

UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

May 2024



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June 7, 2024

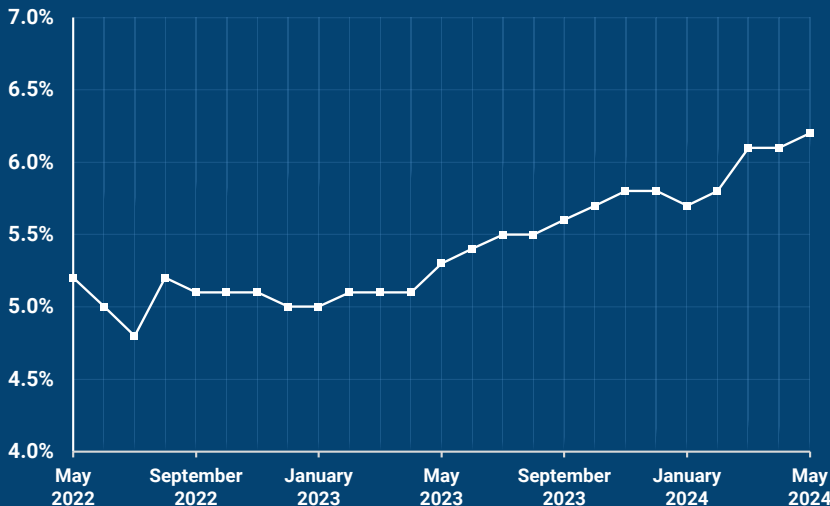
National Statistics

Canada's labour market fell back to earth after a surprisingly strong showing in April. There were nearly 27,000 jobs added to the economy in May, amounting to a marginal employment gain of 0.1%. However, the influx of jobseekers continued to outpace employment growth, resulting in the unemployment rate rising by 0.1 percentage point to 6.2%. Excluding the COVID-19 pandemic years of 2020 and 2021, this is the highest unemployment rate observed since October 2017. Employment gains were also entirely accounted for by increases in part-time work (+62,400) as the number of full-time jobs fell by 35,600.

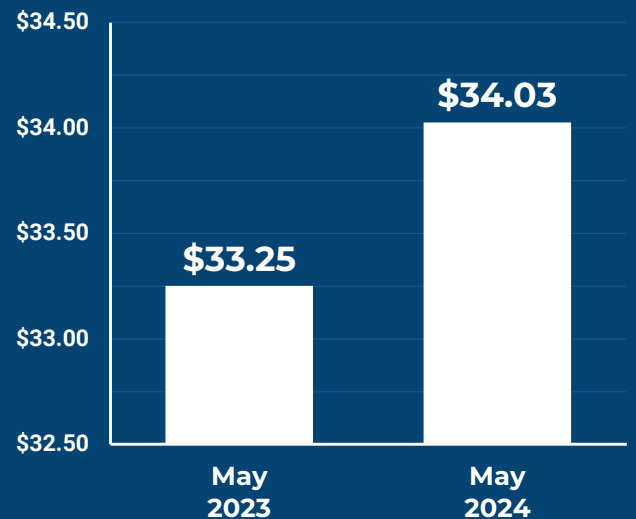
Although average hourly wages were flat in May, year-over-year increases remained near the 5% mark and real wages were up by 2.3%, reflecting the continued decline in inflation. Union coverage dipped to 30%, partially reflecting seasonal trends as we head into the summer break.

	May 2018–22 average	May 2023	April 2024	May 2024	Year-over-year (Y/Y) change	Monthly (M/M) change
Total employment (#) ¹	18,503,760	20,113,000	20,491,100	20,517,800	404,800 2.0%	26,700 0.1%
Unemployment rate (%) ²	7.8	5.2	6.1	6.2	1.0	0.1
Participation rate (%) ³	64.8	65.5	65.4	65.4	-0.1	0.0
Union coverage (%) ⁴	30.6	30.5	30.4	30.0	-0.5	-0.4
Average hourly wage (\$) ⁵	\$29.75	\$33.25	\$34.95	\$34.94	5.1%	0.0%
Real average hourly wage (\$) ⁶	\$33.47	\$33.25	\$34.21	\$34.03	2.3%	-0.5%

Unemployment Rate



Real Average Hourly Wage



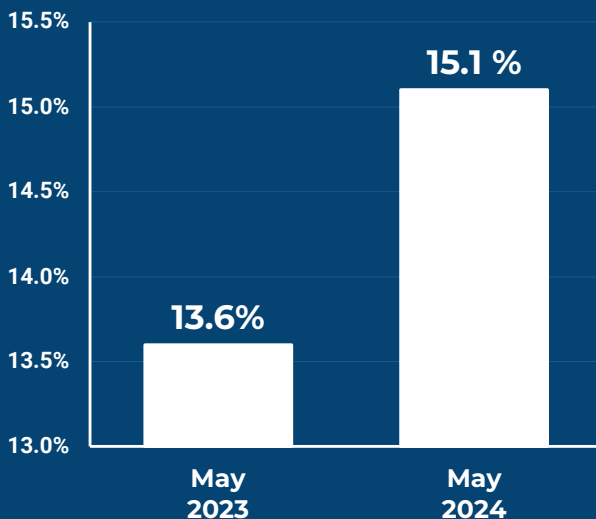
National Precarity Indicators

After a brief respite in April, many of Unifor’s precarity indicators resumed their upwards march. The proportion of involuntary part-timers grew by 3.1 percentage points to 42.8%, while the underutilization rate increased to 8.5% and the underemployment rate reached 15.1%. Year-over-year, these rates are up by 1.3 and 1.5 percentage points, respectively, suggesting that there has been a significant increase in the proportion of Canadians wanting but unable to secure full-time employment. Additional evidence that the job

