



6-day home delivery

Globe Unlimited

JUST \$19⁹⁹
/MONTHFOR 4
MONTHS

GET IT NOW

ANALYSIS

Jobs bounce clouds worrying trends

[Tavia Grant](#)

The Globe and Mail

Published Friday, Sep. 17 2010, 6:39 PM EDT

Last updated Thursday, Aug. 23 2012, 4:23 PM EDT

All the jobs lost during the recession in Canada have now been recouped, a feat that suggests the labour market has repaired itself in a mere four quarters, much faster than in previous recoveries.

But a closer look at Statistics Canada data shows the quality of the labour market has deteriorated by many measures compared with the pre-recession scene.

More related to this story

- [Canadian labour productivity slips](#)
- [Job creation tepid in lacklustre economy](#)
- [U.S. slowdown hits Canadian factories](#)

Manufacturing, traditionally a source of higher-paying work, now sits at a 34-year low. Contract jobs are proliferating, and part-time jobs have been added at a faster clip than full-time work.

The average duration of unemployment is longer than it was a year ago, even as some new jobs are being created. Nearly a third of people working part time are doing so involuntarily, meaning they'd rather be full time. Hours worked remain below the previous level, suggesting many people are still feeling their incomes squeezed.

It all adds to the picture of a jobs market that has shifted into slow-growth mode, due in large part to the clouds hanging over the U.S. economy.

"I am cautiously optimistic - very cautiously. The big question mark is sustainability," said David Green, head of University of British Columbia's economics department. Several key concerns remain, he added, including youth joblessness and the rising period of time it's taking the unemployed to find jobs.

The unemployment rate among people aged 15 to 24 in Canada reached 14.6 per cent last month. And hours worked for students tumbled to a near-record low this summer. That weakness could have a long-lasting impact on young people's ability to gain experience and generate decent incomes, past studies have shown.

"Competition is fierce," said Kerry Donnelly, co-ordinator at Youth Employment Resource Centre in Nelson, B.C. "We continue to see a great number of highly educated and in some cases overqualified persons competing for lower-level jobs, leaving inexperienced youth with little hope of acquiring these limited opportunities."

The jobs market has clearly changed course. Some positions in Canada, such as forestry and factory jobs, will never return. Jobs that didn't exist before, like iPad app developers, are being created.

But despite a labour pool with more than 1.5 million Canadians out of work, some employers are not able to fill niche positions.

"There's a mismatch between the skills we look for and the large ranks of unemployed people," said Marlene Adelson, national talent leader at Deloitte, which is having a hard time filling hundreds of positions ranging from bankruptcy trustees to IT people and consultants.

She's not alone. In the tech hub of Waterloo, Ont., Yvan Couture, chief executive officer of Primal Fusion Inc., says he's looking to the U.S. to fill niche jobs at his Internet automation platform company.

The jobs news is not all discouraging; Employment in Manitoba, PEI, Saskatchewan and Quebec is now higher than before the recession. Older workers are landing jobs. Some industries on the services side of the economy have galloped ahead.

Nowhere is the growth, from pre-recession levels, been greater than in professional, scientific and technical services, where employment is up 8.3 per cent since the start of 2008. Within that category, the growth lies in architectural, engineering and design services along with management, scientific and technical services, according to data provided to The Globe and Mail by Statistics Canada.

But companies are having a tough time filling those categories, said Gabriel Bouchard, president of Workopolis, Canada's largest online job board.

"We're going through some transformation in the labour market in Canada," he said. "We need significantly more science and technology training and a realignment of the educational system. But it all takes time."

Employers' reluctance to make long-term decisions on hiring can be explained with one word the Bank of Canada is also throwing around: uncertainty.

"The stock market and the labour market and the economy are so confusing for people right now, we don't know if things are going up, down or sideways," said Deloitte's Ms. Adelson. "That makes it more challenging than we've seen in the last decade."

WORRISOME TRENDS

Part time: Part time employment has risen 3.1 per cent in the past year, compared to a 2.2-per-cent increase in full-time jobs.

Involuntary part timers: Almost a third, or 30 per cent, of part-time workers would rather have full-time hours.

Discouraged workers: The jobless rate including discouraged workers and involuntary part-timers is 11.6 per cent, only slightly below the 12 per cent level reached last year.

Duration: The average duration of unemployment has risen to 19.4 weeks from 17.6 weeks last year.

Hours worked: Hours have been increasing this year, but remain well below the employment peak of October, 2008.

Source: Statistics Canada comparison of August, 2009, and August, 2010.

Follow Tavia Grant on Twitter: [@taviagrants](https://twitter.com/@taviagrants) [<https://twitter.com/@taviagrants>]

More related to this story

- [Debt-laden consumers take the wind out of recovery's sails](#)
- [Where the jobs are](#)
- [Canadian employment climbs](#)