

UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

August 2025



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National Statistics

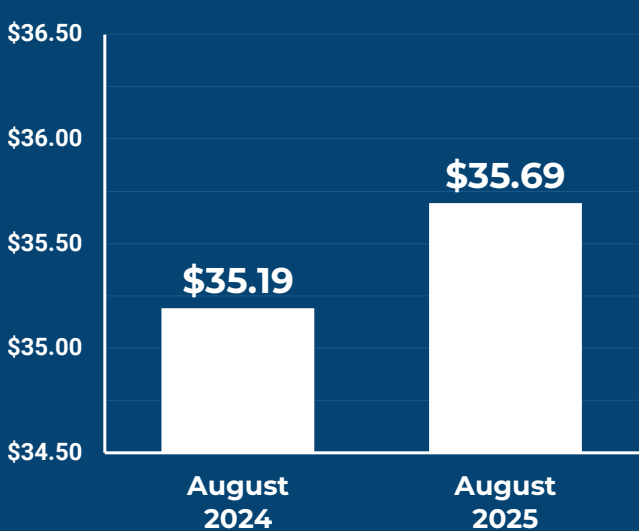
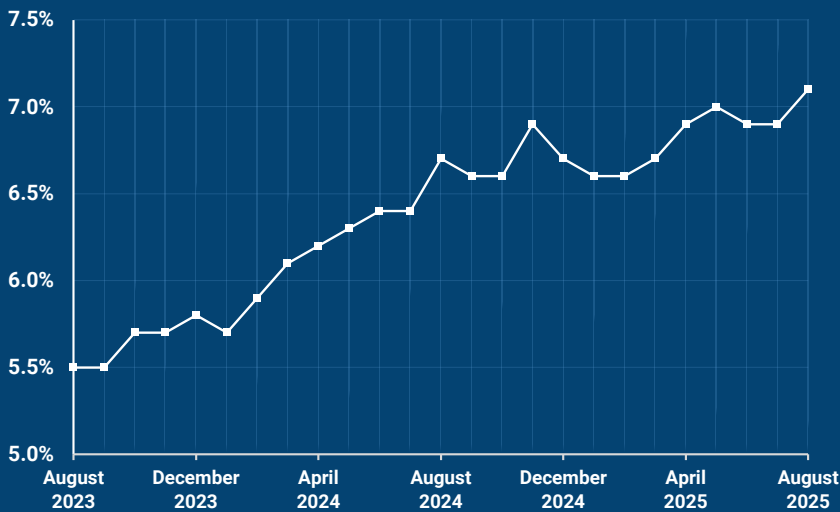
Canada’s labour market continued its downward trend in August with the loss of an additional 65,500 jobs (-0.3%). The unemployment rate rose by 0.2 percentage points to reach 7.1%, which is the highest level recorded since May 2016 (outside of the COVID-19 pandemic years of 2020 and 2021). Meanwhile, the participation rate fell further to 65.1% (-0.1) as jobseekers exited the labour force.

Notably, most of the jobs lost in August were part-time, accounting for more than 90% of the employment decline. This tendency may have buoyed average hourly wages as lower-waged workers were more likely to become unemployed, with average hourly wages increasing by 0.4% last month. Year-over-year, wages increased by 3.2%, amounting to a real wage gain of 1.4%. Union coverage remained steady at 29.5%, reflecting lower unionization rates during the summer months.

Statistic	August 2019–23 average	August 2024	July 2025	August 2025	Year-over-year (Y/Y) change	Monthly (M/M) change
Total employment (#) ¹	19,307,640	20,742,600	21,020,400	20,954,900	212,300 1.0%	-65,500 -0.3%
Unemployment rate (%) ²	6.7	6.7	6.9	7.1	0.4	0.2
Participation rate (%) ³	65.5	65.4	65.2	65.1	-0.3	-0.1
Union coverage (%) ⁴	29.3	29.3	29.5	29.5	0.2	0.0
Average hourly wage (\$) ⁵	\$30.77	\$35.19	\$36.16	\$36.31	3.2%	0.4%
Real average hourly wage (\$) ⁶	\$34.28	\$35.19	\$35.65	\$35.69	1.4%	0.1%

