



Press Release

For immediate release

Total Job Losses of 26,000 in Ontario, 13,000 in Quebec and 7,500 in Western Canada

\$5.2 Billion in Federal Spending Cuts Will Lead to More Than 40,000 Job Losses in the Private Sector

Ottawa, April 3, 2012 – According to an analysis conducted by the Canadian Association of Professional Employees (CAPE), the \$5.2-billion cutback in spending announced in the budget tabled by the federal government last week will cause 40,825 job losses in the private sector.

CAPE applied an economic model developed by Statistics Canada to the information contained in the 2012 federal budget, which included \$5.2 billion in spending cuts and a reduction in the size of the federal public service through the elimination of 19,200 jobs.

The Statistics Canada model indicated that job losses in the public and private sectors will affect all parts of Canada to varying degrees. CAPE found that the announced cuts will result in the following job losses by region:

- Ontario: 26,155 total jobs lost, including 18,199 in the private sector;
- Quebec: 13,299 total jobs lost, including 9,314 in the private sector;
- Western Canada: 7,538 total jobs lost, including 4,886 in the private sector;
- Atlantic Canada (including Newfoundland): 6,758 total jobs lost, including 4,286 in the private sector; and
- British Columbia: 5,869 jobs lost, including 4,009 in the private sector.

A breakdown by economic sector indicates that 8,222 retail and wholesale trade jobs will disappear; 2,879 employees in the food services sector will lose their jobs, as will 1,934 workers in administrative support services and 1,575 workers in the construction industry.

According to CAPE, the model developed by Statistics Canada and used for years by federal departments and agencies, provincial governments and companies in the private sector has determined that the impact of the budget will radiate beyond the federal public sector. In the economy at large, the federal spending cuts will lead to job losses for salespersons, hairdressers, construction workers, nurses, cooks, travel agents, taxi drivers, clerks, mechanics and people in other occupations. In addition to 19,200 federal public service employees, a total of 40,825 Canadians working in all

areas of the private sector economy will lose their jobs as a result of the federal budget cuts.

To arrive at these figures, CAPE factored into the Statistics Canada model the information contained in the budget as well as the federal Finance Minister's estimate that 19,200 jobs would be eliminated from the federal public service.

Last month, CAPE ran the same Statistics Canada model on data derived from the Finance Minister's indication that \$8 billion in budget cuts could be expected; CAPE also promised to update its analysis once the government had tabled the budget. The data which CAPE is presenting today have been brought up to date and reflect the true impact of the announced budget cuts.

CAPE represents approximately 13,000 economists and social science services employees who advise the government on public policy, 1,000 translators, interpreters and terminologists who provide the bilingual face of the government, and 85 analysts and research assistants at the Library of Parliament.

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