



Labour market steady even as winter chill and economic risk weigh

Inclement weather and economic uncertainty cut into Canadian labour market momentum in February, but most major indicators managed to hold steady. Total employment was unchanged (up 1.1k) from January at 20.99 million people, albeit up 2.0 per cent year-over-year, while the unemployment rate held at 6.6 per cent. A slip in the labour force participation rate contributed to the latter, as did weaker population growth. Wage growth accelerated to a 3.8 per cent year-over-year rate, up from 3.5 per cent.

Steady employment masked some deviations below the surface. Job quality likely deteriorated with some shuffling among industries and the part-time and full-time share of work. Part-time work increased 0.5 per cent (20k) during the month, as full-time work slid 0.1 per cent (19.7k). Net losses were in the self-employed space. This could reflect some adjustment in hours at the margin for workers amidst signs that tariff threats are curbing investments and expansion. Total hours worked during the month declined 1.3 per cent from January. Inclement weather likely impacted some segments as heavy snow blanketed Central and Eastern Canada during the LFS reference week.

The flat jobless rate is notable and reflects some of the challenges of the labour market. A decline in the participation rate means a lower proportion of people are actively searching for work, while growth in the working age population is slowing by extension of federal policies. This is holding down the unemployment rate.

Among sectors, goods-producing industries fell back which looks to have coincided with both weather issues and tariffs risks that intensified in February. Utilities employment fell 7.8k or 5.0 per cent, while construction and manufacturing both declined by 5k or 0.3 per cent. Manufacturing weakness may have been reflected in some tariff adjustments. Services oriented employment nudged up 20.1k or 0.1 per cent with a stronger pick up in retail/wholesale trade of 50.8k or 1.7 per cent but off set by a sharp decline in transportation/warehousing (23k or 2.1 per cent) and professional/scientific/technical services (32.9k or 1.6 per cent). Aside from a decline in broader aggregate private services, employment was flat in other sectors.

Provincially, employment declines were concentrated in Atlantic Canada with employment down 0.2 to 0.8 per cent dependent on province, and to a lesser extent in B.C. at 0.2 per cent. Ontario recorded the largest increase at 0.2 per cent. The unemployment rate was the lowest in Quebec (5.3 per cent), Saskatchewan (5.4 per cent) and B.C. (6.0 per cent). Higher rates persisted in Ontario (7.3 per cent), Alberta (6.7 per cent) and provinces in the Atlantic.

Broadly this was a tame labour market report and businesses hit by weather impacts while businesses sat on their hands awaiting trade policy outcomes. If anything, given these factors, performance was on the rosy side. While the waffling of the U.S. on tariffs points again to some short-term relief, uncertainty will continue, and investment will remain sluggish. Growth in the economy will slow, with tariff outcomes driving the magnitude. On the monetary policy front, expectations are fluid, a nudging up of wage growth, and flat unemployment alongside recent data pointing to a solid economic start to 2025 could keep the Bank of Canada on the sidelines on March 12, we expect cuts to continue thereafter towards 2 per cent.

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Feb-2025		Canada Labour Force Survey (LFS) Summary						
Indicator	Latest	prior month	m/m person ch	m/m ch.	prior m/m ch	y/y ch.	prior y/y ch.	YTD ch.
	Persons, 000s			Per Cent				
Employed	20,994.5	20,993.4	1.1	0.0	0.4	1.9	2.0	1.9
Full-time	17,166.2	17,185.9	-19.7	-0.1	0.2	1.6	2.0	1.8
Part-time	3,828.3	3,807.5	20.8	0.5	1.1	3.3	1.9	2.6
Labour Force	22,467.2	22,484.0	-16.8	-0.1	0.3	2.6	3.1	2.8
Working age population	34,388.2	34,340.8	47.4	0.1	0.2	3.0	3.2	3.1
	Per Cent			Per Cent				
Unemployment Rate	6.6	6.6		0.0	-0.1	0.7	0.9	0.8
Employment Rate	61.1	61.1		0.0	0.1	-0.6	-0.7	-0.6
Participation Rate	65.3	65.5		-0.2	0.1	-0.3	-0.1	-0.2
Average wage (\$)	36.1	36.0		0.4	0.4	3.8	3.5	3.7

