

Payroll employment, earnings and hours, May 2020

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May data are now available from the Survey of Employment, Payrolls and Hours (SEPH), which provides monthly information on payroll employment, earnings and hours worked for Canada, the provinces and territories.

By the end of May, some provinces (i.e., British Columbia, Saskatchewan, Manitoba, Quebec and the Atlantic provinces with the exception of Nova Scotia) had begun to re-evaluate and gradually ease COVID-19 public health restrictions, including allowing some non-essential businesses to reopen. In contrast, the COVID-19 economic shutdown was still largely in place in Alberta, Ontario and Nova Scotia. In May, Canadian workers and employers affected by the COVID-19 economic shutdown continued to receive benefits from a number of government support programs, including the Canada Emergency Response Benefit (CERB) and the Canada Emergency Wage Subsidy (CEWS).

Since the beginning of the COVID-19 economic shutdown, Statistics Canada has been committed to capturing the impact of COVID-19 on the labour force. In conjunction with Labour Force Survey (LFS) data, SEPH data contribute to this understanding, in large part by providing detailed subsector and industry statistics.

LFS measures of work absences have been essential in capturing the labour market dynamics involved in the sudden shutdown and then gradual restart of large sectors of the economy. SEPH provides an account of payroll employment, that is, the number of employees receiving pay or benefits during a given month.

SEPH payroll employment estimates are based on a census of payroll deduction accounts provided by the Canada Revenue Agency, in which employers report the number of employees receiving pay or benefits during a given pay period. Hours and earnings estimates are derived from an integration of this payroll deduction information and the Business Payrolls Survey. SEPH payroll employment excludes the self-employed, owners and partners of unincorporated businesses and professional practices, and employees in the agricultural sector.

Easing of COVID-19 restrictions not yet reflected in May payroll employment

Following large COVID-19-related employment declines in March (-1.0 million) and April (-2.0 million), LFS employment increased by 290,000 (+1.8%) in May, as the initial easing of COVID-19 restrictions allowed some Canadians to begin returning to work.

Since the beginning of the COVID-19 economic shutdown, the LFS has recorded a sizable increase in absences from work, as a large number of Canadians continue to have an attachment to a job but are not being paid by their employer.

As of the LFS reference week of May 10th to 16th, the number of people who were employed but had been absent from work for more than four weeks, and were not paid during the reference week, was approximately 967,000 higher (not seasonally adjusted) than pre-COVID February levels. Some may have received income from government support programs including the CERB.

The number of Canadians receiving pay from their employer is measured in SEPH as payroll employment. SEPH payroll employment decreased in May, falling 585,100 (-4.1%). This followed declines in March (-0.9 million) and April (-1.9 million), and brought total payroll employment losses since February to 3.4 million (-19.9%).

Since SEPH payroll employment is a measure of the number of people actually receiving pay or benefits, it is unlikely to capture those on long-term unpaid absences from work. Payroll employment includes only those employees who received any pay or special payments during the last seven days of the SEPH reference month (May 25 to 31, 2020). Whereas the LFS definition of employment captures the number of people who were working or absent from work during a given month, SEPH payroll employment is an account of the number of people who were receiving employment income.



When used together to track trends in the labour market, both measures provide valuable insights into the impact of COVID-19 on the labour market.

Average weekly earnings increase

In May, total weekly payroll (including overtime) for all employees declined 1.8%, the third consecutive monthly decline, bringing the total decline since February to 12.5%. Average weekly earnings rose 2.0% in May, to \$1,139.

Total hours worked continues to decline in May

Month over month, total hours worked declined by 2.0% in May, bringing the total decline since February to 16.9%. At the same time, average weekly hours worked continued to increase in May (+0.4 hours), bringing the average to 34.1 hours per week.

Payroll employment rebounds in construction, following early easing of restrictions in Quebec

Construction was the only sector to see an increase in payroll employment in May, up 28,400 (+3.5%). This was mainly the result of increases among specialty trade contractors. All the gains in construction were observed in Quebec (+47,900, or +38.4%), where residential construction was allowed to restart in mid-April. Despite the monthly increase at the national level, employment in the construction sector was down 213,200 (-20.2%) compared with February. In May, average weekly earnings were \$1,315 in construction, up 2.6% compared with 12 months earlier.

