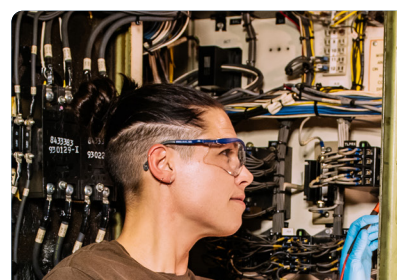


UNIFOR RESEARCH DEPARTMENT

# LABOUR MARKET INSIGHTS

*A monthly review of labour market indicators*

August 2024



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September 6, 2024

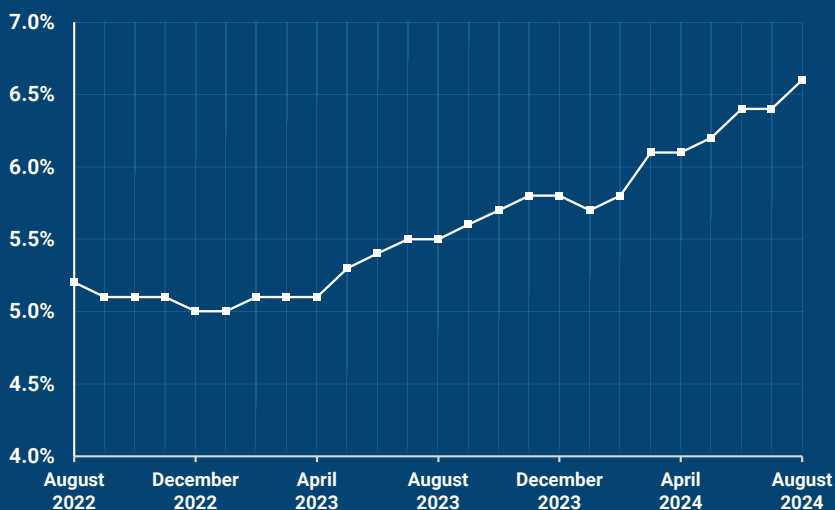
# National Statistics

Declining conditions in Canada's labour market continued to present a significant challenge for jobseekers during the month of August. The headline unemployment rate jumped by 0.2 percentage points to 6.6%. Outside of the peak COVID-19 pandemic period, this is the highest unemployment level observed since May 2017. With the participation rate ramping up slightly to 65.1% and continued increases in the working age population, the influx of jobseekers outpaced the overall growth in employment last month (+22,100; +0.1%).

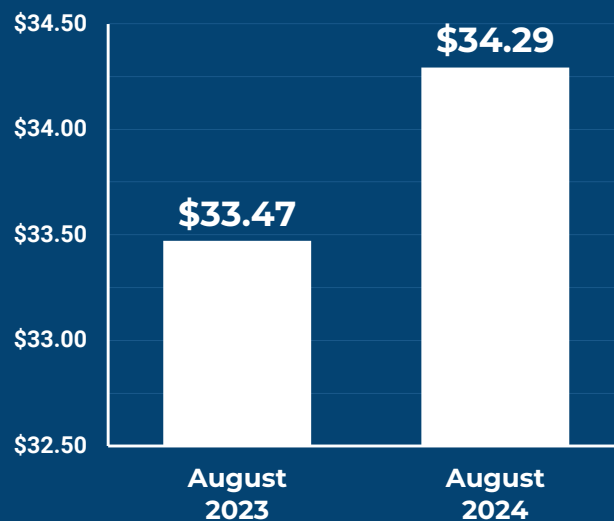
Job quality continues to be a concern, with the number of full-time positions falling by 44,000 positions in August (-0.3%), while part-time jobs grew by 66,000. However, wage growth remained robust at 5.0% year-over-year, which translated to a real wage increase of 2.5%.

	August 2018–22 average	August 2023	July 2024	August 2024	Year-over-year (Y/Y) change	Monthly (M/M) change
Total employment (#) <sup>1</sup>	18,954,780	20,206,300	20,513,600	20,535,700	329,400 1.6%	22,100 0.1%
Unemployment rate (%) <sup>2</sup>	6.9	5.5	6.4	6.6	1.1	0.2
Participation rate (%) <sup>3</sup>	65.5	65.5	65.0	65.1	-0.4	0.1
Union coverage (%) <sup>4</sup>	29.2	29.3	29.1	29.2	-0.1	0.1
Average hourly wage (\$) <sup>5</sup>	\$29.51	\$33.47	\$34.97	\$35.16	5.0%	0.5%
Real average hourly wage (\$) <sup>6</sup>	\$33.14	\$33.47	\$34.26	\$34.29	2.5%	0.1%

