

Payroll employment, earnings and hours, September 2020

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September 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.

At the beginning of September, as Canadian families adapted to new back-to-school routines, public health restrictions had been substantially eased across the country and many businesses and workplaces had re-opened. Throughout the month however, targeted public health measures were reintroduced in response to increases in the number of COVID-19 cases. In British Columbia, new rules and guidelines related to bars and restaurants were implemented on September 8. In Ontario, limits on social gatherings were tightened for the hot spots of Toronto, Peel and Ottawa on September 17 and for the rest of the province on September 19.

SEPH provides an account of payroll employment, that is, the number of employees receiving pay or benefits (employment income) during a given month. The survey excludes the self-employed, owners and partners of unincorporated businesses and professional practices, and employees in the agricultural sector. In conjunction with results from the Labour Force Survey (LFS), SEPH data contribute to understanding labour market conditions, in large part by providing detailed subsector and industry statistics.

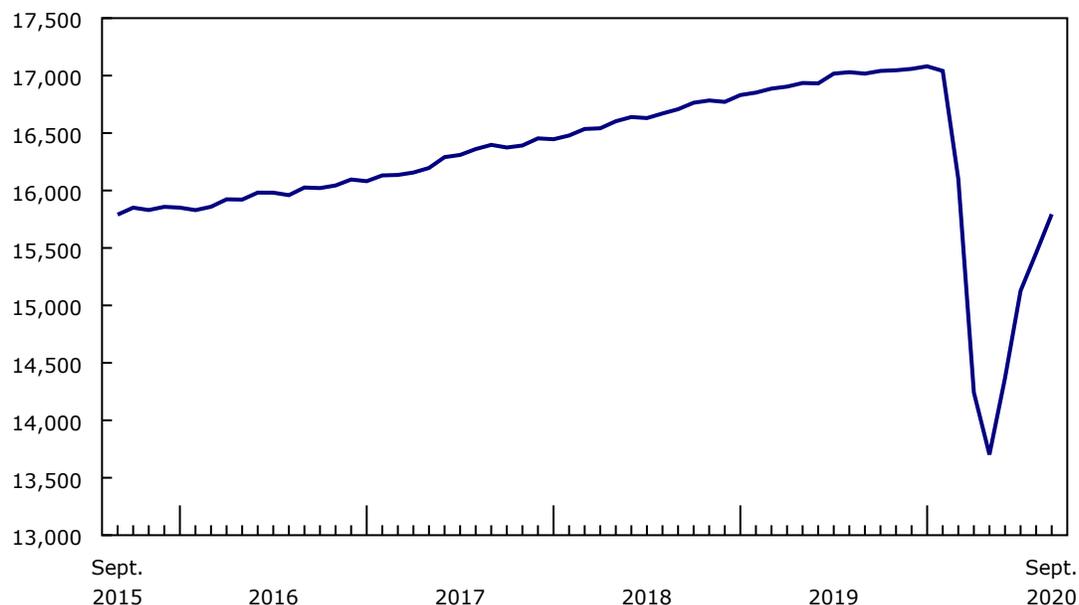
Payroll employment recovery continues in September

In September, the number of employees receiving pay or benefits from their employer—measured in SEPH as payroll employment—rose by 337,500 (+2.2%). This followed an increase of roughly 1.8 million payroll jobs from June to August, and brought the total payroll employment change since February to a decline of 1.2 million (-7.3%).



Chart 1
Payroll employment increases by more than 300,000 for the second consecutive month in September

payroll employment (thousands)



Source(s): Survey of Employment, Payrolls and Hours, table [14-10-0220-01](#).

Total employment—as measured by the LFS—rose by 378,000 (+2.1%) in September, bringing employment to within 720,000 (-3.7%) of the February level.

Payroll employment increases in all provinces

Payroll employment increased in all provinces in September, led by New Brunswick (+3.3%; +10,200), Prince Edward Island (+3.0%; +1,900), British Columbia (+2.5%; +52,300) and Ontario (+2.4%; +142,400).