Unemployment Rate

Real Average Hourly Wage



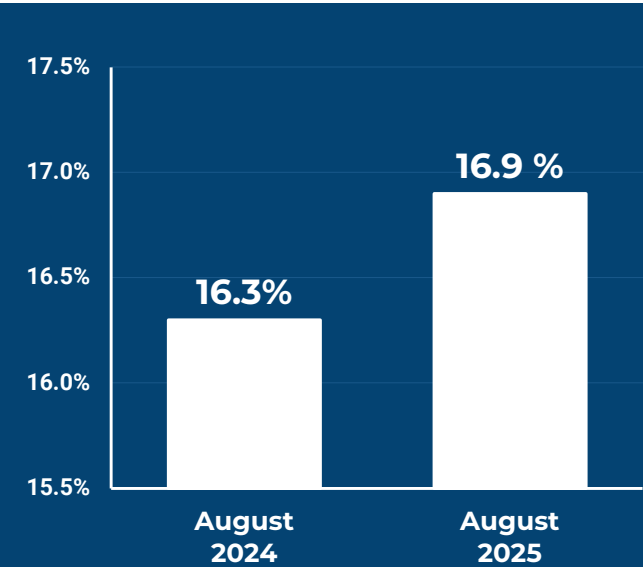
National Precarity Indicators

Unifor’s precarity indicators are not adjusted for seasonal trends and tend to rise during the summer months as more students enter into the labour force. On a year-over-year basis, however, a number of precarity indicators were notably elevated including the underutilization and underemployment rates, which were both 0.6 percentage points higher compared to August 2024. These measures help to gauge the degree to which individuals both inside and outside the labour force wanted full-time work but

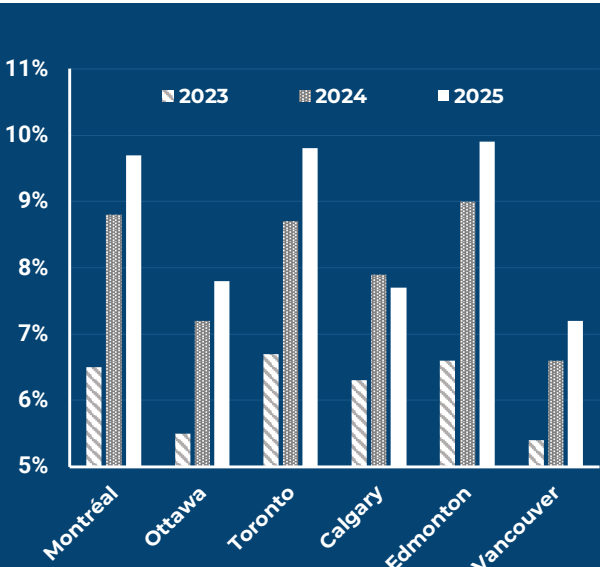
could not find suitable employment due to economic conditions and/or extenuating circumstances (e.g. childcare responsibilities). Employment precarity tends to be higher in urban centres, and the unemployment rate in major cities such as Montreal, Toronto and Edmonton were close to the 10% level last month, representing a significant jump from August 2023 and 2024 levels (see chart below).

Indicator	August 2024	July 2025	Aug 2025	Y/Y change	M/M change
Part-time rate (%) ⁷	16.5	16.7	16.3	-0.2	-0.4
Involuntary part-time (%) ⁸	48.0	50.4	49.1	1.1	-1.3
Underutilization (R8) rate (%) ⁹	9.6	9.9	10.2	0.6	0.3
Underemployment rate (%) ¹⁰	16.3	16.6	16.9	0.6	0.3
Multiple job holders (%) ¹¹	5.4	5.4	5.2	-0.2	-0.2
Temporary job holders (%) ¹²	12.5	13.4	13.5	1.0	0.1
Casual/other (%)	3.2	3.5	3.4	0.2	-0.1
Temporary/contract (%)	5.7	6.2	6.3	0.6	0.1
Seasonal (%)	3.6	3.7	3.8	0.2	0.1
Low wage incidence (%) ¹³	22.4	21.1	20.6	-1.8	-0.5
Gender wage gap ¹⁴	\$4.62	\$4.46	\$4.47	-3.1%	0.3%
NEETs (x1,000) ¹⁵	2,030.0	1,944.3	2,139.7	5.4%	10.0%

