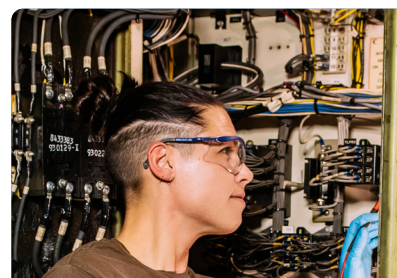


UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

July 2024



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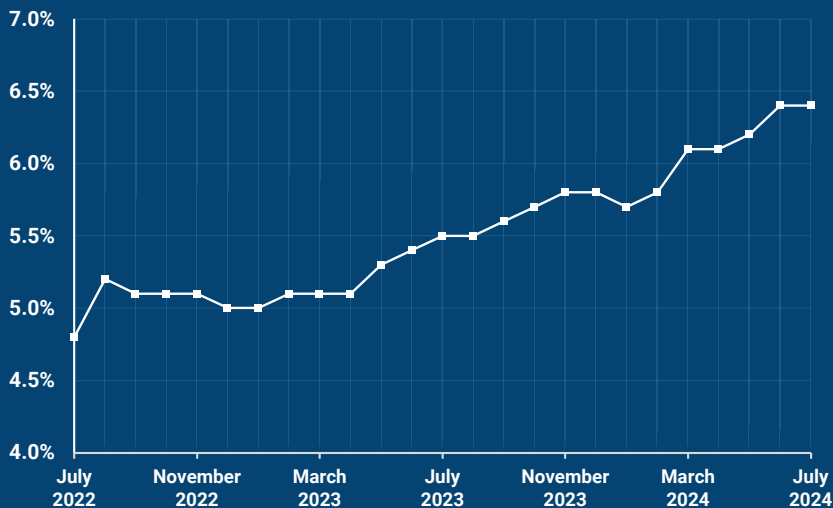
National Statistics

Canada's headline employment figures were little changed in July, with a slight decline of 2,800 jobs, while the unemployment rate remained level at 6.4% following increases in May and June. However, there were substantial decreases in the employment rate and the participation rate, with the latter falling by 0.3 percentage points to 65.0%. Outside of the COVID-19 pandemic, this is the lowest participation rate on record since 1998, reflecting an increasingly challenging labour market and rapidly declining job opportunities.

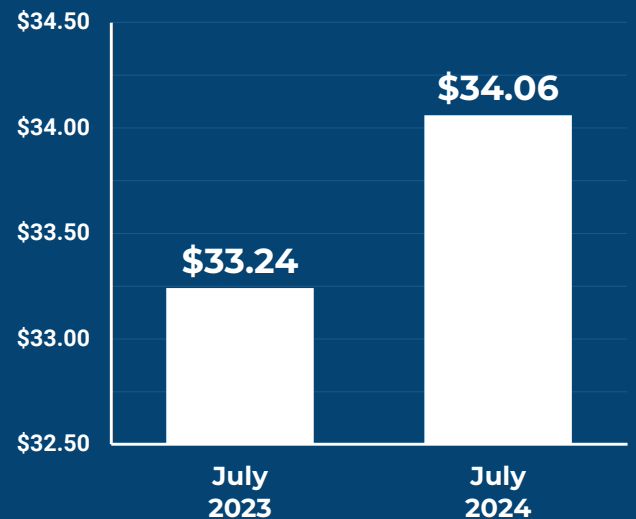
Average hourly wages increased slightly, nearing the \$35/hr mark, and a renewed easing of inflationary pressures translated into a robust annual increase in real wages of 2.5%. Union coverage rates declined to 29.1%, although this is in keeping with previous trends during the summer break.