Consistent with September LFS results, employment levels in Alberta (-9.1%; -182,700), Ontario (-8.5%; -565,500) and British Columbia (-7.9%; -185,600) were among the furthest from their pre-COVID levels.

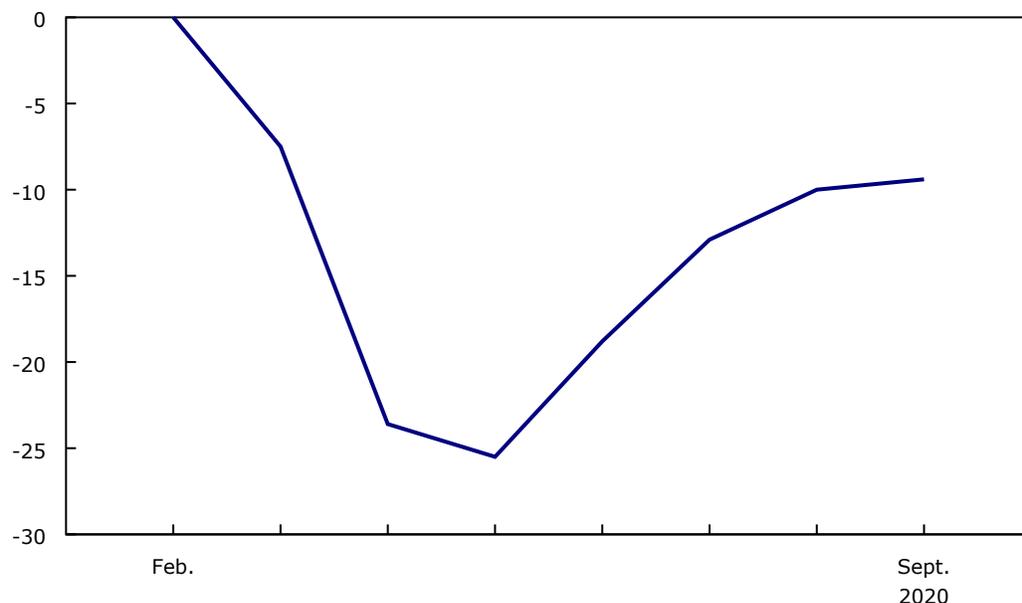
Employment growth slows for hourly paid employees

While they represented less than 60% of all payroll employees in 2019, hourly paid employees accounted for roughly three-quarters of the decline in payroll employment from February to May 2020. Hourly paid employees tend to earn significantly less than salaried employees; in February 2020, for example, salaried employees earned an average of \$1,410 per week, while hourly paid employees earned an average of \$800 per week.

In September, payroll employment gains were smaller for hourly paid employees (+0.6%; +54,900) than for salaried employees (+3.2%; +177,700). The number of hourly paid employees was 9.4% (-923,100) below its pre-COVID level, while the number of salaried employees was 3.8% (-225,100) below. Accommodation and food services, as well as arts, entertainment and recreation, the two hardest hit sectors by the public health restrictions, have a high proportion of hourly paid employees (88.4% and 75.7% respectively in 2019) and are among the lowest paying sectors.

Chart 2 Payroll employment growth slows for hourly paid employees

payroll employment change (%) relative to February 2020



Source(s): Survey of Employment, Payrolls and Hours, table [14-10-0222-01](#).

Total hours worked continue to rise

Total hours worked continued to increase in September, up 1.6%. This growth brought total hours worked to 6.0% below their pre-COVID February level.

Month over month, average hours worked per week edged up to 33.5 hours in September, higher than in February, when payroll employees worked an average of 33.0 hours per week.

Average weekly earnings little changed

Average weekly earnings were little changed at \$1,111 in September. Year over year, however, earnings increased by 6.9%, as job losses throughout the COVID-19 economic shutdown were more concentrated among lower-paid employees.

Payroll employment growth continues in both the services-producing and the goods-producing sectors

In September, payroll employment continued to recover in both the services-producing (+2.4%; +295,000) and the goods-producing (+1.2%; +33,800) sectors. In services, gains were widespread with the largest monthly increases in accommodation and food services (+48,000). In the goods-producing sector, growth slowed notably in September, following an increase of 2.1% the previous month, with gains in construction (+18,700) and manufacturing (+13,800).

