

# Economic impacts of the COVID-19 pandemic across the provinces and territories

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, June 23, 2021

---

Economic activity remained resilient during late 2020 and early 2021 as households and businesses continued to adjust to changes in the intensity of COVID-19 containment measures. During this period, the recovery pace, particularly regarding activity levels in high-contact services, increasingly reflected the degree to which public health measures were tightening or easing in different regions of the country.

A new article released today in *Economic and Social Reports*, "[Differences in the economic impacts of COVID-19 across the provinces and territories](#)," highlights how the COVID-19 pandemic has affected economic activity in the provinces and territories. It is accompanied by the presentation, "[Economic impacts of COVID-19 in the provinces and territories](#)," which features more than 30 charts with the latest available labour and sales data, and provides an integrated summary of key provincial developments since the beginning of the pandemic.

While all provinces experienced severe declines in economic output during 2020, the magnitude of these losses varied substantially across the country. They largely reflect province-specific factors, beyond the severe disruptions that lockdown measures have had on accommodation and food services, retail trade, and passenger transportation throughout the country. In several provinces, including Alberta, Saskatchewan and Newfoundland and Labrador, lower production in resource extraction or engineering construction weighed heavily on economic activity.

The overall recovery pace in manufacturing and retail has varied in different parts of the country. Manufacturing sales in Ontario were severely impacted at the beginning of the pandemic, as shutdowns in the auto sector led to record declines before production ramped up with the easing of initial restrictions. By mid-summer 2020, sales at assembly plants and parts makers had surpassed pre-pandemic levels. Retail sales in Central Canada followed a similar path, recovering from a severe initial decline, as robust spending in Ontario and Quebec continued into the fall. Retail sales in both provinces peaked in November and then contracted sharply in December and January, particularly in Quebec where stricter limitations on social gathering and on the sale of non-essential goods and services were reinstated. As restrictions loosened, retail spending in Quebec surged. By March, retail spending in Quebec was 15% above pre-pandemic levels, outpacing the recovery in Ontario by six percentage points.

Since the onset of the pandemic, employment losses in most regions of the country were more severe among young and part-time workers—particularly among young women—as evolving restrictions severely impacted dine-in restaurants and brick and mortar retailers. Less intensive lockdowns during the second wave in Atlantic Canada mitigated losses among young workers as many non-essential businesses were able to remain open longer than in other regions of the country. As of May 2021, provincial youth employment levels ranged from 6% above pre-pandemic levels in Newfoundland and Labrador, to 18% below in Ontario.

For more information on other articles released in today's issue of the publication of *Economic and Social Reports*, please see "[Economic and Social Reports, June 2021](#)".



The article "[Differences in the economic impacts of COVID-19 across the provinces and territories](#)" is now available as part of *Economic and Social Reports* (Catalogue number 36280001).

The product "[Economic impacts of COVID-19 in the provinces and territories](#)" is now available as part of *A Presentation Series from Statistics Canada About the Economy, Environment and Society* (Catalogue number [11-631-X](#)).

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

To enquire about the concepts, methods or data quality of this release, contact Carter McCormack (343-998-3002; [carter.mccormack@canada.ca](mailto:carter.mccormack@canada.ca)), Strategic Analysis, Publications and Training Division.