell 15.7%. **Quebec** was hardest hit, down almost 19% amid more aggressive shutdowns (notably a full closure of the construction sector not seen anywhere else). Interestingly, however, the province has come back faster than most, and is now 'only' 7.8% below pre-COVID levels (versus 9.2% nationally).

On the other end of the spectrum, **Manitoba, Saskatchewan** and **New Brunswick** have seen smaller-than-average peak-to-trough declines, and shallower-than-average holes currently versus pre-COVID levels.

Double-digit jobless rates persisted across the country (with the exception of New Brunswick) in June.

At the city level, we won't dwell too much on the current rankings given deep dislocations in the data. But one thing that stands out is how the **larger urban centres have slumped** to the bottom quartile (i.e., they have been hit relatively hard by COVID). Montreal, Calgary and Vancouver are all near the bottom, while Toronto (a top performer pre-COVID) is now down in the bottom half.

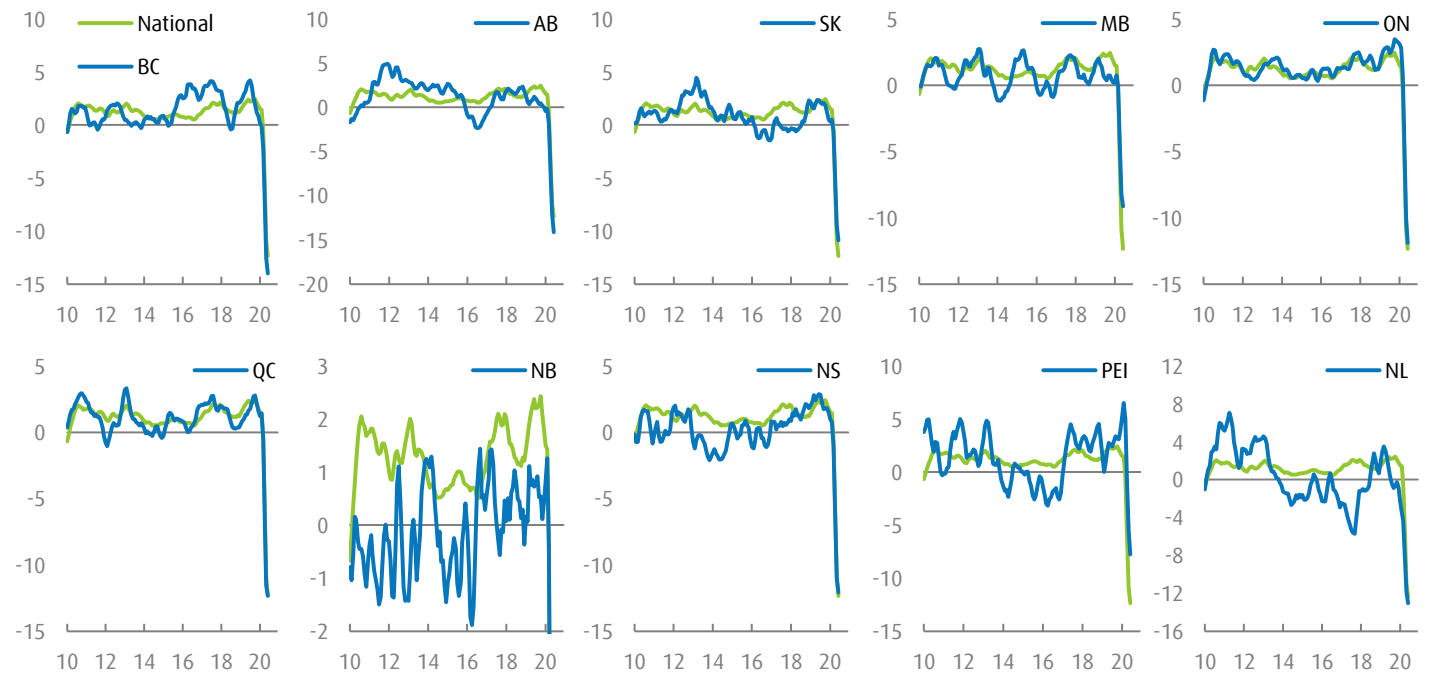
City Labour Market Performance Ranking

	Overall Rank ¹	(y/y chng)	Pop. (y/y % chng)	Emp. (y/y % chng)	Unemp. Rate (%)	Rate	
						(y/y % chng)	(%)
		Weights:		15%	30%	20%	15%
Moncton, NB	1	↑ 19	2.0	-2.7	9.1	3.2	60.0
Ottawa, ON	2	↑ 24	2.2	-6.3	9.0	3.5	59.2
Abbotsford, BC	3	↑ 11	2.9	-11.8	8.8	3.4	55.1
Kelowna, BC	4	↑ 3	2.4	-10.0	10.2	5.9	56.5
Victoria, BC	5	↑ 17	2.0	-8.1	11.0	7.0	54.7
St. John's, NL	6	↑ 22	0.8	-9.7	11.6	3.7	55.5