## Unemployment Rate



## Real Average Hourly Wage



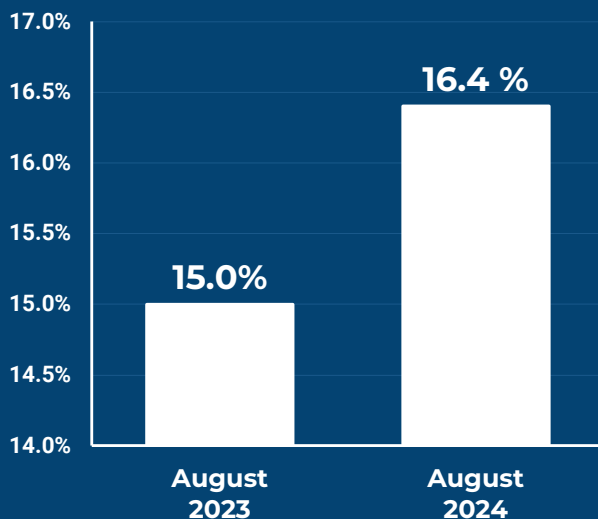
# National Precarity Indicators

Unifor's precarity indicators reveal a substantial downturn in labour market conditions, with both the underutilization and underemployment rates surging by 1.4 percentage points since August 2023. This suggests that the proportion of both discouraged jobseekers and underemployed part-timers has increased substantially since last year. These figures are in line with the rising proportion of jobseekers who have searched for work for more than 27 weeks and are considered to be long-term

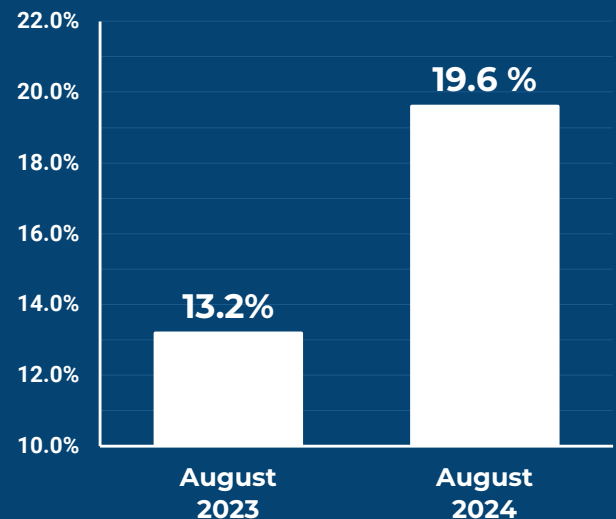
unemployed. This figure surged by 12% in August and now accounts for nearly 1 in 5 jobseekers (see chart below). Unemployed youths continue to bear the brunt of declining job market conditions, with the number of youths not in employment, education or training (NEETs) reaching a staggering 2.1 million in August.

	August 2023	July 2024	August 2024	Y/Y change	M/M change
Part-time rate (%) <sup>7</sup>	16.1	16.4	16.7	0.6	0.3
Involuntary part-time (%) <sup>8</sup>	46.7	48.1	47.9	1.2	-0.2
Underutilization (R8) rate (%) <sup>9</sup>	8.2	9.5	9.6	1.4	0.1
Underemployment rate (%) <sup>10</sup>	15.0	15.9	16.4	1.4	0.5
Multiple job holders (%) <sup>11</sup>	5.2	5.4	5.4	0.2	0.0
Temporary job holders (%) <sup>12</sup>	13.1	13.3	12.7	-0.4	-0.6
Casual/other (%)	3.2	3.0	3.3	0.1	0.3
Temporary/contract (%)	6.0	6.3	5.8	-0.2	-0.5
Seasonal (%)	3.8	3.9	3.6	-0.2	-0.3
Low wage incidence (%) <sup>13</sup>	20.3	19.3	22.6	2.3	3.3
Gender wage gap <sup>14</sup>	\$4.28	\$4.78	\$4.63	8.4%	-2.9%
NEETs (x1,000) <sup>15</sup>	1,760.5	1,820.4	2,083.6	18.4%	14.5%

## Underemployment Rate



## Long-term Unemployment



# Regional Statistics

Employment figures were positive across much of Canada, with job growth concentrated in the Atlantic region (+5,600), Quebec (+14,700), and the Prairies (+14,500). Meanwhile, Ontario's employment level declined by 0.1% (-8,400) and British Columbia fell by 0.2% (-4,500).