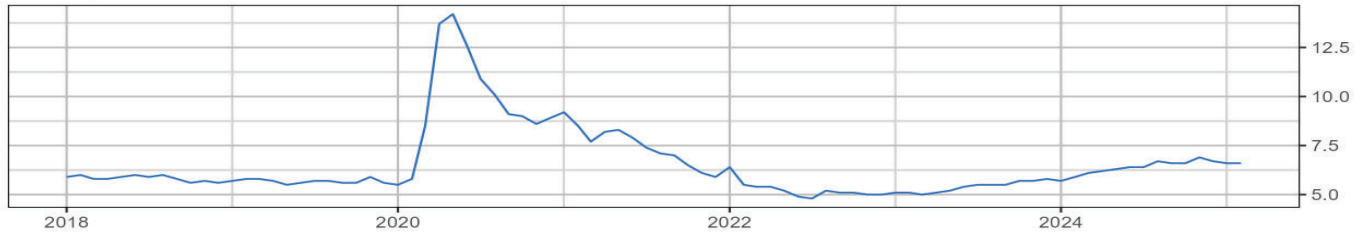
Canada Employment by Industry				
Industry	Employed, 000s	Monthly change	Monthly % change	12- month % change
Total	20,994.5	1.1	0.0	1.9
Goods	4,242.2	-19.5	-0.5	1.5
Agriculture	238.6	-1.2	-0.5	3.7
Primary resources	336.4	-0.7	-0.2	-3.2
Utilities	148.0	-7.8	-5.0	-5.6
Construction	1,646.2	-5.0	-0.3	2.5
Manufacturing	1,873.0	-4.8	-0.3	1.9
Services	16,752.4	20.6	0.1	2.0
Wholesale/Retail Trade	2,997.4	50.8	1.7	0.9
Transportation/Warehousing	1,068.9	-23.0	-2.1	-2.6
Finance/Insurance/RE	1,459.3	15.6	1.1	4.3
Professional/Scientific/Technical Service	1,986.1	-32.9	-1.6	1.1
Business Support	729.9	3.5	0.5	6.3
Education	1,599.2	2.3	0.1	2.9
Healthcare/Social Assistance	2,878.8	2.2	0.1	4.8
Information/Culture/Recreation	855.7	3.2	0.4	1.5
Accommodation/Foodservices	1,180.1	4.2	0.4	4.3
Other Private Service	761.3	-9.7	-1.3	-6.1
Public Administration	1,235.7	4.4	0.4	0.8
Employment by Class				
Private-Sector	13,744.9	10.2	0.1	1.7
Public-Sector	4,529.5	7.6	0.2	2.3
Self Employed	2,720.1	-16.8	-0.6	2.3

Labour Market Summary by Province					
Province	Employed, 000s	m/m % change	y/y % change	Unemployment Rate	Participation Rate
CAN	20,994.5	0.0	1.9	6.6	65.3
BC	2,939.2	-0.2	1.0	6.0	64.9
AB	2,566.2	-0.1	2.4	6.7	68.6
SK	606.9	0.1	1.4	5.4	66.8
MB	732.0	0.1	2.2	6.1	66.8
ON	8,257.3	0.2	2.4	7.3	65.3
QC	4,632.2	-0.1	1.8	5.3	64.8
NB	401.4	-0.4	1.5	7.5	60.4
NS	522.9	-0.8	-0.3	6.6	61.5
PEI	93.8	-0.5	2.0	7.8	66.6
NL	242.7	-0.2	-1.3	10.5	57.7