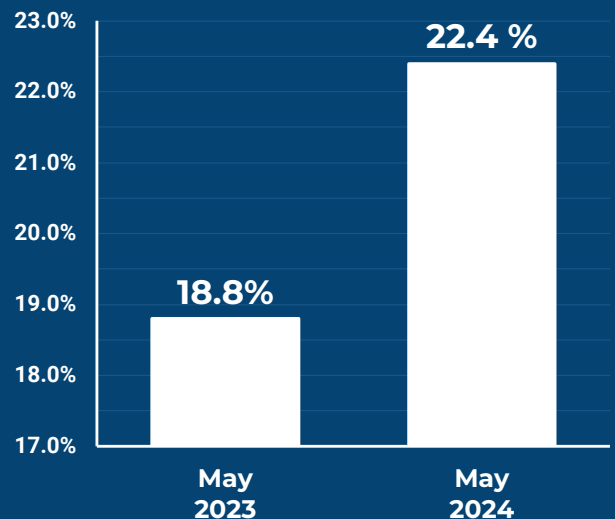
market is weakening and precarity is on the upswing can be seen in the proportion of low waged earners – i.e., those earning less than two-thirds of the median hourly wage – which has jumped by 3.6 percentage points since May 2023 and now sits at 22.4% (see chart below).

	May 2023	April 2024	May 2024	Y/Y change	M/M change
Part-time rate (%) ⁷	17.9	18.9	18.4	0.5	-0.5
Involuntary part-time (%) ⁸	40.5	39.7	42.8	2.3	3.1
Underutilization (R8) rate (%) ⁹	7.2	8.4	8.5	1.3	0.1
Underemployment rate (%) ¹⁰	13.6	14.8	15.1	1.5	0.3
Multiple job holders (%) ¹¹	5.7	5.7	5.5	-0.2	-0.2
Temporary job holders (%) ¹²	12.3	10.6	12.2	-0.1	1.6
Casual/other (%)	3.3	3.1	3.4	0.1	0.3
Temporary/contract (%)	6.5	6.2	6.4	-0.1	0.2
Seasonal (%)	2.4	1.3	2.5	0.1	1.2
Low wage incidence (%) ¹³	18.8	22.2	22.4	3.6	0.2
Gender wage gap ¹⁴	\$4.49	\$4.86	\$4.78	6.3%	-1.7%
NEETs (x1,000) ¹⁵	849.2	829.8	1,001.4	17.9%	20.7%

Underemployment Rate



Low Wage Incidence



Regional Statistics

Employment losses were observed in every region, with the exception of Ontario where there was an increase of just under 50,000 jobs (+0.6%). Losses ranged from -8,000 in British Columbia to -2,000 in Quebec. Year-over-year, percentage gains have been the highest in Atlantic Canada (+3.8%) followed by British Columbia (+3.0%), the Prairies (+2.7%), and Ontario (+1.9%). Quebec has observed employment growth of just 0.6% since May 2023, but continues to boast the lowest unemployment rate in the country at 5.1%, which was level from the previous month.

Elsewhere, the unemployment rate declined in Ontario (-0.1) to 6.7% while climbing slightly in the Prairies (+0.1) to 6.6%. Notably, the unemployment rate saw significant increases in Atlantic Canada (+0.4) and British Columbia (+0.6) from April, but B.C. is the only region where the year-over-year increase in the unemployment rate remains below 1.0 percentage point.

The monthly trend in average hourly wages diverged across the country, remaining flat in the Atlantic, while increasing in Quebec (+0.7%) and B.C. (+1.4%), and falling in Ontario (-0.6%) and the Prairies (-0.7%).



Regional Statistics Continued

Atlantic

	May 2023	May 2024	Y/Y change	M/M change
Total employment (#)	1,199,700	1,245,500	45,800 3.8%	-5,400 -0.4%
Unemployment rate (%)	6.9	7.5	0.6	0.4
Participation rate (%)	60.2	61.2	1.0	-0.1
Union coverage (%)	32.4	32.0	-0.4	-0.3
Average hourly wage (\$)	\$28.99	\$30.66	5.8%	0.0%
Real avg. hourly wage (\$)	\$28.99	\$29.86	3.0%	-0.5%



