UNIFOR RESEARCH DEPARTMENT

# LABOUR MARKET INSIGHTS

*A monthly review of labour market indicators*

August 2026

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theUnion | lesyndicat
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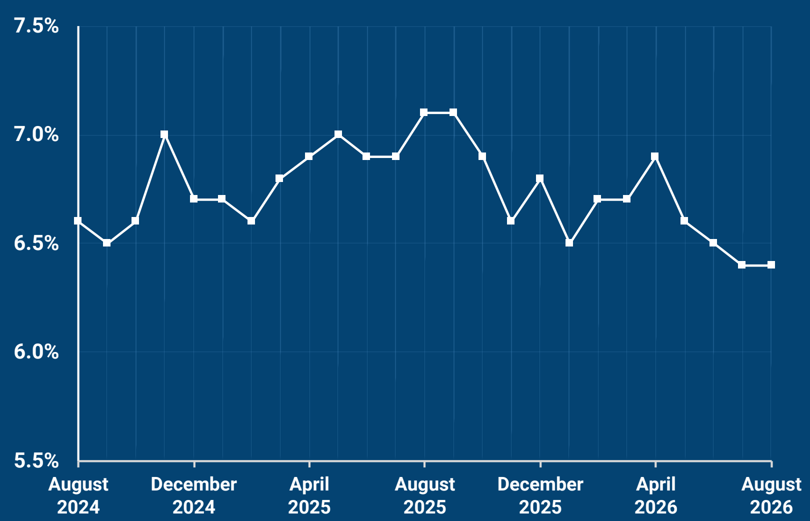
# National Statistics

Employment conditions took a turn for the worse in August as Canada's labour market shed close to 42,000 jobs (-0.2%), running against prevailing analysts' expectations. On an annualized basis, however, year-over-year jobs growth remained robust with more than 216,000 jobs added since August 2025 (+1.0%). And despite the employment decline, the unemployment rate stayed level at 6.4% as a slight fall in the participation rate (-0.1) to 65.0% offset the loss of jobs.

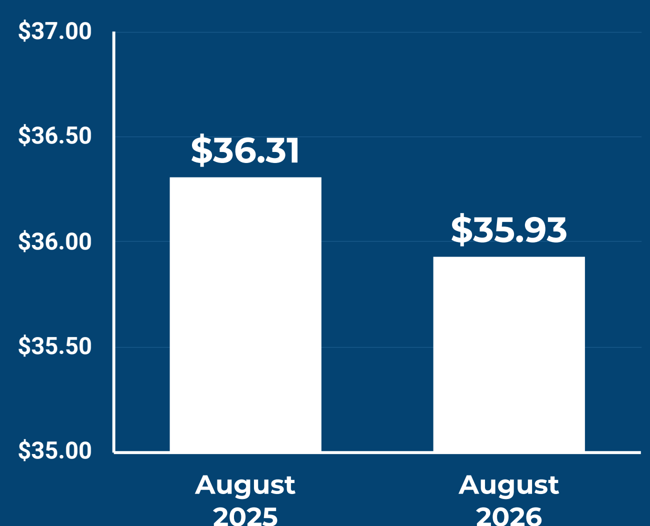
Notably, hourly wages continued to fall in August, posting their fourth consecutive monthly decline. Since hitting a peak of $37.77 per hour in April 2026, the average hourly wage has declined by just under 2% to $37.02. On an annualized basis, wage gains have fallen to 2.0%, which means that real wage gains (adjusted for inflation) have turned negative. This trend partly speaks to the composition of recent employment growth which has been concentrated in lower wage, entry-level jobs.

| Statistic | August 2020–24 average | August 2025 | July 2026 | August 2026 | *Year-over-year (Y/Y) change* | *Monthly (M/M) change* |
|---|---|---|---|---|---|---|
| Total employment (#)[1] | 19,635,260 | 20,956,600 | 21,214,800 | **21,173,100** | *216,500*<br>*1.0%* | *-41,700*<br>*-0.2%* |
| Unemployment rate (%)[2] | 6.9 | 7.1 | 6.4 | **6.4** | *-0.7* | *0.0* |
| Participation rate (%)[3] | 65.4 | 65.1 | 65.1 | **65.0** | *-0.1* | *-0.1* |
| Union coverage (%)[4] | 29.4 | 29.5 | 29.5 | **29.3** | *-0.2* | *-0.2* |
| Average hourly wage ($)[5] | $32.19 | $36.31 | $37.17 | **$37.02** | *2.0%* | *-0.4%* |
| Real average hourly wage ($)[6] | $35.27 | $36.31 | $36.27 | **$35.93** | *-1.0%* | *-0.9%* |

