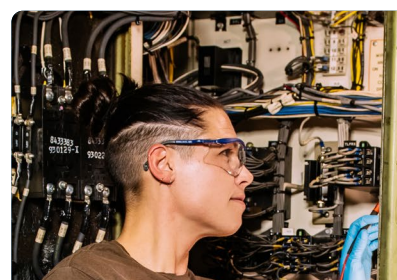


UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

August 2021



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September 10, 2021

National Statistics

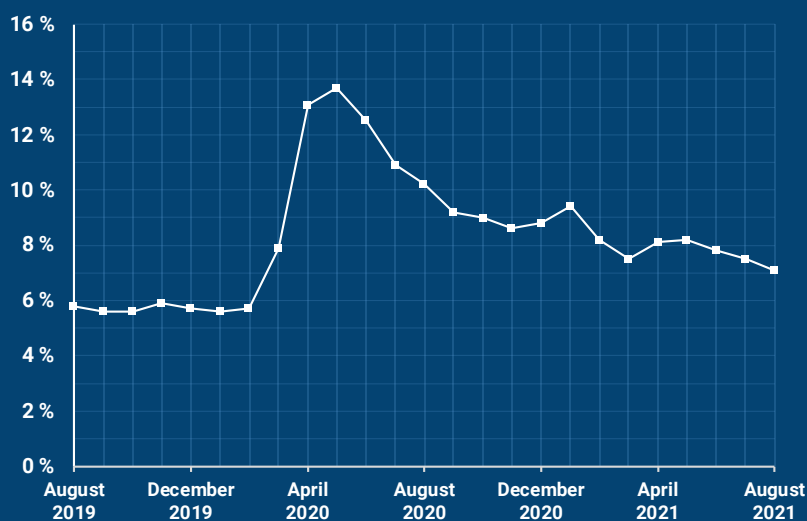
The Canadian labour market added another 90,200 jobs in August, as most regions continued to see the return of economic activity while lockdown measures eased. The unemployment rate fell to 7.1%, which is the lowest level since the onset of the COVID-19 pandemic, but nevertheless higher than the pre-pandemic average for the month of August. Promisingly, the participation rate is also up, signalling that a significant proportion of workers have returned to the labour market. However, with the number of COVID infections ramping up across most of Canada, time will tell if these trends hold.

The rate of union coverage remained unchanged from July, but continues to hover at levels below last year. Average hourly wages saw a 0.5% increase in August, but remained 2.4% lower than average hourly wages in August 2020.

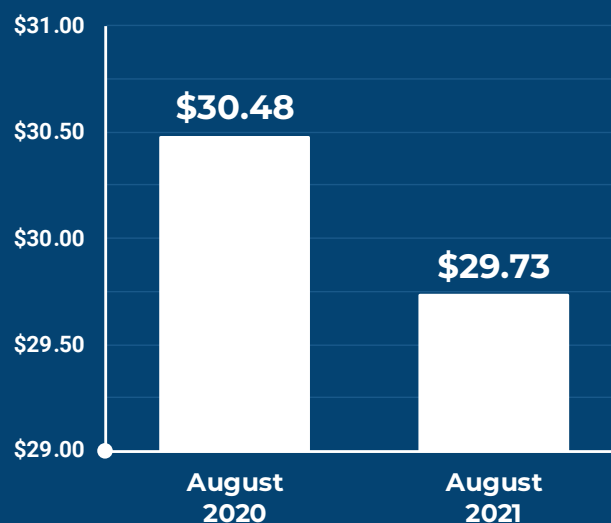
| | August average 2015–19 | Aug. 2020 | Aug. 2021 | Aug. 2020–21 Change | July–Aug. 2021 Change |
|--|---------------------------|------------|------------|------------------------|--------------------------|
| Total employment (#) ¹ | 18,340,440 | 18,016,300 | 18,974,100 | 957,800 5.3% | 90,200 0.5% |
| Unemployment rate (%) ² | 6.4 | 10.2 | 7.1 | -3.1 p.p. | -0.4 p.p. |
| Participation rate (%) ³ | 65.5 | 64.6 | 65.1 | 0.5 p.p. | -0.1 p.p. |
| Union coverage (%) ⁴ | 29.4 | 30.1 | 29.5 | -0.6 p.p. | 0.0 p.p. |
| Average hourly wage (\$) ⁵ | \$27.28 | \$30.48 | \$29.73 | -2.4% | 0.5% |
| Average weekly hours (hrs.) ⁶ | 36.0 | 36.0 | 36.0 | 0.0% | 0.3% |

*p.p. refers to percentage points.