However, there were notable differences in the unemployment rate trends among these regions, with a significant rise in the number of jobseekers continuing to outpace jobs growth in the Prairies, as indicated by a sharp 0.3 percentage point jump in the participation rate there. As a result, the unemployment rate in Ontario and the Prairie region both jumped by 0.4 percentage points, despite the divergent changes in employment. Notably, the unemployment rate has now risen above the 7% mark in three regions – Ontario, the Prairies and the Atlantic – with Quebec (5.7%) and B.C. (5.8%) keeping the national unemployment rate within the 6% range.

Wage growth continued to be robust across most regions with a sharp wage increase in Ontario, while British Columbia posted a notable decline (-1.1%). Year-over-year, the Atlantic continues to lead when it comes to real wage growth, with wages adjusted for inflation higher by 4.6% there, followed by Ontario at 3.2%.



# Regional Statistics Continued

## Atlantic

	August 2023	August 2024	Y/Y change	M/M change
Total employment (#)	1,207,900	1,249,100	41,200 3.4%	5,600 0.5%
Unemployment rate (%)	7.6	7.5	-0.2	-0.3
Participation rate (%)	60.7	60.9	0.2	0.0
Union coverage (%)	29.9	31.2	1.3	0.2
Average hourly wage (\$)	\$28.71	\$30.79	7.3%	0.7%
Real avg. hourly wage (\$)	\$28.71	\$30.03	4.6%	0.3%



## Quebec

	August 2023	August 2024	Y/Y change	M/M change
Total employment (#)	4,504,500	4,520,200	15,700 0.3%	14,700 0.3%
Unemployment rate (%)	4.3	5.7	1.4	0.0
Participation rate (%)	64.7	64.2	-0.4	0.1
Union coverage (%)	38.0	38.7	0.7	1.0
Average hourly wage (\$)	\$32.21	\$33.80	4.9%	0.2%
Real avg. hourly wage (\$)	\$32.21	\$32.97	2.4%	-0.2%



## Ontario

	August 2023	August 2024	Y/Y change	M/M change
Total employment (#)	7,940,300	8,068,800	128,500 1.6%	-8,400 -0.1%
Unemployment rate (%)	5.9	7.1	1.2	0.4
Participation rate (%)	65.6	65.0	-0.6	0.0
Union coverage (%)	25.4	24.9	-0.5	-0.4
Average hourly wage (\$)	\$34.61	\$36.61	5.8%	1.3%
Real avg. hourly wage (\$)	\$34.61	\$35.71	3.2%	0.9%



# Regional Statistics Continued

## Prairies

	August 2023	August 2024	Y/Y change	M/M change
Total employment (#)	3,765,000	3,858,600	93,600 2.5%	14,500 0.4%
Unemployment rate (%)	5.6	7.0	1.4	0.4
Participation rate (%)	68.7	68.6	-0.1	0.3
Union coverage (%)	26.5	25.7	-0.8	-0.1
Average hourly wage (\$)	\$33.35	\$34.53	3.6%	0.5%
Real avg. hourly wage (\$)	\$33.35	\$33.68	1.0%	0.0%



## British Columbia

	August 2023	August 2024	Y/Y change	M/M change
Total employment (#)	2,788,600	2,839,000	50,400 1.8%	-4,300 -0.2%
Unemployment rate (%)	5.2	5.8	0.6	0.2
Participation rate (%)	64.8	64.2	-0.6	0.1
Union coverage (%)	29.5	29.8	0.3	0.3
Average hourly wage (\$)	\$34.71	\$36.20	4.3%	-1.1%
Real avg. hourly wage (\$)	\$34.71	\$35.31	1.7%	-1.5%