Underemployment Rate



Unemployment Rate in Major Census Subdivisions (August)



Regional Statistics

Substantial employment declines were observed in every region during the month of August, with the exception of Quebec where 7,500 jobs were added to the labour market (+0.2%). In absolute terms, Ontario experienced the largest number of job losses with an employment decline of 26,000 (-0.3%), followed by the Prairie region (-21,800; -0.6%), British Columbia (-15,700; -0.5%), and Atlantic Canada (-9,900; -0.8%).

Despite the employment gains in Quebec, the region saw the largest unemployment rate increase in August (+0.5 to 6.0%) as the participation rate surged by 0.4 percentage points and the number of incoming jobseekers exceeded the number of jobs generated. Both British Columbia and the Prairies recorded a similarly large increase in their regional unemployment rates (+0.4) to 6.2% and 7.3%, respectively. Relatively large falls in the regional participation rates of Ontario (-0.3) and Atlantic Canada (-0.6) led to a slight decline in their respective unemployment rates (-0.1) to 7.7% and 7.8%, despite significant employment losses in both regions.



Regional Statistics Continued

Atlantic

Statistic	Aug. 2024	Aug. 2025	Y/Y change	M/M change
Total employment (#)	1,259,600	1,262,000	2,400 0.2%	-9,900 -0.8%
Unemployment rate (%)	7.4	7.8	0.4	-0.2
Participation rate (%)	60.7	60.5	-0.2	-0.6
Union coverage (%)	31.5	30.7	-0.8	0.5
Average hourly wage (\$)	\$30.85	\$31.78	3.0%	0.6%
Real avg. hourly wage (\$)	\$30.85	\$31.24	1.3%	0.3%



Quebec

Statistic	Aug. 2024	Aug. 2025	Y/Y change	M/M change
Total employment (#)	4,559,100	4,644,500	85,400 1.9%	7,500 0.2%
Unemployment rate (%)	5.7	6.0	0.3	0.5
Participation rate (%)	64.7	65.0	0.3	0.4
Union coverage (%)	39.0	38.6	-0.4	0.1
Average hourly wage (\$)	\$33.82	\$35.07	3.7%	0.8%
Real avg. hourly wage (\$)	\$33.82	\$34.47	1.9%	0.5%



Ontario

Statistic	Aug. 2024	Aug. 2025	Y/Y change	M/M change
Total employment (#)	8,163,000	8,191,000	28,000 0.3%	-26,000 -0.3%
Unemployment rate (%)	7.3	7.7	0.4	-0.2
Participation rate (%)	65.2	64.7	-0.5	-0.3
Union coverage (%)	25.1	25.3	0.2	-0.3
Average hourly wage (\$)	\$36.61	\$37.61	2.7%	0.5%
Real avg. hourly wage (\$)	\$36.61	\$36.97	1.0%	0.2%



Regional Statistics Continued

Prairies

Statistic	Aug. 2024	Aug. 2025	Y/Y change	M/M change
Total employment (#)	3,850,900	3,920,300	69,400 1.8%	-21,800 -0.6%
Unemployment rate (%)	6.9	7.3	0.4	0.3
Participation rate (%)	68.5	68.1	-0.4	-0.2
Union coverage (%)	25.6	26.8	1.2	0.3
Average hourly wage (\$)	\$34.57	\$35.73	3.4%	0.3%
Real avg. hourly wage (\$)	\$34.57	\$35.12	1.6%	0.0%