Quebec

	May 2023	May 2024	Y/Y change	M/M change
Total employment (#)	4,506,600	4,532,300	25,700 0.6%	-2,100 0.0%
Unemployment rate (%)	4.0	5.1	1.1	0.0
Participation rate (%)	64.8	64.5	-0.3	-0.2
Union coverage (%)	39.4	38.9	-0.5	-0.8
Average hourly wage (\$)	\$32.27	\$33.92	5.1%	0.7%
Real avg. hourly wage (\$)	\$32.27	\$33.03	2.4%	0.2%



Ontario

	May 2023	May 2024	Y/Y change	M/M change
Total employment (#)	7,895,500	8,045,000	149,500 1.9%	49,500 0.6%
Unemployment rate (%)	5.5	6.7	1.2	-0.1
Participation rate (%)	65.6	65.2	-0.4	0.2
Union coverage (%)	26.4	25.7	-0.7	-0.4
Average hourly wage (\$)	\$34.27	\$35.72	4.2%	-0.6%
Real avg. hourly wage (\$)	\$34.27	\$34.78	1.5%	-1.0%



Regional Statistics Continued

Prairies

	May 2023	May 2024	Y/Y change	M/M change
Total employment (#)	3,730,300	3,831,800	101,500 2.7%	-7,200 -0.2%
Unemployment rate (%)	5.3	6.6	1.3	0.1
Participation rate (%)	68.6	68.6	-0.1	-0.3
Union coverage (%)	28.3	27.0	-1.3	-0.5
Average hourly wage (\$)	\$33.06	\$34.61	4.7%	-0.7%
Real avg. hourly wage (\$)	\$33.06	\$33.71	2.0%	-1.2%



British Columbia

	May 2023	May 2024	Y/Y change	M/M change
Total employment (#)	2,780,800	2,863,300	82,500 3.0%	-7,900 -0.3%
Unemployment rate (%)	5.0	5.6	0.6	0.6
Participation rate (%)	65.0	65.3	0.2	-0.1
Union coverage (%)	29.6	30.5	0.9	-0.1
Average hourly wage (\$)	\$34.23	\$36.89	7.8%	1.4%
Real avg. hourly wage (\$)	\$34.23	\$35.93	5.0%	0.9%



Average Hourly Wages by Industry

Nominal vs. Inflation-Adjusted Wage Growth

Industry	May 2023	May 2024	Y/Y change	Y/Y inflation-adjusted change
Agriculture	\$22.92	\$24.26	5.8%	1.8%
Forestry	\$32.06	\$34.78	8.5%	5.3%
Mining, oil and gas	\$51.23	\$51.92	1.3%	-1.3%
Utilities	\$46.92	\$51.91	10.6%	7.2%
Construction	\$35.11	\$36.46	3.8%	1.1%
Manufacturing: durables	\$33.71	\$35.15	4.3%	1.5%
Manufacturing: non-durables	\$31.68	\$32.67	3.1%	0.4%
Wholesale Trade	\$35.08	\$36.11	2.9%	0.3%
Retail Trade	\$23.27	\$24.41	4.9%	2.1%
Transportation and Warehousing	\$32.08	\$32.42	1.1%	-1.6%
Finance and Insurance	\$41.68	\$45.15	8.3%	5.2%
Real Estate and Rental and Leasing	\$33.63	\$35.40	5.3%	2.5%
Professional, Scientific and Technical Services	\$43.62	\$47.31	8.4%	5.3%
Business, building and other support	\$26.13	\$26.59	1.7%	-0.9%
Educational Services	\$38.36	\$39.93	4.1%	1.4%
Health Care and Social Assistance	\$31.61	\$33.30	5.4%	2.6%
Information, Culture and Recreation	\$31.39	\$31.28	-0.4%	-3.1%
Accommodation and Food Services	\$19.60	\$20.51	4.7%	1.9%
Other Services	\$28.51	\$29.74	4.3%	1.5%
Public Administration	\$42.19	\$44.47	5.4%	2.6%

Parsing average hourly wage data by industry reveals continued robust wage growth for the vast majority of industries, including within the public sector where wage gains have tended to lag behind the private sector. Year-over-year, workers in health care and social assistance have experienced real wage gains (adjusted for inflation) of 2.6%, matching wage increases for those in public administration, and outpacing real wage gains in educational services (+1.4%).

Employment gains in May were concentrated in the services-producing sector (+47,700), with health care and social assistance (+29,900) leading the way. Cumulative job losses were observed in the goods-producing sector (-20,700), with the bulk of losses occurring in construction (-29,600).

Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, April to May 2024

GOODS-PRODUCING SECTOR	-20,700	
Agriculture		3,200
Forestry, fishing, mining, quarrying, oil and gas		3,000
Utilities	-5,400	
Construction	-29,600	
Manufacturing		8,100
SERVICES PRODUCING SECTOR		47,400
Wholesale and retail trade	-6,300	
Transportation and warehousing	-20,600	
Finance, insurance, real estate, rental and leasing		28,800
Professional, scientific and technical services		1,300
Business, building and other support services		18,700
Educational services	-12,100	
Health care and social assistance		29,900
Information, culture and recreation	-10,800	
Accommodation and food services		12,900
Other services (except public administration)		2,200
Public administration		3,300



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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