



Highlights

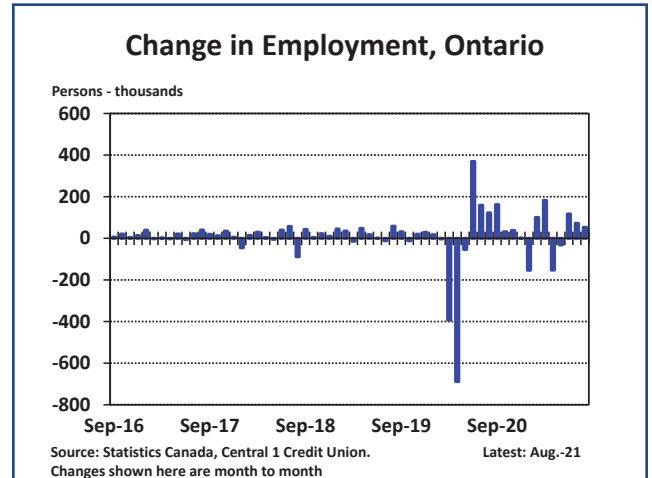
- Unemployment rate down to 8.0 per cent
- Employers taking a cautious approach as most new hiring continued to occur in part-time

Employment continues to expand but mostly in part-time

This week Statistics Canada released its latest Labour Force Survey. In August the unemployment rate continued to fall for the third consecutive month, averaging 7.6 per cent in August down from 8.0 per cent in July. Employers hired 53,000 new workers (up 0.7 per cent) while the labour force expanded by 18,600 workers (up 0.2 per cent). A trend to keep an eye on is the rate of growth of hiring; since June, hiring has continued to expand but at a slower rate. Moreover, employers continue hiring the majority of workers as part-time (86.2 per cent share in August). Despite the high vaccination rates in the province employers remain uncertain and cautious about future hiring plans. The announcement of vaccine passports in the province on September 1, 2021 may help insulate the province from further lockdowns and lift employer confidence when they are introduced on September 22.

Of the 53,000 net new workers hired in August, the private sector accounted for 39,600 and the public sector accounted for 27,200 workers while the tally of self-employed Ontarians fell 13,800. Public sector hirings increased after a decline of 12,700 workers in July.

While the goods-sector shed 14,000 jobs, largely in utilities (2,400 net job losses) and manufacturing (21,000 net jobs losses), these were only partially offset by gains in construction (10,000 new hirings) with the services sector hired 67,000 new workers. Significant hiring occurred in the following areas:

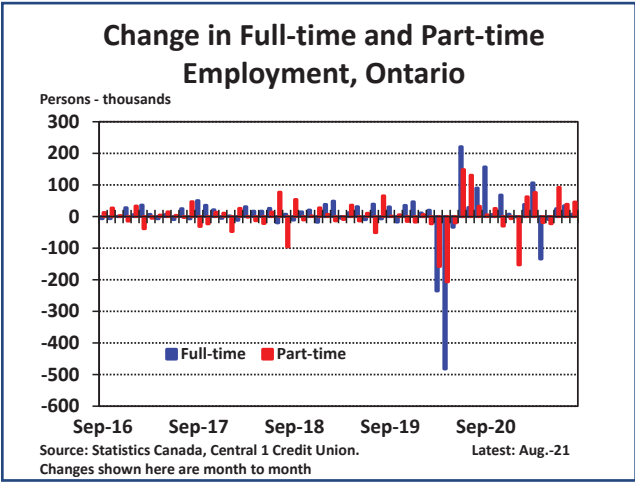


- Professional, scientific and technical services (13,100 new hires)
- Educational services (27,100 net new hires)
- Information, culture and recreation (26,900 net new hires)
- Accommodation and food services (50,600 net new hires)

Significant job losses in services occurred in the following areas:

- Transportation and warehousing (2,800 net jobs loss)
- Finance, insurance, real estate, and leasing (11,400 net jobs loss)
- Health and social assistance (11,300 net jobs loss)

Compared to pre-pandemic activity from February 2020 there is still ample slack in the economy. The unemployment rate is still a long way from where it was prior to the pandemic (5.5 per cent in February 2020). And while part-time work has recovered, there are still a significant number of full-time jobs that have not returned (107,300 jobs).



Some of the hiring in August, especially in part-time work in high-contact services, is likely due to hiring of students for the summer. Hiring in educational services is likely due to school boards and related areas such as tutorial services preparing for the new school year in September. The drop in health and social assistance could be the province drawing down the COVID-19 vaccine campaign now that many Ontarians are fully vaccinated.

In the goods sector, manufacturing continues to be hampered by supply chains issues and this is stalling production leading to job losses. Construction hiring in August was strong as a large backlog of residential and non-residential projects need to be finished.

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