Unemployment Rate



Average Hourly Wage



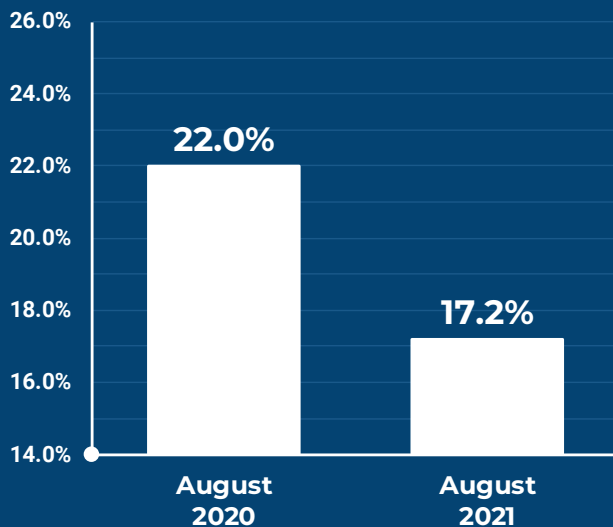
National Precarity Indicators

Our precarity indicators for August show a number of positive changes, with the underemployment, involuntary part-time and underutilization rates all falling on both a monthly and a yearly basis. Significantly, there are now 20% fewer Canadians between the ages of 15 to 29 who are not in employment, education or training (NEETs) compared to August 2020.

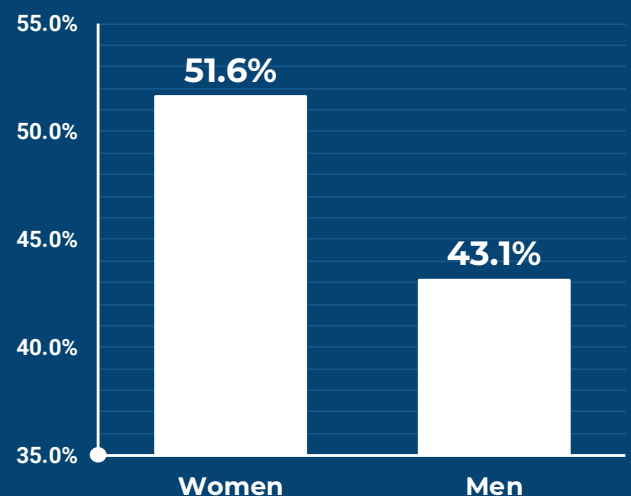
Still, year over year increases in both the percentage of multiple and temporary job holders continues to be cause for concern, suggesting that many returning workers are having to work more than one job to make ends meet and are confronted with precarious employment contracts. Likewise, breaking down the involuntary part-time rate by gender (see chart below) reveals that the positive outcomes of the economic recovery have not been distributed equally between women and men.

| | Aug. 2020 | Aug. 2021 | Aug. 2020-21 Change (p.p.) | July-Aug. 2021 Change (p.p.) |
|---|-----------|-----------|----------------------------|------------------------------|
| Part-time rate (%) ⁷ | 16.8 | 17.1 | 0.3 | -0.1 |
| Involuntary part-time (%) ⁸ | 58.1 | 48.5 | -9.6 | -4.5 |
| Underutilization (R8) rate (%) ⁹ | 14.6 | 10.2 | -4.4 | -0.8 |
| Underemployment rate (%) ¹⁰ | 22.0 | 17.2 | -4.8 | -0.7 |
| Multiple job holders (%) ¹¹ | 4.1 | 4.9 | 0.8 | -0.5 |
| Temporary job holders (%) ¹² | 12.6 | 13.6 | 1.0 | -0.5 |
| <i>Casual/other (%)</i> | 3.2 | 3.3 | 0.1 | 0.3 |
| <i>Temporary/contract (%)</i> | 6.0 | 6.9 | 0.9 | -0.5 |
| <i>Seasonal (%)</i> | 3.4 | 3.4 | 0.0 | -0.2 |
| Low wage incidence (%) ¹³ | 19.9 | 18.9 | -1.0 | 0.0 |
| Gender pay gap ¹⁴ | \$3.62 | \$3.59 | -0.9% | 3.7% |
| NEETs (x1,000) ¹⁵ | 2,132.8 | 1,713.5 | -19.7% | 5.6% |