## Unemployment Rate




## Real Average Hourly Wage

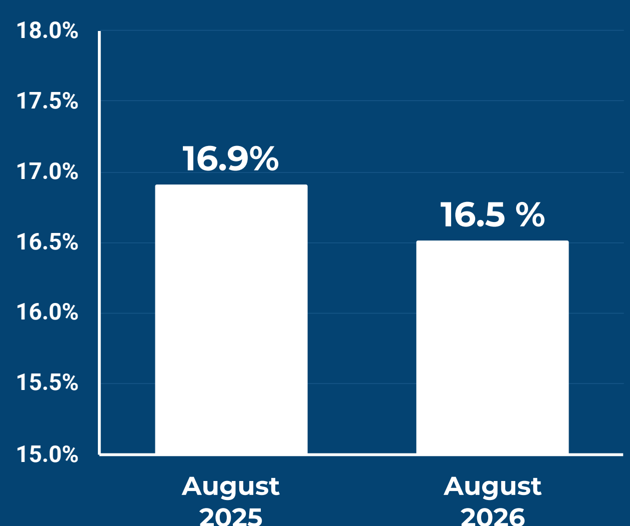


# National Precarity Indicators

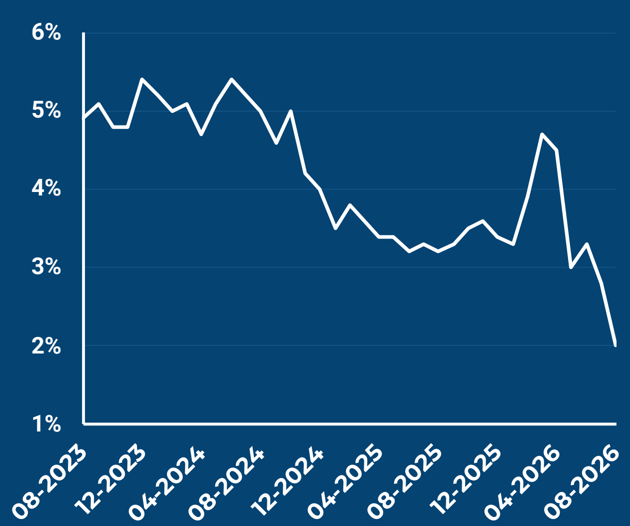
Precarity indicators for the month of August were largely in line with their July levels and showed few major departures from their August 2025 levels as well. Notably, there has been a year-over-year decline in the underutilization rate (-0.8) and the underemployment rate (-0.4), which largely reflects a fall in the number of Canadians reporting that they were marginally attached to the labour force -- i.e., that extenuating circumstances prevented them from looking for work. On the other hand, there has been an increase in the proportion of multiple job holders (+0.5) and temporary job holders (+0.3) since August 2025, with the rise in the latter caused mainly by an increase in the percentage of temporary and contract workers (+0.3). These data points provide further evidence that the decline in hourly wage gains (see chart below) has been partially fuelled by a growth in precarious work.

| Indicator | August 2025 | July 2026 | August 2026 | *Y/Y change* | *M/M change* |
|---|---|---|---|---|---|
| Part-time rate (%)[7] | 16.3 | 16.4 | **16.3** | *0.0* | *-0.1* |
| Involuntary part-time (%)[8] | 49.1 | 51.1 | **50.8** | *1.7* | *-0.3* |
| Underutilization (R8) rate (%)[9] | 10.2 | 9.3 | **9.4** | *-0.8* | *0.1* |
| Underemployment rate (%)[10] | 16.9 | 16.1 | **16.5** | *-0.4* | *0.4* |
| Multiple job holders (%)[11] | 5.2 | 5.8 | **5.7** | *0.5* | *-0.1* |
| Temporary job holders (%)[12] | 13.5 | 14.1 | **13.8** | *0.3* | *-0.3* |
| Casual/other (%) | 3.4 | 3.4 | **3.4** | *0.0* | *0.0* |
| Temporary/contract (%) | 6.3 | 6.7 | **6.6** | *0.3* | *-0.1* |
| Seasonal (%) | 3.8 | 3.9 | **3.8** | *0.0* | *-0.1* |
| Low wage incidence (%)[13] | 20.6 | 20.1 | **20.0** | *-0.6* | *-0.1* |
| Gender wage gap[14] | $4.47 | $4.90 | **$4.57** | *2.2%* | *-6.7%* |
| NEETs (x1,000)[15] | 2,139.7 | 1,859.1 | **2,050.1** | *-4.2%* | *10.3%* |