Payroll employment in the services-producing sector and the goods-producing sector was 7.7% and 5.8% below the pre-COVID level respectively in September.

Arts, entertainment and recreation, and accommodation and food services continue to see fastest growth

Continuing the trend observed in recent months, the fastest month-over-month payroll employment growth in September was in the arts, entertainment and recreation (+7.9%; +15,700) and accommodation and food services (+5.0%; +48,000) sectors. Despite the gains, these two sectors also remained the furthest from their February levels of employment (-31.5% and -25.2%, respectively), as they were among the hardest-hit by public health restrictions.

From mid-September to late October, Statistics Canada conducted the [Canadian Survey on Business Conditions](#) to collect information on the pandemic's impact on businesses throughout the summer, and on businesses' expectations moving forward. Approximately one-third of businesses in the arts, entertainment and recreation (29.4%) and accommodation and food services (29.2%) sectors reported that they could continue to operate at their current level of revenue and expenditures for less than six months before considering further staffing actions, closure or bankruptcy. This was significantly higher than the average of 17.5% across all businesses.

Pace of employment recovery remains strong in information and cultural industries

The third-fastest increase in payroll employment in September was in information and cultural industries (+4.6%; +14,700). This followed a similar increase in August (+4.9%), and brought employment in the sector to 3.5% of its February level.

Within the sector, nearly all of the September employment increase was in motion picture and sound recording industries (+27.6%; +12,800). Employment in this subsector fell by 53.4% from February to June, making it by far the hardest-hit subsector in information and cultural industries. Despite increasing in September, employment in motion picture and sound recording industries in September was 13.9% below its February level. In contrast, the data processing, hosting, and related services subsector—which includes, for example, web hosting, and video and audio streaming services—had very few payroll job losses during the initial economic shutdown in the spring and had an employment level 3.6% higher in September than in February. Likewise, in telecommunications—the largest subsector in information and cultural industries—employment was little changed in September compared with February, having fallen by 2.6% at its recent low point in June.

Average weekly earnings in information and cultural industries were \$1,543 in September, up 14.1% on a year-over-year basis, largely due to higher average weekly earnings in motion picture and sound recording industries.

Health care and social assistance nearing February level of employment

Among the services-producing sectors, payroll employment was closest to recovery in health care and social assistance in September (-1.4%). Month over month, the number of payroll jobs in this sector rose for the fourth consecutive time, up 1.8% (+35,100) compared with August. Most of the monthly increase was in ambulatory health care services and social assistance.

In September, while payroll employment had already recovered or was nearly recovered in ambulatory health care services (+0.2% compared with February), hospitals (-1.3%), and nursing and residential care facilities (+3.8%), it was 10.1% below the February level in social assistance. This was largely due to child day-care services, where employment was still 13.1% lower in September, despite rising by 9,500 (+7.6%) in the month. While most businesses in this industry were allowed to re-open by September, they continue to face strict health and safety measures.

Average weekly earnings in health care and social assistance were \$1,013 in September, up 7.6% compared with 12 months earlier.

Fourth consecutive monthly employment increase in professional, scientific and technical services

Payroll employment increased for the fourth consecutive month in professional, scientific and technical services, up 1.8% (+17,300) in September, bringing employment in this sector closer to its February level (-3.4%). Within the sector, the number of payroll jobs in computer systems design and related services as well as scientific research and development services had completely recovered from the decline observed during the spring. In contrast, the number of employees in advertising, public relations, and related services (-15.7%) and specialized design services (-11.0%) were furthest from their February levels.