Within the goods-producing sector, the number of payroll jobs edged up in May (+7,300, or +0.3%) as declines in mining, quarrying, and oil and gas extraction (-10,500, or -5.6%) and manufacturing (-6,600, or -0.5%) mostly offset the increase in construction. In May, employment in the goods-producing sector was 16.7% below its February level.

For a third consecutive month, payroll employment in support activities for mining, quarrying, and oil and gas extraction declined, with losses totalling 19,500 (-27.5%) since February. Average weekly earnings in this industry were \$1,832, down 1.8% compared with May 2019.

The number of payroll employees in manufacturing fell by 250,000 (-16.0%) since February, with declines in all subsectors.

Accommodation and food services post the largest decline in May

The largest payroll employment decline in May was in accommodation and food services (-116,500, or -16.9%). This continues a downward trend for this sector, bringing total losses to 770,400 (-57.4%) since February, and marking the largest variation over this period compared with all other sectors. Payroll employment was down for both subsectors in accommodation and food services in May.

From February to May, the largest decline was observed in food services and drinking places (-641,000, or -56.3%), which represented almost one-fifth (18.9%) of total payroll employment losses over the period. Average weekly earnings in food services and drinking places were \$447.75 in May, the lowest among all subsectors, but up 16.5% compared with May 2019.

Employment losses slow in retail trade

As reported in the Retail trade release, retail sales rose by 18.7% in May, remaining 20.0% below the February level. This increase was partially reflected in payroll employment in May. Employment losses in retail trade slowed in May, dropping 41,800 (-2.6%) compared with the April decline of 279,600 (-14.9%). Month over month, in May, total hours worked in the retail trade sector rose 2.6%.

Several retail trade subsectors saw payroll employment increases in May, including motor vehicle and parts dealers (+5,700, or +3.8%) and building material and garden equipment and supplies dealers (+4,600, or +4.0%). Average weekly earnings in the retail trade sector were \$676 in May, up 10.5% compared with 12 months earlier.

Payroll employment continues to decline in arts, entertainment and recreation

Employment in the arts, entertainment and recreation sector declined at the sharpest rate from February to May, down 57.7%, or 181,500. This was largely because of losses in the amusement, gambling and recreation industries (-139,000, or -62.6%). A sharp decline was also observed in performing arts, spectator sports and related industries (-32,700, or -51.1%). As a result of employment losses among lower-paid workers in the sector, average weekly earnings in arts, entertainment and recreation were \$798 in May, up 27.3% from a year earlier.

Looking ahead

SEPH results for June will be released on August 27, and will shed light on how employment, earnings and hours by detailed subsector were affected as most jurisdictions eased their restrictions related to COVID-19. June LFS results, which reflect labour market conditions for the week of June 14 to 20, showed that the labour market recovery was well underway in all provinces and most sectors.

Sustainable Development Goals

On January 1, 2016, the world officially began implementing the [2030 Agenda for Sustainable Development](#)—the United Nations' transformative plan of action that addresses urgent global challenges over the next 15 years. The plan is based on 17 specific sustainable development goals.

The Survey of Employment, Payrolls and Hours is an example of how Statistics Canada supports the reporting on the global sustainable development goals. This release will be used to measure the following goals:



Note to readers

The key objective of the Survey of Employment, Payrolls and Hours (SEPH) is to provide a monthly portrait of the level of earnings, employment and hours worked, by detailed industry, at the national, provincial and territorial levels.

SEPH estimates are produced by integrating information from three sources: a census of approximately one million payroll deduction records provided by the Canada Revenue Agency; the Business Payrolls Survey, which collects data from a sample of 15,000 establishments; and administrative records of federal, provincial and territorial public administration employment, provided by these levels of government.

Estimates of average weekly earnings and hours worked are based on a sample and are therefore subject to sampling variability. This analysis focuses on differences between estimates that are statistically significant at the 68% confidence level. Payroll employment estimates are based on a census of administrative records and are not subject to sampling variability.

With each release of SEPH data, data for the preceding month are revised. Users are encouraged to use the most up-to-date data available for each month.

Statistics Canada also produces employment estimates from its Labour Force Survey (LFS). The LFS is a monthly household survey, the main objective of which is to divide the working-age population into three mutually exclusive groups: the employed (including the self-employed), the unemployed and those not in the labour force. This survey is the official source for the unemployment rate, and it collects data on the sociodemographic characteristics of all those in the labour market.