Underemployment Rate



Involuntary Part-time by Gender



Regional Statistics

With the exception of Quebec, which saw a 0.3% decline in employment, regional employment numbers were mostly positive. Ontario and the Prairies led the way, with 0.7% and 0.8% increases, respectively, while both the Atlantic and B.C. regions saw a 0.5% increase in employment. Regional unemployment rates were down across the board, with Quebec now boasting an unemployment rate below 6% – the lowest in Canada, despite the fall in employment. This was mainly due to the fact that Quebec's participation rate fell by 0.4 percentage points, indicating that the employment losses in Quebec shrank the size of the labour market rather than adding to the ranks of the unemployed.

The rate of union coverage also climbed in all regions with the exception of Ontario, where it fell by 0.8 percentage points, suggesting that the job recovery in Ontario continues to be focused in non-unionized sectors. This trend is also partially reflected in the fact that Ontario was the only region to see a monthly decline in the average hourly wage, with the Atlantic, Quebec and B.C. regions posting significant monthly wage increases.



Regional Statistics Continued

Atlantic

| | Aug. 2020 | Aug. 2021 | Aug. 2020–21 Change | July–Aug. 2021 Change |
|-----------------------------|-----------|-----------|---------------------------|-----------------------------|
| Total employment (#) | 1,080,500 | 1,121,100 | 40,600 3.8% | 5,600 0.5% |
| Unemployment rate (%) | 10.6 | 9.4 | -1.2 | -0.3 |
| Participation rate (%) | 59.3 | 60.2 | 1.0 | 0.0 |
| Union coverage (%) | 31.1 | 30.4 | -0.7 | 0.6 |
| Average hourly wage (\$) | \$26.49 | \$25.89 | -2.3% | 0.9% |
| Average weekly hours (hrs.) | 37.5 | 37.3 | -0.5% | 0.4% |



Quebec

| | Aug. 2020 | Aug. 2021 | Aug. 2020–21 Change | July–Aug. 2021 Change |
|-----------------------------|-----------|-----------|---------------------------|-----------------------------|
| Total employment (#) | 4,150,600 | 4,288,100 | 137,500 3.3% | -11,000 -0.3% |
| Unemployment rate (%) | 8.8 | 5.8 | -3.0 | -0.3 |
| Participation rate (%) | 64.5 | 64.1 | -0.4 | -0.4 |
| Union coverage (%) | 38.5 | 38.4 | -0.1 | 0.3 |
| Average hourly wage (\$) | \$29.17 | \$28.76 | -1.4% | 1.2% |
| Average weekly hours (hrs.) | 35.9 | 35.9 | 0.0% | 0.8% |



Ontario

| | Aug. 2020 | Aug. 2021 | Aug. 2020–21 Change | July–Aug. 2021 Change |
|-----------------------------|-----------|-----------|---------------------------|-----------------------------|
| Total employment (#) | 7,006,800 | 7,426,100 | 419,300 6.0% | 53,000 0.7% |
| Unemployment rate (%) | 10.6 | 7.6 | -3.0 | -0.4 |
| Participation rate (%) | 64.1 | 65.0 | 1.0 | 0.1 |
| Union coverage (%) | 26.5 | 24.7 | -1.8 | -0.8 |
| Average hourly wage (\$) | \$31.40 | \$30.36 | -3.3% | -0.2% |
| Average weekly hours (hrs.) | 36.0 | 36.1 | 0.3% | 0.1% |



Regional Statistics Continued

Prairies

| | Aug. 2020 | Aug. 2021 | Aug. 2020-21 Change | July-Aug. 2021 Change |
|-----------------------------|-----------|-----------|---------------------------|-----------------------------|
| Total employment (#) | 3,309,800 | 3,469,200 | 159,400 4.8% | 28,300 0.8% |
| Unemployment rate (%) | 10.8 | 7.4 | -3.4 | -0.5 |
| Participation rate (%) | 68.1 | 68.2 | 0.1 | 0.1 |
| Union coverage (%) | 27.8 | 27.9 | 0.1 | 0.4 |
| Average hourly wage (\$) | \$32.07 | \$30.39 | -5.3% | 0.1% |
| Average weekly hours (hrs.) | 36.9 | 37.0 | 0.1% | 0.4% |



