



418,500 New Canadian Jobs: Be Proud, Canada!

Description

Is Canada recovering from the COVID-19 shock faster than expected? The jobs reports over the past three months are surprising following the loss of three million jobs in March and April 2020. In July, 418,500 new jobs were added to the economy, and cumulatively from May, the reclaimed jobs stand at 1.7 million.

The substantial employment numbers show a 55% recouping of pandemic losses. It's also better than the 42% recovery of payroll losses by the United States. Canadians should feel mighty proud. The rise in employment somehow reflects the perseverance of the people, despite the [hardships during the lockdown](#) period.

Inching closer to pre-pandemic levels

Aside from inching closer to pre-pandemic levels, the immediate impact of the July additions is the drop in the unemployment rate to 10.9%. May holds the record-high 13.7% before sliding to 12.3% in June. Economists believe it was the aggressive reopening of some economies that pushed up the numbers.

However, it'll be a slow recovery. The early employment gains are encouraging, but it would be harder to replicate the feat in the ensuing quarters. Most of the increases in July were in part-time jobs. There were only 73,200 full-time positions out of the total figure.

Silver lining

The coast is not yet clear, although two consecutive months of declining unemployment rate shows Canada is moving in the right direction. A favourable scenario is a better full-time, part-time split like in June. There were 488,000 full-time positions and 465,000 part-time hires during the month.

Canada is witnessing a historic crisis in the labour market, as hundreds of thousands left the workforce. The [silver lining](#) is that a lot of firms are still operating below 100% capacity. Thus, it's

understandable to see that hiring, for now, is higher for part-time jobs.

Income for centuries

After the pandemic, it becomes imperative for Canadians to look for permanent financial support options. If you can save money whenever possible, investing in **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) is also a step in the right direction. This blue-chip asset is an outstanding income generator for long-term investors.

The bank stock currently pays the highest dividend (6.24%) among the Big Five banks. Likewise, the price is down 17% year to date, so you're getting a bargain if you take a position today. Your \$50,000 savings will produce \$3,120 in permanent passive income. Having a reliable income source will diminish reliance on federal aid.

Over the last 10 years, Scotiabank's total return was 81.41%. If you hold the stock for 10 years, the same \$50,000 capital will compound to \$91,590.54. There's comfort in the fourth-largest lender in Canada because of its 188-year dividend track record. Scotiabank is capable of sustaining the payouts for two centuries more.

Collective effort

Canadians deserve a pat on the back for persevering throughout the lockdown period. As the economy moves toward the recovery phase, participation is a must. By heeding the government's call to seek employment actively, the pace of paring down COVID-19 losses should accelerate. People will significantly benefit from a collective effort.

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