Winnipeg, MB	7	↑ 4	1.5	-8.9	11.7	6.5	57.5
Halifax, NS	8	—	2.4	-11.0	11.9	6.6	56.8
London, ON	9	↑ 20	1.7	-4.5	12.6	7.5	51.3
Sudbury, ON	10	↑ 7	0.1	-12.6	9.4	4.1	52.9
Barrie, ON	11	↑ 2	1.9	-20.7	10.8	4.4	63.8
Oshawa, ON	12	↑ 15	1.8	-11.9	11.8	6.7	55.7
Sherbrooke, QC	13	↓ 1	1.4	-9.5	11.6	7.7	54.5
Saskatoon, SK	14	↑ 1	2.3	-10.2	14.1	8.1	57.2
Regina, SK	15	↓ 11	1.9	-15.0	11.6	6.9	57.2
Saint John, NB	16	↑ 3	1.0	-13.3	11.5	5.4	53.4
Hamilton, ON	17	↑ 6	1.3	-10.9	12.1	7.4	54.1
Kitchener, ON	18	↓ 15	1.9	-14.6	12.2	7.3	57.3
Toronto, ON	19	↓ 3	2.4	-13.0	13.6	7.7	53.3
Brantford, ON	20	↓ 19	1.4	-14.2	12.6	7.9	58.0
Trois-Rivieres, QC	21	↑ 10	0.5	-10.4	12.6	6.9	51.0
Guelph, ON	22	↓ 17	2.4	-12.5	14.9	9.8	58.4
Kingston, ON	23	↓ 13	1.5	-13.5	12.4	7.7	52.2
Peterborough, ON	24	↑ 8	1.2	-19.4	9.5	4.2	46.3
Thunder Bay, ON	25	↑ 8	-0.3	-15.0	11.1	5.6	49.9
Montreal, QC	26	↓ 2	1.6	-11.2	15.1	9.5	54.8
St. Catharines, ON	27	↑ 3	1.2	-13.1	12.9	7.3	47.1
Calgary, AB	28	↓ 19	2.3	-15.4	15.6	8.8	57.3
Vancouver, BC	29	↓ 23	2.2	-16.8	13.1	9.0	53.3
Edmonton, AB	30	↓ 5	2.3	-16.0	15.7	8.6	55.2
Quebec City, QC	31	↓ 29	0.6	-17.2	11.9	9.5	56.4
Saguenay, QC	32	↓ 11	-0.5	-12.0	12.9	8.0	50.5
Windsor, ON	33	↓ 15	1.6	-20.7	15.2	9.5	45.8

¹ based on wtd. avg. number of std. deviations away from 33-city average, across five categories

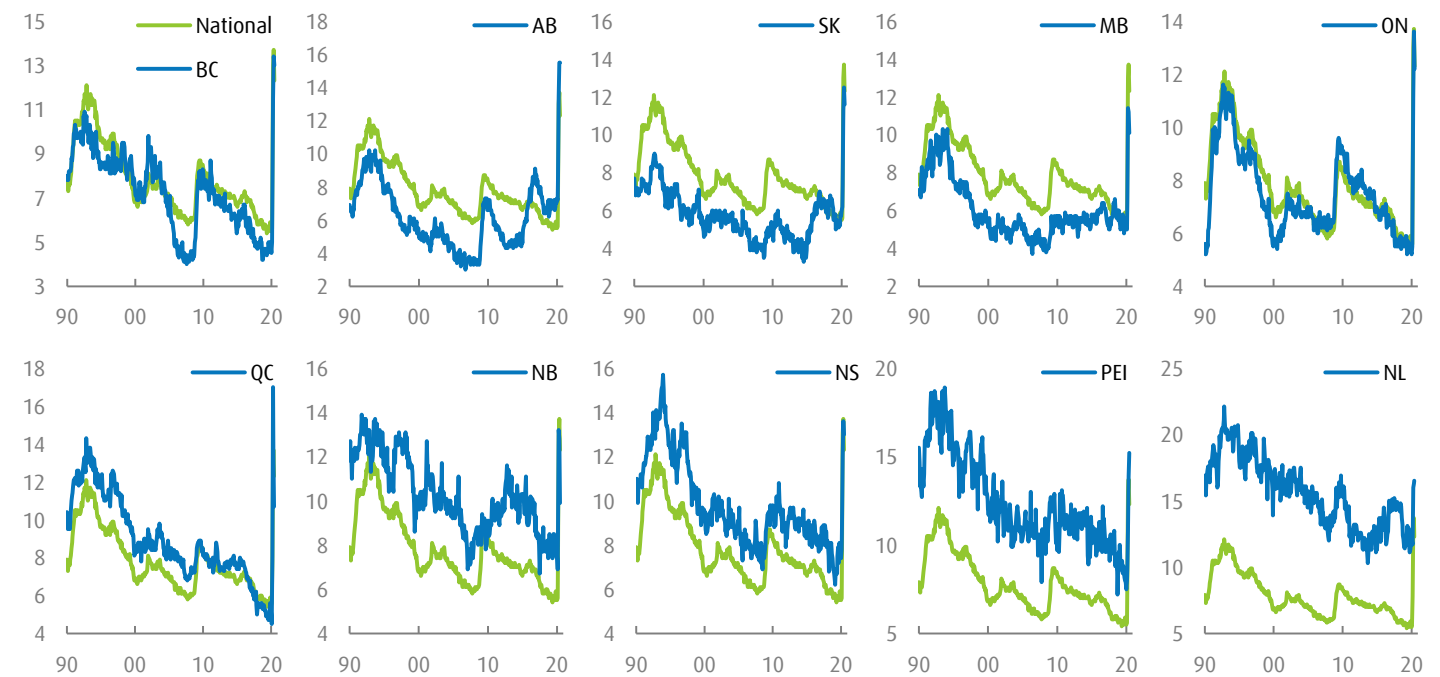
Employment Growth

(y/y % chng : 3-mnth m.a.)



Unemployment Rate

(percent)



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