	July 2018–22 average	July 2023	June 2024	July 2024	Year-over-year (Y/Y) change	Monthly (M/M) change
Total employment (#) ¹	18,895,500	20,166,400	20,516,400	20,513,600	347,200 1.7%	-2,800 0.0%
Unemployment rate (%) ²	7.0	5.5	6.4	6.4	0.9	0.0
Participation rate (%) ³	65.5	65.5	65.3	65.0	-0.5	-0.3
Union coverage (%) ⁴	29.2	29.2	30.2	29.1	-0.1	-1.1
Average hourly wage (\$) ⁵	\$29.46	\$33.24	\$34.91	\$34.97	5.2%	0.2%
Real average hourly wage (\$) ⁶	\$33.02	\$33.24	\$33.98	\$34.06	2.5%	0.2%

Unemployment Rate



Real Average Hourly Wage



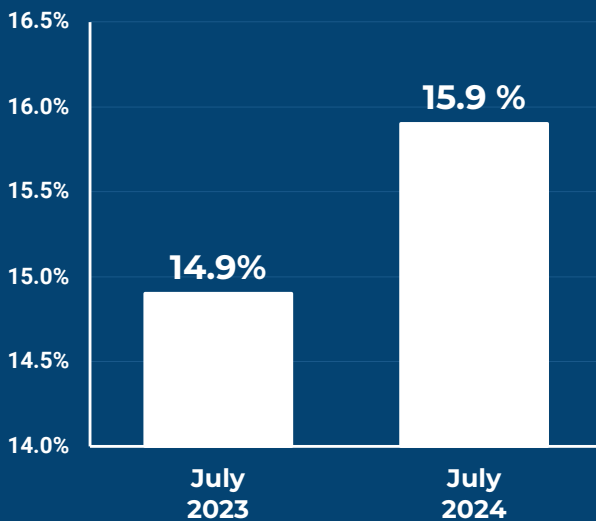
National Precarity Indicators

A number of Unifor's precarity indicators signalled a deterioration in underlying labour market conditions, from June to July, although the increase in seasonal work during this period of time accounts for some of this trend –there was a large increase in the proportion of temporary job holders (13.3%) driven mainly by increases in seasonal workers. Nevertheless, substantial year-over-year increases in the underemployment and underutilization rates (+1.0) reveal significantly worse labour market conditions

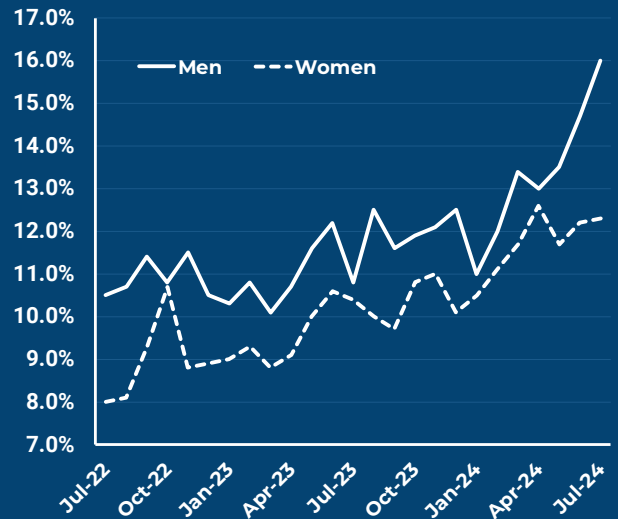
in July. Notably, youth unemployment rates reached their highest level since 2012, with a surprisingly large gap developing between young men (16.0%) and young women (12.3%). In general, deteriorating labour market conditions have disproportionately impacted young people since early 2023.