British Columbia

Statistic	Aug. 2024	Aug. 2025	Y/Y change	M/M change
Total employment (#)	2,910,000	2,936,900	26,900 0.9%	-15,700 -0.5%
Unemployment rate (%)	5.8	6.2	0.4	0.3
Participation rate (%)	64.9	64.6	-0.3	-0.2
Union coverage (%)	29.6	29.1	-0.5	-0.3
Average hourly wage (\$)	\$36.29	\$37.58	3.6%	-0.4%
Real avg. hourly wage (\$)	\$36.29	\$36.94	1.8%	-0.7%



Average Hourly Wages by Industry

Nominal vs. Inflation-Adjusted Wage Growth

Industry	August 2024	August 2025	Y/Y change	Y/Y inflation-adjusted change
Agriculture	\$25.16	\$24.80	-1.4%	-3.4%
Forestry	\$34.00	\$35.12	3.3%	1.3%
Mining, oil and gas	\$55.26	\$56.09	1.5%	-0.4%
Utilities	\$53.91	\$54.80	1.7%	-0.3%
Construction	\$36.11	\$37.20	3.0%	1.1%
Manufacturing: durables	\$35.18	\$36.49	3.7%	1.8%
Manufacturing: non-durables	\$33.01	\$33.87	2.6%	0.7%
Wholesale Trade	\$35.73	\$37.42	4.7%	2.7%
Retail Trade	\$24.47	\$24.64	0.7%	-1.2%
Transportation and Warehousing	\$34.00	\$34.19	0.6%	-1.4%
Finance and Insurance	\$44.93	\$46.88	4.3%	2.3%
Real Estate and Rental and Leasing	\$35.91	\$34.93	-2.7%	-4.8%
Professional, Scientific and Technical Services	\$48.03	\$49.36	2.8%	0.8%
Business, building and other support	\$26.73	\$28.35	6.1%	3.9%
Educational Services	\$41.72	\$43.84	5.1%	3.0%
Health Care and Social Assistance	\$33.32	\$34.71	4.2%	2.1%
Information, Culture and Recreation	\$31.62	\$33.02	4.4%	2.4%
Accommodation and Food Services	\$20.34	\$21.03	3.4%	1.4%
Other Services	\$30.62	\$31.83	4.0%	2.0%
Public Administration	\$44.07	\$45.53	3.3%	1.3%

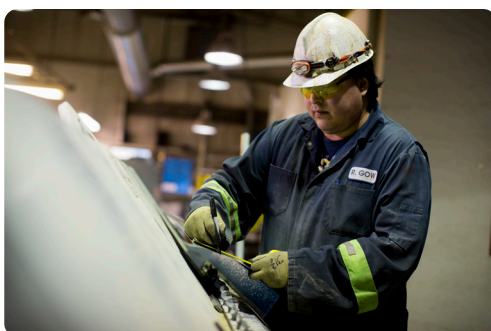
Year-over-year wage gains were notably strong in education (+5.1%), health care and social assistance (+4.2%), and information, culture and recreation (+4.4%). Relatively sluggish wage growth in major industries such as retail trade (+0.7%) and transportation and warehousing (+0.6%) led to annualized real wage losses in those industries, as the rate of inflation remained at 1.7%.

Employment losses during the month of August were concentrated in services-producing industries (-67,200), led by professional, scientific and technical services (-26,100) and transportation and warehousing (-22,700). Despite a small overall increase in the goods-producing sector, there were notable losses in manufacturing (-19,200) which erased the industry's June and July rebound.

Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, July to August 2025

GOODS-PRODUCING SECTOR		1,700
Agriculture		4,800
Forestry, fishing, mining, quarrying, oil and gas	-5,600	
Utilities		4,700
Construction		17,100
Manufacturing	-19,200	
SERVICES PRODUCING SECTOR	-67,200	
Wholesale and retail trade	-1,800	
Transportation and warehousing	-22,700	
Finance, insurance, real estate, rental and leasing	-2,800	
Professional, scientific and technical services	-26,100	
Business, building and other support services		2,900
Educational services	-18,400	
Health care and social assistance		3,300
Information, culture and recreation	-5,200	
Accommodation and food services		9,200
Other services (except public administration)	-6,100	
Public administration		700



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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