## Underemployment Rate




## Annual Hourly Wage Gain



# Regional Statistics

Employment losses in August were recorded in nearly all of Unifor's five regions, with the notable exception of the Atlantic region where employment rose by 0.5% (+6,000 jobs). Despite this increase, the regional unemployment rate in Atlantic Canada stayed level at 7.1% as a 0.2 percentage point increase in labour force participation offset job gains.

Job losses were steepest in Quebec which observed a decline of 18,500 jobs or a 0.4% fall in employment. Quebec is the only region to have fewer jobs on an annualized basis, with a drop of 54,000 jobs since August 2025 (-1.2%). Ontario lost 18,100 jobs last month (-0.2%) after posting an impressive string of employment gains since March that totalled nearly 120,000 jobs. Both British Columbia and the Prairie region recorded employment losses of 5,000+ jobs, although the Prairies continues to record the strongest year-over-year job gains with an employment growth of nearly 3% since August 2025 (+113,000).

Robust wage gains in the B.C. (+4.0%), Atlantic (+3.8%), and Quebec (+3.3%) regions were counterbalanced by a substantial slowdown in wage growth in Ontario (+0.8%) and the Prairies (+0.9%), with the latter two regions both recording negative real wage growth in August.

# Regional Statistics Continued

## Atlantic

| Statistic | Aug. 2025 | Aug. 2026 | *Y/Y change* | *M/M change* |
|---|---|---|---|---|
| Total employment (#) | 1,262,500 | **1,289,700** | *27,200*<br>*2.2%* | *6,000*<br>*0.5%* |
| Unemployment rate (%) | 7.8 | **7.1** | *-0.7* | *0.0* |
| Participation rate (%) | 60.5 | **60.7** | *0.2* | *0.2* |
| Union coverage (%) | 30.7 | **30.5** | *-0.2* | *-0.3* |
| Average hourly wage ($) | $31.78 | **$32.98** | *3.8%* | *1.2%* |
| Real avg. hourly wage ($) | $31.78 | **$32.01** | *0.7%* | *0.7%* |

## Quebec

| Statistic | Aug. 2025 | Aug. 2026 | *Y/Y change* | *M/M change* |
|---|---|---|---|---|
| Total employment (#) | 4,642,800 | **4,588,700** | *-54,100*<br>*-1.2%* | *-18,500*<br>*-0.4%* |
| Unemployment rate (%) | 5.9 | **5.6** | *-0.3* | *0.0* |
| Participation rate (%) | 64.9 | **64.2** | *-0.7* | *-0.2* |
| Union coverage (%) | 38.6 | **37.9** | *-0.7* | *-0.2* |
| Average hourly wage ($) | $35.07 | **$36.23** | *3.3%* | *0.7%* |
| Real avg. hourly wage ($) | $35.07 | **$35.16** | *0.3%* | *0.2%* |

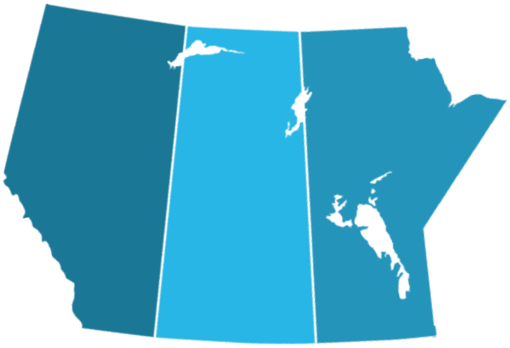
## Ontario

| Statistic | Aug. 2025 | Aug. 2026 | *Y/Y change* | *M/M change* |
|---|---|---|---|---|
| Total employment (#) | 8,190,300 | **8,306,500** | *116,200*<br>*1.4%* | *-18,100*<br>*-0.2%* |
| Unemployment rate (%) | 7.7 | **6.9** | *-0.8* | *0.1* |
| Participation rate (%) | 64.7 | **64.7** | *0.0* | *-0.1* |
| Union coverage (%) | 25.3 | **25.6** | *0.3* | *0.0* |
| Average hourly wage ($) | $37.61 | **$37.92** | *0.8%* | *-1.0%* |
| Real avg. hourly wage ($) | $37.61 | **$36.80** | *-2.2%* | *-1.6%* |