Canada Labour Market Conditions

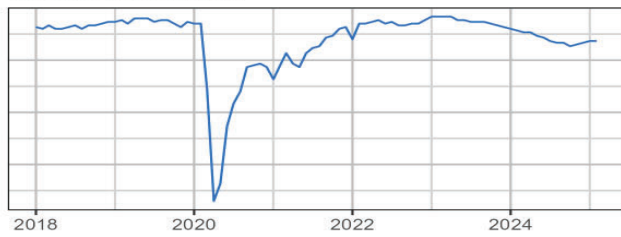
Unemployment Rate (%)

Last data point: 2025-02-01



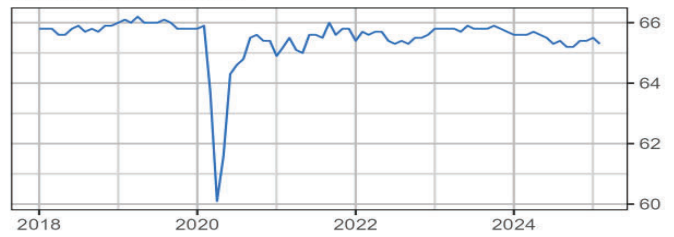
Employment Rate

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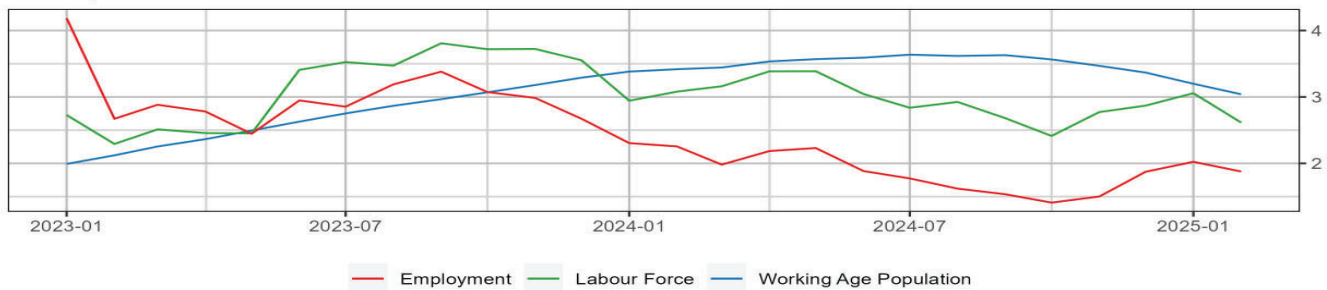
Participation Rate

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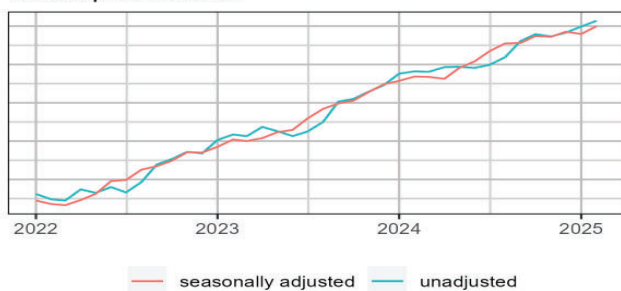
Labour Indicators, 12-month % ch

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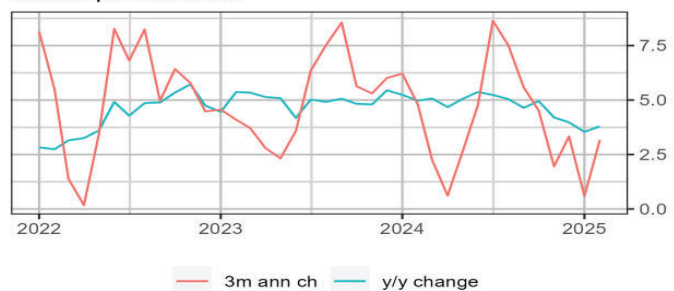
Average hourly wage

Last data point: 2025-02-01



Average hourly wage growth (%)