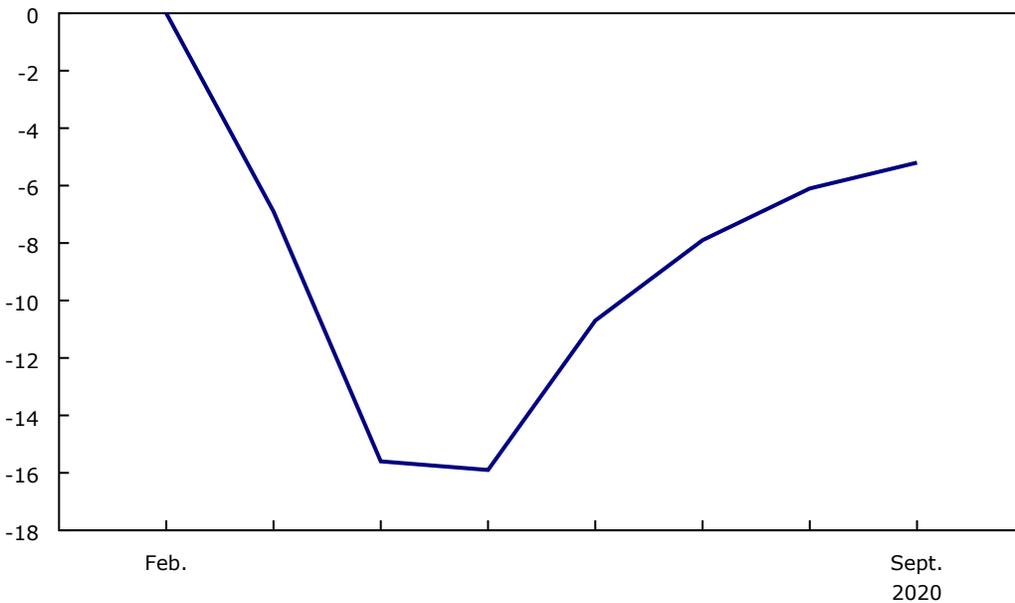
Average weekly earnings in professional, scientific and technical services rose by 3.2% year over year to \$1,517 in September. This sector is among the highest paying sectors in Canada.

Manufacturing continues to recover in September, but at a slower rate than in previous months

Payroll employment in manufacturing increased by 13,800 (+0.9%) in September. The employment recovery in manufacturing slowed in September, following growth of 2.0% in August and 3.2% in July. Employment in September was 5.2% lower than the level in February. At the lowest point in May, payroll employment in manufacturing was 15.9% lower than in February.

Chart 3 Employment growth slows in manufacturing

payroll employment change (%) relative to February 2020



Source(s): Survey of Employment, Payrolls and Hours, table [14-10-0220-01](#).

Employment in manufacturing has not recovered at the same rate across all subsectors. Payroll employment in food manufacturing increased 2,100 (+0.9%) in September, bringing the number of jobs in this subsector to 3.3% below its February level. Employment in miscellaneous manufacturing also increased, up by 1,700 (+3.3%), bringing its level to 3.3% below the February level. More specifically in this subsector, employment in medical equipment and supplies manufacturing increased by 500 (+2.2%) in September, surpassing its pre-COVID level in

February. Some businesses in this subsector produce personal protective equipment. The recovery has not been as fast for other subsectors, such as clothing manufacturing, which was at 13.9% below the February employment level.

Average weekly earnings in the manufacturing sector were \$1,154 in September, little changed compared with 12 months earlier.

Employment gains in construction continue for fifth consecutive month

In construction, payroll employment rose for a fifth consecutive month, up 18,700 (+1.9%), driven by gains in specialty trade contractors (+11,900; +2.0%) and construction of buildings (+5,300; +2.3%). Notable employment gains in residential building construction (+4,700; +3.6%) continued to drive gains in construction of buildings. As reported in the [Investment in building construction](#) release, investment continued to increase in the residential sector in September (+1.6%), while it dropped in non-residential construction (-8.5%).

Some construction industries have recovered more quickly than others. Employment in highway, street and bridge construction increased 1,000 (+2.0%) in September, bringing the employment level to 3.2% below the February level. In contrast, employment in utility system construction was 11.7% below the February level. The employment level in the construction sector as a whole was 6.6% lower than the February level.

Month-over-month employment gains in the construction sector were strongest in New Brunswick (+3.0%), Nova Scotia (+2.7%) and Prince Edward Island (+2.6%). Average weekly earnings in construction were \$1,348 in September, up 4.3% compared with 12 months earlier.