# Regional Statistics Continued

## Prairies

| Statistic | Aug. 2025 | Aug. 2026 | *Y/Y change* | *M/M change* |
|---|---|---|---|---|
| Total employment (#) | 3,925,600 | **4,039,000** | *113,400*<br>*2.9%* | *-5,800*<br>*-0.1%* |
| Unemployment rate (%) | 7.2 | **6.3** | *-0.9* | *-0.2* |
| Participation rate (%) | 68.1 | **68.1** | *0.0* | *-0.3* |
| Union coverage (%) | 26.8 | **26.4** | *-0.4* | *0.0* |
| Average hourly wage ($) | $35.73 | **$36.05** | *0.9%* | *-1.7%* |
| Real avg. hourly wage ($) | $35.73 | **$34.99** | *-2.1%* | *-2.3%* |



## British Columbia

| Statistic | Aug. 2025 | Aug. 2026 | *Y/Y change* | *M/M change* |
|---|---|---|---|---|
| Total employment (#) | 2,935,400 | **2,949,200** | *13,800*<br>*0.5%* | *-5,500*<br>*-0.2%* |
| Unemployment rate (%) | 6.3 | **6.5** | *0.2* | *0.3* |
| Participation rate (%) | 64.7 | **65.1** | *0.4* | *0.0* |
| Union coverage (%) | 29.1 | **29.6** | *0.5* | *-1.1* |
| Average hourly wage ($) | $37.58 | **$39.07** | *4.0%* | *0.9%* |
| Real avg. hourly wage ($) | $37.58 | **$37.92** | *0.9%* | *0.4%* |