# Average Hourly Wages by Industry

## Nominal vs. Inflation-Adjusted Wage Growth

Industry	August 2023	August 2024	Y/Y change	Y/Y inflation-adjusted change
Agriculture	\$23.51	\$25.29	7.6%	2.8%
Forestry	\$32.62	\$34.06	4.4%	1.8%
Mining, oil and gas	\$49.31	\$55.19	11.9%	8.4%
Utilities	\$48.80	\$54.08	10.8%	7.5%
Construction	\$35.24	\$36.07	2.4%	-0.2%
Manufacturing: durables	\$33.45	\$35.17	5.2%	2.5%
Manufacturing: non-durables	\$32.19	\$33.02	2.6%	0.0%
Wholesale Trade	\$35.36	\$35.77	1.2%	-1.3%
Retail Trade	\$23.29	\$24.47	5.1%	2.4%
Transportation and Warehousing	\$32.79	\$34.03	3.8%	1.2%
Finance and Insurance	\$42.91	\$45.07	5.0%	2.4%
Real Estate and Rental and Leasing	\$35.04	\$36.08	3.0%	0.4%
Professional, Scientific and Technical Services	\$44.16	\$47.99	8.7%	5.6%
Business, building and other support	\$25.02	\$26.75	6.9%	4.1%
Educational Services	\$40.13	\$41.74	4.0%	1.4%
Health Care and Social Assistance	\$32.32	\$33.33	3.1%	0.6%
Information, Culture and Recreation	\$29.94	\$31.53	5.3%	2.6%
Accommodation and Food Services	\$19.71	\$20.31	3.1%	0.5%
Other Services	\$29.44	\$30.59	3.9%	1.3%
Public Administration	\$42.21	\$44.10	4.5%	1.9%

Wages were positive across all industries on an annualized basis, with particularly strong real wage growth in the goods-producing sector, notably in energy and mining. Manufacturing wages have also trended positively over the past few months, with the durables manufacturing segment posting year-over-year real wage gains of 2.5%.

Employment growth was concentrated in the services sector where public sector growth was particularly notable. Total employment in educational services increased by a substantial 26,700 positions, followed by health care and social assistance at 25,000. Notably, there was a significant decline in the professional, scientific and technical services industry (-16,200), which had seen large employment increases during the pandemic.

# Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, July to August 2024

GOODS-PRODUCING SECTOR		2,700
Agriculture		1,500
Forestry, fishing, mining, quarrying, oil and gas		-6,500
Utilities		-6,800
Construction		3,300
Manufacturing		11,200
SERVICES PRODUCING SECTOR		19,500
Wholesale and retail trade		13,900
Transportation and warehousing		1,600
Finance, insurance, real estate, rental and leasing		11,200
Professional, scientific and technical services		-16,200
Business, building and other support services		-8,100
Educational services		26,700
Health care and social assistance		25,000
Information, culture and recreation		100
Accommodation and food services		-9,800
Other services (except public administration)		-18,600
Public administration		-6,400





# NOTES

1. Total employment counts all working age individuals (15 years old and above) who are currently employed. Seasonally adjusted.
2. The unemployment rate expresses the percentage of working age people who are unemployed and actively seeking work. It does not include unemployed individuals who are not currently searching for jobs or who are permanently without work, and who are therefore considered to fall outside the labour market. Seasonally adjusted.
3. The participation rate expresses the percentage of all working age people who are participating in the labour market, including both employed and unemployed (actively job-seeking) individuals. Seasonally adjusted.
4. Union coverage includes workers who are union members as well as those who are non-unionized but covered by the terms of a collective agreement.
5. The average hourly wage is calculated using usual wages or salaries reported by employees for their main job.
6. The real average hourly wage adjusts wages to account for the impact of inflation and is reported in dollars from the corresponding month of the previous year. Since CPI data is unavailable for the current month prior to the release of the Labour Force Survey, the previous month's CPI level is used to estimate real wages for the current period.
7. The part-time rate measures the percentage of all employed workers who are working part-time hours.
8. The involuntary part-time rate measures the percentage of part-time workers who wanted full-time employment.
9. The underutilization rate, or R8, is used by Statistics Canada to measure underutilized labour. It adds to the unemployment rate those who are waiting for recall or replies, long-term future starts, discouraged workers (those who did not search because they believed no jobs were available) and a portion of involuntary part-time workers.
10. The underemployment rate measures the percentage of people who want work but cannot find suitable employment or who do not have adequate support systems in place that would allow them to engage in job-seeking. It therefore measures the true extent of labour underutilization in Canada. The underemployment rate adds to the unemployment rate all involuntary part-time workers and the marginally attached (i.e. those who wanted to work but who were not able to actively search for jobs due to extenuating circumstances).
11. The multiple job holder rate measures the percentage of employed workers who hold two or more jobs.
12. The temporary job holder rate measures the percentage of employed workers whose jobs are temporary in tenure.
13. Low wage incidence is expressed as the percentage of hourly wage earners earning less than two-thirds of the median hourly wage. This measure is a widely accepted standard for determining the low pay threshold.
14. The gender pay gap measures the average difference in income between men and women who earn hourly wages. A positive gap indicates that men earn, on average, more than women.
15. The NEET category measures the number of people aged 15 to 29 who are not in employment, education or training.





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