	July 2023	June 2024	July 2024	Y/Y change	M/M change
Part-time rate (%) ⁷	16.2	17.8	16.4	0.2	-1.4
Involuntary part-time (%) ⁸	48.5	44.5	48.1	-0.4	3.6
Underutilization (R8) rate (%) ⁹	8.5	8.3	9.5	1.0	1.2
Underemployment rate (%) ¹⁰	14.9	15.2	15.9	1.0	0.7
Multiple job holders (%) ¹¹	5.4	5.8	5.4	0.0	-0.4
Temporary job holders (%) ¹²	13.4	12.9	13.3	-0.1	0.4
Casual/other (%)	3.2	3.3	3.0	-0.2	-0.3
Temporary/contract (%)	6.3	6.6	6.3	0.0	-0.3
Seasonal (%)	3.9	2.9	3.9	0.0	1.0
Low wage incidence (%) ¹³	19.0	19.1	19.3	0.3	0.2
Gender wage gap ¹⁴	\$4.26	\$4.55	\$4.78	12.2%	5.0%
NEETs (x1,000) ¹⁵	1,552.8	1,008.6	1,820.4	17.2%	80.5%

Underemployment Rate



Youth Unemployment Rate by Gender



Regional Statistics

Regional labour market numbers in July reveal a sharp divergence in trends between Ontario and the rest of the country. There were substantial job losses in British Columbia (-10,300; -0.4%), Atlantic Canada (-6,500; -0.5%), and Quebec (-9,100; -0.2%), while the Prairie region remained essentially flat (+700; 0.0%). Meanwhile, Ontario posted a notable employment increase of 22,400 (+0.3%), nearly erasing losses observed across the rest of Canada.

The jobs gains in Ontario also resulted in a large decline in the regional unemployment rate, from 7% in June to 6.7% in July. Elsewhere, the unemployment rate increased in the Atlantic (+0.2; 7.7%), the Prairies (+0.1; 6.6%), and B.C. (+0.4; 5.5%), while remaining level in Quebec (0.0; 5.7%). Notably, the participation rate fell significantly across all regions, with the exception of B.C., where the participation rate increased by 0.2 percentage points. Overall, Canada's labour force shrank in July, which helped to keep the unemployment rate level despite the overall increase in the number of unemployed and continued growth in the size of Canada's working age population (+125,400).



Regional Statistics Continued

Atlantic

	July 2023	July 2024	Y/Y change	M/M change
Total employment (#)	1,207,700	1,243,500	35,800 3.0%	-6,500 -0.5%
Unemployment rate (%)	7.5	7.7	0.2	0.2
Participation rate (%)	60.7	60.9	0.2	-0.4
Union coverage (%)	29.7	31.0	1.3	-0.9
Average hourly wage (\$)	\$28.63	\$30.58	6.8%	-0.3%
Real avg. hourly wage (\$)	\$28.63	\$29.78	4.0%	-0.3%



Quebec

	July 2023	July 2024	Y/Y change	M/M change
Total employment (#)	4,489,700	4,505,500	15,800 0.4%	-9,100 -0.2%
Unemployment rate (%)	4.5	5.7	1.2	0.0
Participation rate (%)	64.8	64.2	-0.6	-0.3
Union coverage (%)	37.1	37.7	0.6	-1.4
Average hourly wage (\$)	\$31.85	\$33.74	5.9%	-0.1%
Real avg. hourly wage (\$)	\$31.85	\$32.86	3.2%	0.0%



Ontario

	July 2023	July 2024	Y/Y change	M/M change
Total employment (#)	7,949,300	8,077,200	127,900 1.6%	22,400 0.3%
Unemployment rate (%)	5.6	6.7	1.1	-0.3
Participation rate (%)	65.7	65.0	-0.7	-0.3
Union coverage (%)	25.5	25.3	-0.2	-1.0
Average hourly wage (\$)	\$34.43	\$36.14	5.0%	0.7%
Real avg. hourly wage (\$)	\$34.43	\$35.20	2.2%	0.8%