# Average Hourly Wages by Industry

## Nominal vs. Inflation-Adjusted Wage Growth

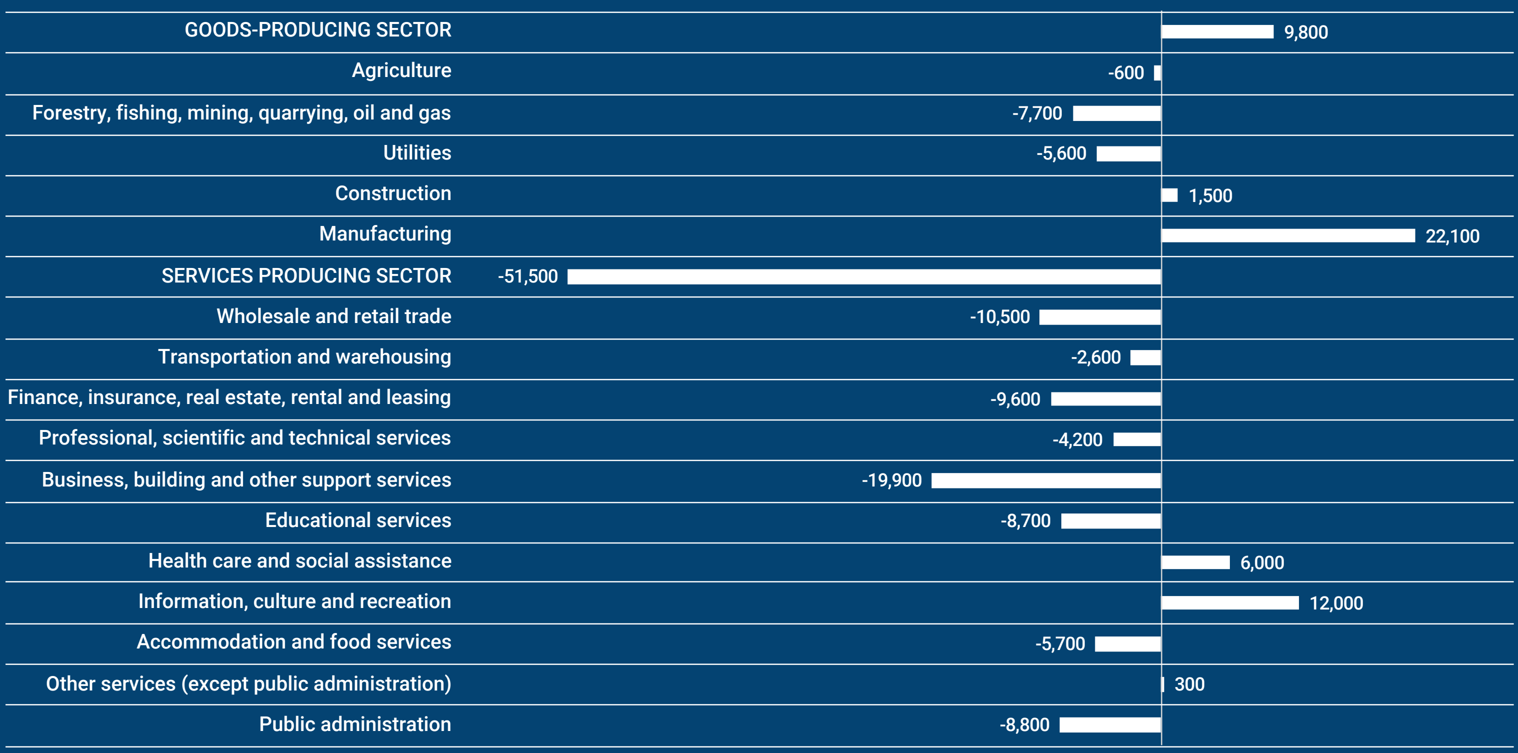
| Industry | August 2025 | August 2026 | Y/Y change | Y/Y inflation-adjusted change |
|---|---|---|---|---|
| Agriculture | $24.80 | **$26.35** | *6.3%* | *3.0%* |
| Forestry | $35.12 | **$35.17** | *0.1%* | *-2.9%* |
| Mining, oil and gas | $56.09 | **$54.59** | *-2.7%* | *-5.9%* |
| Utilities | $54.80 | **$55.42** | *1.1%* | *-1.9%* |
| Construction | $37.20 | **$38.27** | *2.9%* | *-0.2%* |
| Manufacturing: durables | $36.49 | **$37.56** | *2.9%* | *-0.1%* |
| Manufacturing: non-durables | $33.87 | **$33.46** | *-1.2%* | *-4.3%* |
| Wholesale Trade | $37.42 | **$37.98** | *1.5%* | *-1.5%* |
| Retail Trade | $24.64 | **$25.24** | *2.4%* | *-0.6%* |
| Transportation and Warehousing | $34.19 | **$34.63** | *1.3%* | *-1.7%* |
| Finance and Insurance | $46.88 | **$48.83** | *4.2%* | *1.1%* |
| Real Estate and Rental and Leasing | $34.93 | **$38.23** | *9.4%* | *5.9%* |
| Professional, Scientific and Technical Services | $49.36 | **$49.48** | *0.2%* | *-2.8%* |
| Business, building and other support | $28.35 | **$28.52** | *0.6%* | *-2.4%* |
| Educational Services | $43.84 | **$44.59** | *1.7%* | *-1.3%* |
| Health Care and Social Assistance | $34.71 | **$35.64** | *2.7%* | *-0.3%* |
| Information, Culture and Recreation | $33.02 | **$33.43** | *1.2%* | *-1.8%* |
| Accommodation and Food Services | $21.03 | **$21.47** | *2.1%* | *-0.9%* |
| Other Services | $31.83 | **$32.18** | *1.1%* | *-1.9%* |
| Public Administration | $45.53 | **$47.07** | *3.4%* | *0.3%* |

The year-over-year decline in real wages was fairly broad-based in August, being reflected in the vast majority of industries. Notably, real wage declines were observed in key service sector industries that have helped to lift jobs numbers over the past year, including transportation and warehousing (-1.7%), information, culture and recreation (-1.8%), and health care and social assistance (-0.3%).

Job losses in August were mainly concentrated in the services producing sector (-51,500), led by business, building and other support services (-19,900) and retail and wholesale trade (-10,500). In contrast, the goods-producing sector recorded a gain of close to 10,000 jobs, which was mainly driven by jobs growth in manufacturing (+22,100).

# Monthly Employment Gains and Losses by Industry and Sector

## Employment Change by Industry/Sector, July to August 2026




# 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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