Looking ahead

October LFS results—reflecting labour market conditions as of the week of October 11 to 17—showed a slowing in the pace of employment recovery in specific sectors as several provinces tightened public health measures in response to a spike in COVID-19 cases. Unlike the widespread economic shutdown implemented in March and April, these measures were targeted at businesses where the risk of COVID transmission is thought to be greater, including indoor restaurants and bars and recreational facilities. October SEPH results—to be released on December 22—will shed further light on the subsectors and industries most impacted by the re-implementation and tightening of public health restrictions.

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 1 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 because the effects of seasonal variations are removed. 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 December 7.

Next release

Data on payroll employment, earnings and hours for October will be released on December 22.

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

	September 2019	August 2020 ^r	September 2020 ^p	August to September 2020	September 2019 to September 2020	August to September 2020	September 2019 to September 2020
	current dollars			change in current dollars		% change	
Sector aggregate¹	1,039.48	1,109.79	1,110.69	0.90	71.21	0.1	6.9
Forestry, logging and support	1,193.70	1,222.50	1,267.50 ^E	45.00	73.80	3.7	6.2
Mining, quarrying, and oil and gas extraction	2,075.46	2,051.68	2,017.81	-33.87	-57.65	-1.7	-2.8
Utilities	1,882.26	1,853.83	1,835.82	-18.01	-46.44	-1.0	-2.5
Construction	1,292.41	1,332.26	1,348.17	15.91	55.76	1.2	4.3
Manufacturing	1,151.87	1,151.94	1,154.27	2.33	2.40	0.2	0.2
Wholesale trade	1,236.97	1,360.83	1,330.84	-29.99	93.87	-2.2	7.6
Retail trade	624.81	647.72	652.56	4.84	27.75	0.7	4.4
Transportation and warehousing	1,113.89	1,186.73	1,171.32	-15.41	57.43	-1.3	5.2
Information and cultural industries	1,351.90	1,420.25	1,542.89	122.64	190.99	8.6	14.1
Finance and insurance	1,339.71	1,496.52	1,465.63	-30.89	125.92	-2.1	9.4
Real estate and rental and leasing	1,056.11	1,139.88	1,145.23	5.35	89.12	0.5	8.4
Professional, scientific and technical services	1,469.50	1,504.03	1,517.03	13.00	47.53	0.9	3.2
Management of companies and enterprises	1,615.28	1,598.35	1,371.77	-226.58	-243.51	-14.2	-15.1
Administrative and support, waste management and remediation services	831.52	869.19	900.68	31.49	69.16	3.6	8.3
Educational services	1,082.35	1,127.23	1,137.62	10.39	55.27	0.9	5.1
Health care and social assistance	941.42	1,010.56	1,012.62	2.06	71.20	0.2	7.6
Arts, entertainment and recreation	627.80	713.62	720.66	7.04	92.86	1.0	14.8
Accommodation and food services	431.19	425.13	432.81	7.68	1.62	1.8	0.4
Other services (excluding public administration)	871.02	919.96	935.42	15.46	64.40	1.7	7.4
Public administration	1,330.01	1,452.87	1,440.32	-12.55	110.31	-0.9	8.3
Provinces and territories							
Newfoundland and Labrador	1,058.92	1,108.72	1,099.07	-9.65	40.15	-0.9	3.8
Prince Edward Island	878.08	961.16	953.07	-8.09	74.99	-0.8	8.5
Nova Scotia	910.87	965.33	956.53	-8.80	45.66	-0.9	5.0
New Brunswick	947.33	996.91	1,002.16	5.25	54.83	0.5	5.8
Quebec	974.57	1,049.70	1,048.36	-1.34	73.79	-0.1	7.6
Ontario	1,063.26	1,150.25	1,151.16	0.91	87.90	0.1	8.3
Manitoba	961.99	987.83	987.66	-0.17	25.67	-0.0	2.7
Saskatchewan	1,044.91	1,102.56	1,099.18	-3.38	54.27	-0.3	5.2
Alberta	1,174.41	1,205.86	1,204.26	-1.60	29.85	-0.1	2.5
British Columbia	1,008.09	1,089.59	1,092.80	3.21	84.71	0.3	8.4
Yukon	1,178.77	1,288.00	1,278.36	-9.64	99.59	-0.7	8.4
Northwest Territories	1,421.40	1,542.19	1,480.88	-61.31	59.48	-4.0	4.2
Nunavut	1,431.76	1,444.00	1,431.46	-12.54	-0.30	-0.9	-0.0