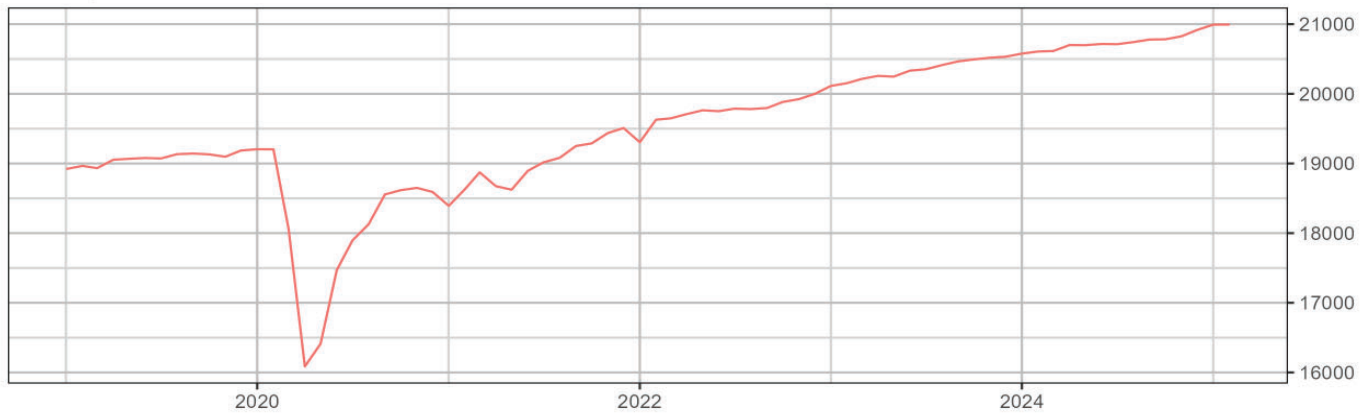
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Canada LFS Employment

