

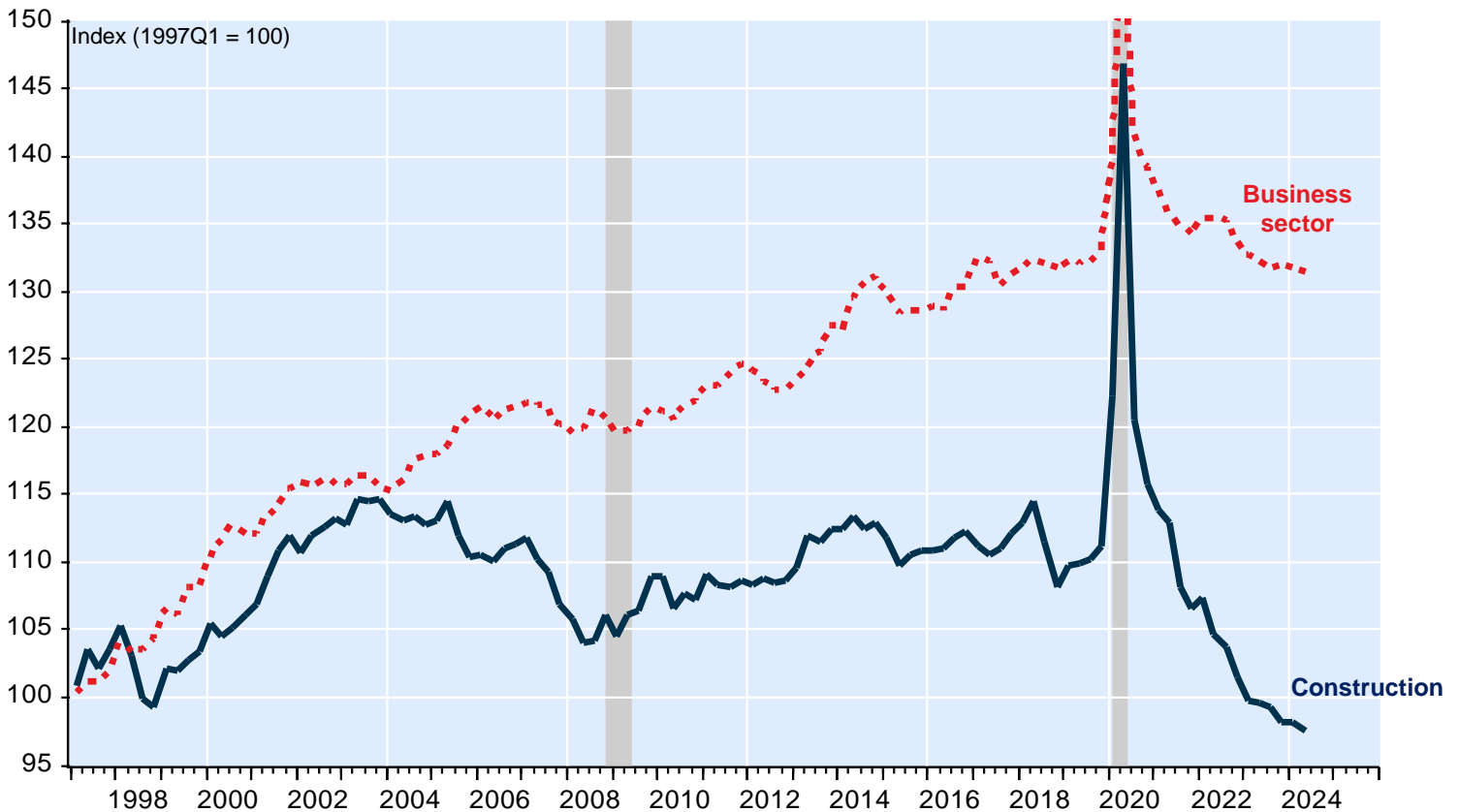
Canada Watch

By Stéfane Marion

As if Canada's productivity challenges weren't severe enough, the situation continues to worsen. According to newly released data from Statistics Canada, labor productivity in the business sector declined for the 14th time in 16 quarters in Q2 2024. As a result, output per worker is no higher than it was in 2018. Experiencing zero productivity growth over a six-year period is unprecedented in Canadian history. Even more concerning, however, is the state of the construction sector. As highlighted in today's Hot Chart, output per worker in this industry plummeted to its lowest recorded level in Q2 2024. This is particularly alarming given the urgent need to build more homes in the country, with productivity in construction now lower than it was 30 years ago. It's especially troubling when considering the significant funds governments plan to allocate to housing development.

Canada: Construction productivity plummets to record low

Output per worker: Total business sector vs. construction industry



NBC Economics and Strategy (data via Statistics Canada)



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