As a result of conceptual and methodological differences, estimates of changes from the SEPH and LFS differ occasionally. However, the trends in the data are similar. For a more in-depth discussion of the conceptual differences between employment measures from the LFS and SEPH, refer to Section 8 of the Guide to the Survey of Employment, Payrolls and Hours ([72-203-G](#)).

Unless otherwise stated, this release presents seasonally adjusted data, which facilitate comparisons by removing the effects of seasonal variations. For more information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

Non-farm payroll employment data are for all hourly and salaried employees, and for the "other employees" category, which includes piece-rate and commission-only employees.

Unless otherwise specified, average weekly hours data are for hourly and salaried employees only, and exclude businesses that could not be classified to a North American Industry Classification System (NAICS) code.

All earnings data include overtime and exclude businesses that could not be classified to a NAICS code. Earnings data are based on gross taxable payroll before source deductions. Average weekly earnings are derived by dividing total weekly earnings by the number of employees.

Real-time data tables

Real-time tables 14-10-0357-01, 14-10-0358-01, 14-10-0331-01 and 14-10-0332-01 will be updated on August 10.

Next release

Data on payroll employment, earnings and hours for June will be released on August 27.

Table 1
Average weekly earnings (including overtime) for all employees – Seasonally adjusted

| | May 2019 | April 2020 ^r | May 2020 ^p | April to May 2020 | May 2019 to May 2020 | April to May 2020 | May 2019 to May 2020 |
|---|-----------------|----------------------------|--------------------------|---------------------------|-------------------------|----------------------|-------------------------|
| | current dollars | | | change in current dollars | | % change | |
| Sector aggregate¹ | 1,032.19 | 1,117.06 | 1,139.23 | 22.17 | 107.04 | 2.0 | 10.4 |
| Forestry, logging and support | 1,196.24 | 1,230.53 | 1,256.02 | 25.49 | 59.78 | 2.1 | 5.0 |
| Mining, quarrying, and oil and gas extraction | 2,241.36 | 2,132.57 | 2,173.25 | 40.68 | -68.11 | 1.9 | -3.0 |
| Utilities | 1,909.62 | 1,937.19 | 1,901.03 | -36.16 | -8.59 | -1.9 | -0.4 |
| Construction | 1,281.73 | 1,293.86 | 1,314.73 | 20.87 | 33.00 | 1.6 | 2.6 |
| Manufacturing | 1,132.51 | 1,157.82 | 1,141.11 | -16.71 | 8.60 | -1.4 | 0.8 |
| Wholesale trade | 1,247.44 | 1,263.38 | 1,266.73 | 3.35 | 19.29 | 0.3 | 1.5 |
| Retail trade | 611.74 | 641.59 | 675.89 | 34.30 | 64.15 | 5.3 | 10.5 |
| Transportation and warehousing | 1,096.10 | 1,140.10 | 1,136.37 | -3.73 | 40.27 | -0.3 | 3.7 |
| Information and cultural industries | 1,344.85 | 1,410.87 | 1,453.09 | 42.22 | 108.24 | 3.0 | 8.0 |
| Finance and insurance | 1,406.94 | 1,488.69 | 1,533.62 | 44.93 | 126.68 | 3.0 | 9.0 |
| Real estate and rental and leasing | 1,080.28 | 1,144.82 | 1,119.55 | -25.27 | 39.27 | -2.2 | 3.6 |
| Professional, scientific and technical services | 1,419.53 | 1,451.16 | 1,482.96 | 31.80 | 63.43 | 2.2 | 4.5 |
| Management of companies and enterprises | 1,488.67 | 1,536.41 | 1,683.13 | 146.72 | 194.46 | 9.5 | 13.1 |
| Administrative and support, waste management and remediation services | 849.21 | 890.12 | 900.25 | 10.13 | 51.04 | 1.1 | 6.0 |
| Educational services | 1,070.54 | 1,135.87 | 1,143.27 | 7.40 | 72.73 | 0.7 | 6.8 |
| Health care and social assistance | 942.14 | 996.48 | 1,016.71 | 20.23 | 74.57 | 2.0 | 7.9 |
| Arts, entertainment and recreation | 626.62 | 779.98 | 797.53 | 17.55 | 170.91 | 2.3 | 27.3 |
| Accommodation and food services | 416.42 | 469.74 | 479.54 | 9.80 | 63.12 | 2.1 | 15.2 |
| Other services (excluding public administration) | 859.00 | 955.96 | 965.36 | 9.40 | 106.36 | 1.0 | 12.4 |
| Public administration | 1,334.16 | 1,394.49 | 1,429.72 | 35.23 | 95.56 | 2.5 | 7.2 |
| Provinces and territories | | | | | | | |
| Newfoundland and Labrador | 1,051.88 | 1,124.13 | 1,147.73 | 23.60 | 95.85 | 2.1 | 9.1 |
| Prince Edward Island | 863.38 | 966.81 | 980.15 | 13.34 | 116.77 | 1.4 | 13.5 |
| Nova Scotia | 904.77 | 996.25 | 1,013.44 | 17.19 | 108.67 | 1.7 | 12.0 |
| New Brunswick | 944.28 | 1,037.96 | 1,009.67 | -28.29 | 65.39 | -2.7 | 6.9 |
| Quebec | 959.43 | 1,056.05 | 1,076.07 | 20.02 | 116.64 | 1.9 | 12.2 |
| Ontario | 1,052.33 | 1,132.79 | 1,167.69 | 34.90 | 115.36 | 3.1 | 11.0 |
| Manitoba | 950.82 | 1,034.26 | 1,043.94 | 9.68 | 93.12 | 0.9 | 9.8 |
| Saskatchewan | 1,068.69 | 1,129.39 | 1,154.95 | 25.56 | 86.26 | 2.3 | 8.1 |
| Alberta | 1,183.64 | 1,243.85 | 1,256.02 | 12.17 | 72.38 | 1.0 | 6.1 |
| British Columbia | 1,001.50 | 1,106.54 | 1,123.79 | 17.25 | 122.29 | 1.6 | 12.2 |
| Yukon | 1,149.65 | 1,255.06 | 1,265.72 | 10.66 | 116.07 | 0.8 | 10.1 |
| Northwest Territories | 1,509.02 | 1,613.50 | 1,595.09 | -18.41 | 86.07 | -1.1 | 5.7 |
| Nunavut | 1,466.65 | 1,478.12 | 1,489.65 | 11.53 | 23.00 | 0.8 | 1.6 |