^r revised

^p preliminary

^E use with caution

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

	September 2019	August 2020 ^r	September 2020 ^p	August to September 2020	September 2019 to September 2020	August to September 2020	September 2019 to September 2020
	thousands			change in thousands		% change	
Sector aggregate¹	17,017.3	15,456.0	15,793.5	337.5	-1,223.8	2.2	-7.2
Forestry, logging and support	37.1	36.0	36.3	0.3	-0.8	0.9	-2.3
Mining, quarrying, and oil and gas extraction	201.3	181.8	182.6	0.8	-18.7	0.5	-9.3
Utilities	126.9	121.9	122.0	0.2	-4.8	0.1	-3.8
Construction	1,041.6	965.0	983.7	18.7	-57.9	1.9	-5.6
Manufacturing	1,585.6	1,465.8	1,479.6	13.8	-106.1	0.9	-6.7
Wholesale trade	824.1	762.1	772.2	10.1	-51.9	1.3	-6.3
Retail trade	1,998.6	1,858.0	1,891.0	32.9	-107.7	1.8	-5.4
Transportation and warehousing	784.3	719.2	745.0	25.8	-39.3	3.6	-5.0
Information and cultural industries	349.0	320.0	334.7	14.7	-14.3	4.6	-4.1
Finance and insurance	754.8	726.2	735.2	9.0	-19.6	1.2	-2.6
Real estate and rental and leasing	295.5	243.3	246.9	3.6	-48.6	1.5	-16.4
Professional, scientific and technical services	985.5	940.6	957.9	17.3	-27.5	1.8	-2.8
Management of companies and enterprises	110.5	111.0	112.5	1.5	2.0	1.4	1.8
Administrative and support, waste management and remediation services	833.2	730.1	746.7	16.6	-86.5	2.3	-10.4
Educational services	1,366.0	1,270.2	1,291.6	21.3	-74.4	1.7	-5.4
Health care and social assistance	2,043.2	2,000.5	2,035.6	35.1	-7.6	1.8	-0.4
Arts, entertainment and recreation	311.9	199.9	215.6	15.7	-96.3	7.9	-30.9
Accommodation and food services	1,349.1	955.6	1,003.6	48.0	-345.5	5.0	-25.6
Other services (excluding public administration)	557.4	470.2	483.0	12.8	-74.3	2.7	-13.3
Public administration	1,151.7	1,091.8	1,122.3	30.5	-29.4	2.8	-2.6
Provinces and territories							
Newfoundland and Labrador	217.1	198.0	200.2	2.3	-16.9	1.1	-7.8
Prince Edward Island	70.4	62.8	64.7	1.9	-5.7	3.0	-8.2
Nova Scotia	423.8	392.2	399.9	7.8	-23.9	2.0	-5.6
New Brunswick	326.0	308.1	318.4	10.2	-7.6	3.3	-2.3
Quebec	3,804.5	3,551.2	3,630.9	79.8	-173.6	2.2	-4.6
Ontario	6,628.8	5,943.9	6,086.3	142.4	-542.5	2.4	-8.2
Manitoba	613.2	569.8	577.5	7.7	-35.7	1.4	-5.8
Saskatchewan	484.5	448.9	454.5	5.6	-30.0	1.2	-6.2
Alberta	2,028.2	1,798.3	1,824.1	25.8	-204.0	1.4	-10.1
British Columbia	2,353.9	2,119.3	2,171.7	52.3	-182.2	2.5	-7.7
Yukon	22.2	20.9	21.7	0.8	-0.5	3.8	-2.4
Northwest Territories	26.0	23.9	25.0	1.1	-1.0	4.7	-4.0
Nunavut	18.8	18.7	18.6	-0.2	-0.2	-0.9	-1.1

^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, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).