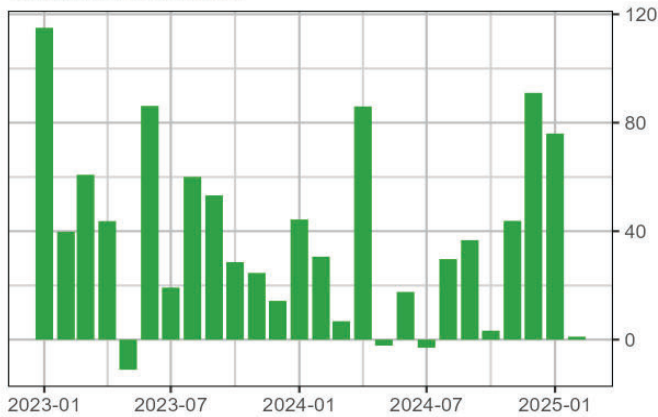
Employment, 000s

Last data point: 2025-02-01



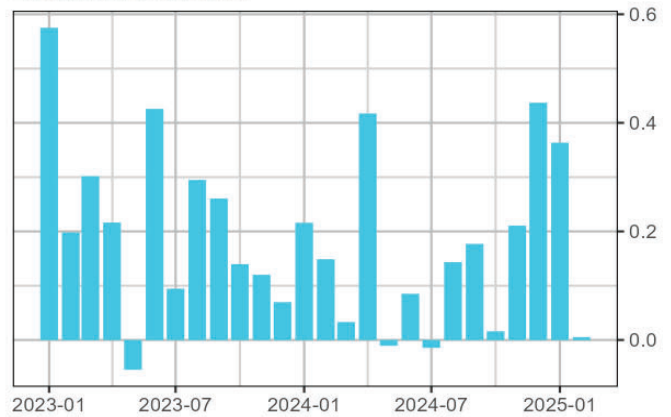
Monthly ch 000s

Last data point: 2025-02-01



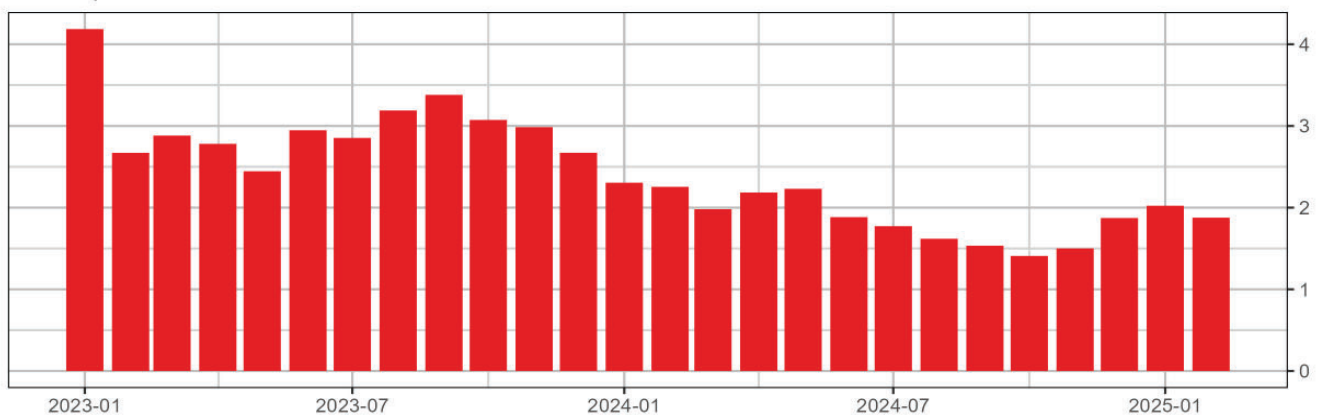
Monthly ch (%)

Last data point: 2025-02-01



12-month ch (%)

Last data point: 2025-02-01

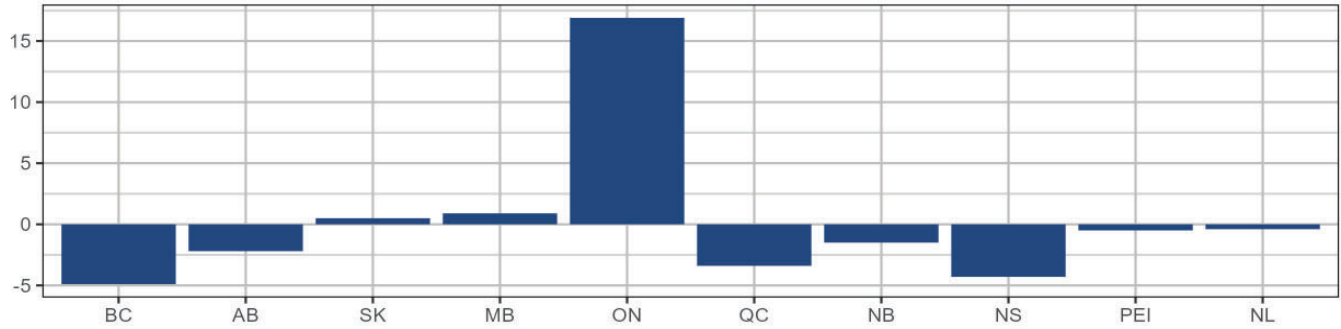


Statistics Canada, Central 1

Provincial Labour Market Highlights

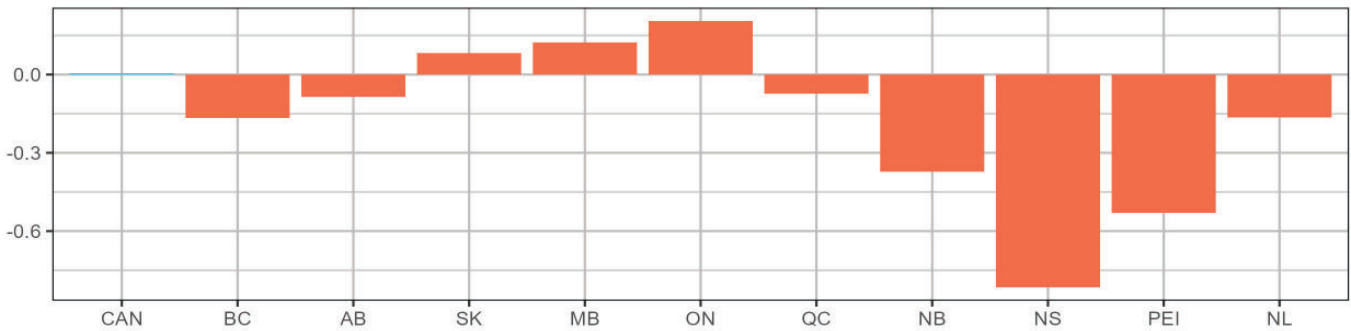
Employment by Province, m/m ch (000s)