^r revised

^p preliminary

1. Sector breakdown is based on the 2017 North American Industry Classification System Version 3.0.

Note(s): Earnings data are based on gross payroll before source deductions.

Source(s): Table 14-10-0223-01 (formerly CANSIM table 281-0063).

Table 2
Number of employees – Seasonally adjusted

| | May 2019 | April 2020 ^r | May 2020 ^p | April to May 2020 | May 2019 to May 2020 | April to May 2020 | May 2019 to May 2020 |
|---|-----------------|----------------------------|--------------------------|----------------------|-------------------------|----------------------|-------------------------|
| | thousands | | | change in thousands | | % change | |
| Sector aggregate¹ | 16,935.6 | 14,242.2 | 13,657.0 | -585.1 | -3,278.6 | -4.1 | -19.4 |
| Forestry, logging and support | 39.8 | 33.1 | 32.5 | -0.6 | -7.3 | -1.8 | -18.3 |
| Mining, quarrying, and oil and gas extraction | 201.2 | 186.8 | 176.3 | -10.5 | -24.9 | -5.6 | -12.4 |
| Utilities | 126.9 | 123.9 | 120.6 | -3.3 | -6.4 | -2.7 | -5.0 |
| Construction | 1,038.9 | 811.8 | 840.2 | 28.4 | -198.6 | 3.5 | -19.1 |
| Manufacturing | 1,583.7 | 1,316.9 | 1,310.2 | -6.6 | -273.5 | -0.5 | -17.3 |
| Wholesale trade | 822.2 | 727.9 | 707.0 | -20.9 | -115.2 | -2.9 | -14.0 |
| Retail trade | 2,012.6 | 1,594.9 | 1,553.1 | -41.8 | -459.5 | -2.6 | -22.8 |
| Transportation and warehousing | 775.7 | 719.5 | 678.5 | -41.1 | -97.3 | -5.7 | -12.5 |
| Information and cultural industries | 345.6 | 318.3 | 297.4 | -21.0 | -48.2 | -6.6 | -14.0 |
| Finance and insurance | 745.5 | 729.7 | 724.8 | -4.9 | -20.7 | -0.7 | -2.8 |
| Real estate and rental and leasing | 300.0 | 236.2 | 222.2 | -14.0 | -77.8 | -5.9 | -25.9 |
| Professional, scientific and technical services | 964.1 | 916.2 | 893.2 | -23.0 | -70.9 | -2.5 | -7.4 |
| Management of companies and enterprises | 109.2 | 106.6 | 103.1 | -3.5 | -6.1 | -3.3 | -5.6 |
| Administrative and support, waste management and remediation services | 821.0 | 702.1 | 667.8 | -34.3 | -153.2 | -4.9 | -18.7 |
| Educational services | 1,350.4 | 1,240.3 | 1,160.8 | -79.5 | -189.7 | -6.4 | -14.0 |
| Health care and social assistance | 2,024.1 | 1,851.2 | 1,796.0 | -55.3 | -228.1 | -3.0 | -11.3 |
| Arts, entertainment and recreation | 312.5 | 165.1 | 133.1 | -32.1 | -179.4 | -19.4 | -57.4 |
| Accommodation and food services | 1,333.6 | 687.9 | 571.5 | -116.5 | -762.1 | -16.9 | -57.1 |
| Other services (excluding public administration) | 556.4 | 398.9 | 370.6 | -28.3 | -185.8 | -7.1 | -33.4 |