Regional Statistics Continued

Prairies

	July 2023	July 2024	Y/Y change	M/M change
Total employment (#)	3,743,000	3,844,100	101,100 2.7%	700 0.0%
Unemployment rate (%)	5.7	6.6	0.9	0.1
Participation rate (%)	68.7	68.3	-0.4	-0.2
Union coverage (%)	27.1	25.8	-1.3	-1.2
Average hourly wage (\$)	\$33.20	\$34.37	3.5%	-0.4%
Real avg. hourly wage (\$)	\$33.20	\$33.48	0.8%	-0.3%



British Columbia

	July 2023	July 2024	Y/Y change	M/M change
Total employment (#)	2,776,600	2,843,300	66,700 2.4%	-10,300 -0.4%
Unemployment rate (%)	5.4	5.5	0.1	0.4
Participation rate (%)	64.8	64.4	-0.4	0.2
Union coverage (%)	29.1	29.5	0.4	-0.8
Average hourly wage (\$)	\$34.37	\$36.59	6.5%	3.0%
Real avg. hourly wage (\$)	\$34.37	\$35.64	3.7%	3.0%



Average Hourly Wages by Industry

Nominal vs. Inflation-Adjusted Wage Growth

Industry	July 2023	July 2024	Y/Y change	Y/Y inflation-adjusted change
Agriculture	\$23.95	\$27.17	13.4%	6.2%
Forestry	\$33.20	\$32.72	-1.5%	-4.2%
Mining, oil and gas	\$49.12	\$54.72	11.4%	7.8%
Utilities	\$49.43	\$54.49	10.2%	6.9%
Construction	\$35.28	\$35.88	1.7%	-0.9%
Manufacturing: durables	\$33.14	\$35.01	5.7%	2.8%
Manufacturing: non-durables	\$32.14	\$32.60	1.4%	-1.2%
Wholesale Trade	\$35.36	\$36.11	2.1%	-0.5%
Retail Trade	\$23.01	\$24.48	6.4%	3.5%
Transportation and Warehousing	\$32.48	\$33.11	2.0%	-0.7%
Finance and Insurance	\$41.94	\$44.91	7.1%	4.1%
Real Estate and Rental and Leasing	\$34.28	\$35.71	4.2%	1.5%
Professional, Scientific and Technical Services	\$43.82	\$47.90	9.3%	6.1%
Business, building and other support	\$25.44	\$26.55	4.4%	1.6%
Educational Services	\$39.66	\$41.51	4.7%	1.9%
Health Care and Social Assistance	\$32.36	\$33.32	3.0%	0.3%
Information, Culture and Recreation	\$29.82	\$30.37	1.9%	-0.8%
Accommodation and Food Services	\$19.39	\$20.29	4.7%	1.9%
Other Services	\$29.24	\$29.79	1.9%	-0.8%
Public Administration	\$41.88	\$43.96	5.0%	2.2%

Year-over-year wage growth was almost entirely positive across all industries, although some of the results for the past month may be skewed by the effect of limited industry sample sizes. Notably, wages within the public sector – which had lagged behind the private sector during the recovery from the COVID-19 pandemic – have begun to pick up, with positive real wage growth in educational services (+1.9%), public administration (+2.2%) and health care and social assistance (+0.3%).

Employment growth was positive in most industries during the month of July, with the exception of a significant decline in wholesale and retail trade (-44,100), which wiped out any gains made in the services producing sector, including within public administration (+20,000).

Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, June to July 2024

GOODS-PRODUCING SECTOR		12,100
Agriculture		2,400
Forestry, fishing, mining, quarrying, oil and gas		5,000
Utilities		6,200
Construction		7,000
Manufacturing	-8,600	
SERVICES PRODUCING SECTOR	-14,800	
Wholesale and retail trade	-44,100	
Transportation and warehousing		14,500
Finance, insurance, real estate, rental and leasing	-15,000	
Professional, scientific and technical services		12,200
Business, building and other support services	-5,100	
Educational services		1,500
Health care and social assistance		6,100
Information, culture and recreation		9,400
Accommodation and food services	-9,700	
Other services (except public administration)	-4,500	
Public administration		20,000



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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