Last data point: 2025-02-01



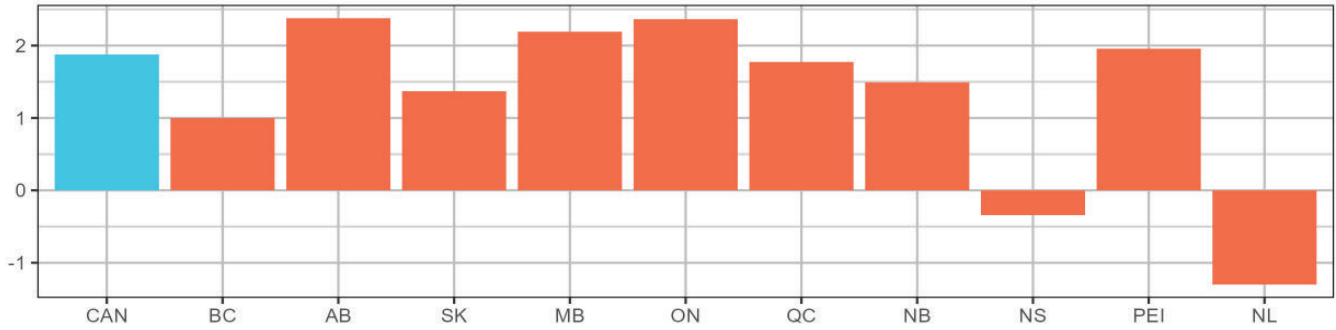
Employment by Province, m/m % ch

Last data point: 2025-02-01



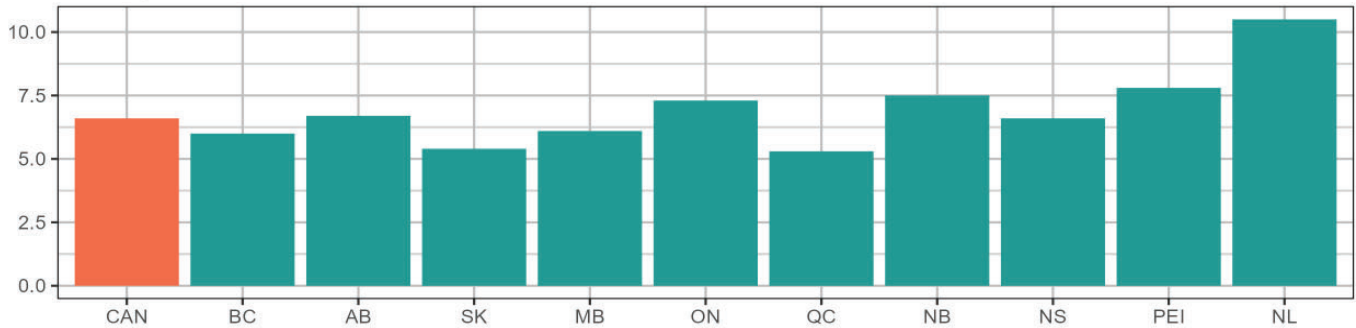
Employment by Province, y/y % ch

Last data point: 2025-02-01



Unemployment Rate by Province, %

Last data point: 2025-02-01



Statistics Canada, Central 1