| Public administration | 1,148.9 | 1,124.0 | 1,066.7 | -57.2 | -82.2 | -5.1 | -7.2 |
| Provinces and territories | | | | | | | |
| Newfoundland and Labrador | 216.5 | 180.4 | 176.3 | -4.1 | -40.2 | -2.3 | -18.6 |
| Prince Edward Island | 68.4 | 60.3 | 57.5 | -2.8 | -10.8 | -4.7 | -15.8 |
| Nova Scotia | 422.5 | 364.4 | 349.4 | -15.0 | -73.1 | -4.1 | -17.3 |
| New Brunswick | 325.0 | 278.2 | 276.6 | -1.5 | -48.4 | -0.5 | -14.9 |
| Quebec | 3,776.1 | 3,088.1 | 3,067.9 | -20.2 | -708.2 | -0.7 | -18.8 |
| Ontario | 6,604.2 | 5,608.5 | 5,256.1 | -352.4 | -1,348.0 | -6.3 | -20.4 |
| Manitoba | 615.7 | 536.2 | 510.8 | -25.4 | -104.9 | -4.7 | -17.0 |
| Saskatchewan | 483.9 | 419.0 | 405.0 | -14.0 | -78.9 | -3.3 | -16.3 |
| Alberta | 2,023.0 | 1,691.1 | 1,601.8 | -89.3 | -421.2 | -5.3 | -20.8 |
| British Columbia | 2,333.6 | 1,954.2 | 1,897.1 | -57.1 | -436.5 | -2.9 | -18.7 |
| Yukon | 22.4 | 20.1 | 18.7 | -1.4 | -3.6 | -6.8 | -16.2 |
| Northwest Territories | 26.8 | 23.7 | 22.6 | -1.1 | -4.2 | -4.7 | -15.8 |
| Nunavut | 17.5 | 17.9 | 17.0 | -0.9 | -0.5 | -4.8 | -2.8 |

^r revised

^p preliminary

1. Sector breakdown is based on the 2017 North American Industry Classification System Version 3.0.

Source(s): Table 14-10-0223-01 (formerly CANSIM table 281-0063).

Available tables: [14-10-0201-01](#), [14-10-0203-01](#), [14-10-0205-01](#), [14-10-0209-01](#), [14-10-0211-01](#), [14-10-0213-01](#), [14-10-0220-01](#) to [14-10-0223-01](#) and [14-10-0255-01](#).

Definitions, data sources and methods: survey number [2612](#).

More information about the concepts and use of the Survey of Employment, Payrolls and Hours is available in the *Guide to the Survey of Employment, Payrolls and Hours* ([72-203-G](#)).

The product "[Earnings and payroll employment in brief: Interactive app](#)" ([14200001](#)) is now available. This interactive data visualization application provides a comprehensive picture of the Canadian labour market using the most recent data from the Survey of Employment, Payrolls and Hours. The estimates are seasonally adjusted and available by province and largest industrial sector. Historical estimates going back 10 years are also included. The interactive application allows users to quickly and easily explore and personalize the information presented. Combine multiple provinces and industrial sectors to create your own labour market domains of interest.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca).

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