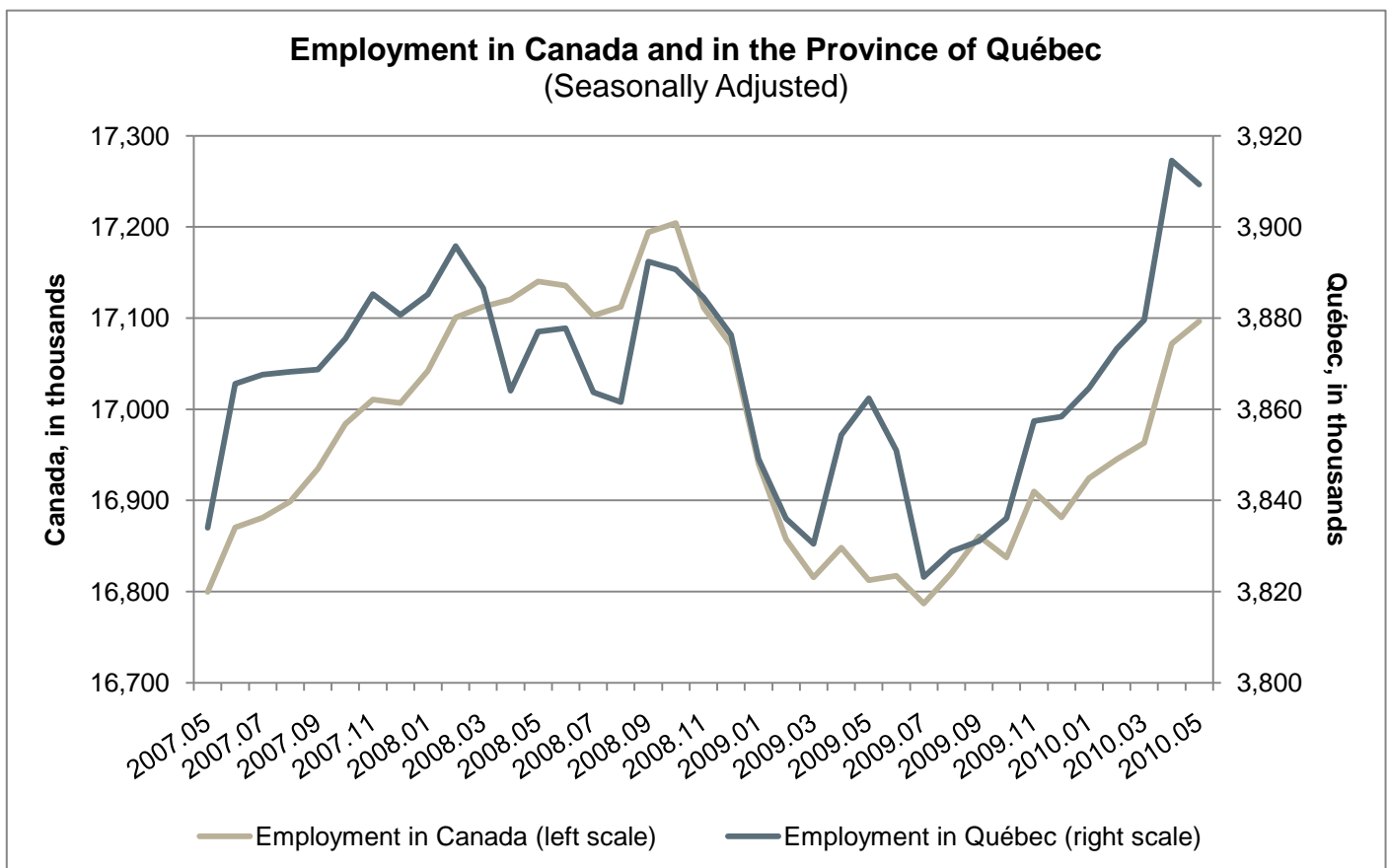


Employment Continued to Increase in Canada and Fell Slightly in Quebec in May

According to Statistics Canada, Canada's employment rate (seasonally adjusted) registered a fifth consecutive monthly increase as 24,700 jobs were created across the country in May 2010. In Québec, employment decreased slightly as 5,300 jobs were lost in May, putting an end to a series of nine consecutive monthly increases. Remember that employment increased sharply in Québec last month, as 35,000 jobs were created in April, enabling the province to reach an employment rate that was higher than that observed before the recession.

In Canada, despite the increase, employment is still lower than it was when it peaked in October 2008. In contrast, in Québec, the number of jobs has remained above the level reached before the recession. The province had 16,900 more jobs in May 2010 than it did in September 2008, when employment started to decrease.



Source: Statistics Canada

In May 2010, the unemployment rate remained stable in Canada at 8.1 per cent and increased slightly in Québec (+0.1 per cent) to reach 8 per cent.

To view the official Statistics Canada release, [click here](#).

Details About Employment and the Unemployment Rate

Employment and the unemployment rate are the two main indicators of labour market conditions. The employment level is measured monthly in the Labour Force Survey (LFS), published by Statistics Canada. The unemployment rate, also published in the LFS, measures the proportion of unemployed persons compared to the active population :

$$\text{Unemployment Rate} = \frac{\text{Number of unemployed persons}}{\text{Active population}} \times 100$$

with

Active population = People who are working + people who are unemployed

and

Unemployed Person = An individual aged 15 and over who is unemployed,
but who is prepared to work and is seeking work

The evolution of the unemployment rate therefore depends on the relative variation in the number of jobs and the number of unemployed persons. Thus, even if there's a decline in employment, the unemployment rate can also decrease if the number of unemployed persons decreases proportionately faster than the number of employed persons. Conversely, if there's an increase in employment, the unemployment rate can also increase if the number of unemployed persons increases proportionately faster than the number of employed persons.

The series on employment and the unemployment rate provided by Statistics Canada began in 1986. Data for Canada and Québec are published monthly. Data for the six Census Metropolitan Areas (CMAs) and the 17 administrative regions¹ (ARs), (seasonally adjusted for the CMAs and not adjusted for the ARs) are also published monthly, but as three-month moving averages. Statistics Canada publishes data on an annual basis for the following cities: Sept-Îles, Baie-Comeau, Rimouski, Shawinigan, Drummondville, Granby, Saint-Jean-sur-Richelieu and Rouyn-Noranda/Val-d'Or.

The Labour Market and the Resale Market in Québec

Labour market conditions have a direct impact on the real estate market. However, these effects are often delayed so they are felt in the medium and long term. Only a sustainable trend (upward or downward) in employment level and in the unemployment rate has an influence on real estate market activity. It is therefore preferable to rely on the long-term trend that these two indicators follow.

¹ Statistics Canada jointly publishes data for the Côte-Nord region and the Nord-du-Québec region.