British Columbia

| | Aug. 2020 | Aug. 2021 | Aug. 2020-21 Change | July-Aug. 2021 Change |
|-----------------------------|-----------|-----------|---------------------------|-----------------------------|
| Total employment (#) | 2,468,700 | 2,669,600 | 200,900 8.1% | 14,400 0.5% |
| Unemployment rate (%) | 10.7 | 6.2 | -4.6 | -0.4 |
| Participation rate (%) | 64.2 | 65.3 | 1.1 | -0.1 |
| Union coverage (%) | 29.1 | 29.4 | 0.3 | 1.0 |
| Average hourly wage (\$) | \$30.93 | \$30.44 | -1.6% | 1.3% |
| Average weekly hours (hrs.) | 35.1 | 35.2 | 0.3% | 0.3% |



Average Wages and Employment Gains/Losses by Industry

The trends in average hourly wages by industry shows continued divergence, with most industries experiencing lower wages compared to August 2020, although the decline is no longer as pronounced as it was during previous months. Notably, wages in utilities, finance and insurance, and transportation and warehousing have resumed their upward climb while the mining, oil and gas industry has seen improving wages over the last few months as economic activity returns to the energy sector.

Looking at the employment numbers, nearly all industries are in a net positive position compared to August 2020, with a significant jobs recovery in retail trade and accommodation and food services, two of the hardest hit industries during the pandemic. While these two industries are still in negative employment territory compared to the pre-pandemic period, some industries like construction, healthcare and social assistance, and professional, scientific and technical services have seen a jobs boom during the pandemic.

The challenge for the labour movement will be to ensure that job creation in all of these sectors is accompanied by an increase in union density.

Average Hourly Wages by Industry

| Industry | Aug. 2021 | Aug. 2020–2021 Change |
|---|-----------|-----------------------|
| Agriculture | \$21.14 | 0.0% |
| Forestry | \$32.06 | 11.3% |
| Fishing, hunting, and trapping | \$23.73 | 11.5% |
| Mining, oil, and gas | \$43.87 | -1.8% |
| Utilities | \$46.54 | 2.3% |
| Construction | \$30.74 | -3.8% |
| Manufacturing - durables | \$29.82 | -4.9% |
| Manufacturing non-durables | \$27.55 | -4.3% |
| Wholesale Trade | \$29.47 | -2.7% |
| Retail Trade | \$20.49 | -5.4% |
| Transportation and Warehousing | \$30.79 | 6.7% |
| Finance and Insurance | \$37.35 | 0.9% |
| Real Estate and rental and leasing | \$27.77 | -4.9% |
| Professional, Scientific and Technical Services | \$37.29 | -4.4% |
| Business, building and other support | \$23.23 | -5.1% |
| Educational Services | \$37.47 | -3.1% |
| Health Care and Social Assistance | \$29.17 | -4.0% |
| Information, Culture and Recreation | \$28.43 | -3.8% |
| Accommodation and Food Services | \$17.04 | -3.7% |
| Other Services | \$26.27 | -2.2% |
| Public Administration | \$39.15 | -3.9% |

Average Wages and Employment Gains/Losses by Industry Continued

Employment Change by Industry, Aug. 2020 to Aug. 2021

| | | |
|--|---------|---------|
| Agriculture | -28,622 | |
| Forestry | -7,944 | |
| Fishing, hunting, and trapping | -2,631 | |
| Mining, oil, and gas | | 32,341 |
| Utilities | | 1,419 |
| Construction | | 68,451 |
| Manufacturing - durables | | 25,244 |
| Manufacturing non-durables | | 22,219 |
| Wholesale Trade | -9,759 | |
| Retail Trade | | 90,199 |
| Transportation and Warehousing | | 62,264 |
| Finance and Insurance | | 33,839 |
| Real Estate and rental and leasing | | 35,657 |
| Professional, Scientific, Technical Services | | 149,356 |
| Business, building and other support | | 10,536 |
| Educational Services | | 91,321 |
| Health Care and Social Assistance | | 114,904 |
| Information, Culture and Recreation | | 63,362 |
| Accommodation and Food Services | | 90,431 |
| Other Services | -33,998 | |
| Public Administration | | 82,840 |



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 Canadians 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 Canadians 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 adjusted for inflation and is expressed in current dollars.
6. The average weekly hours measure is calculated by averaging usual weekly hours worked at main jobs per individual.
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 Canadians 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 Canadians aged 15 to 29 who are currently not in employment, education or training.





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