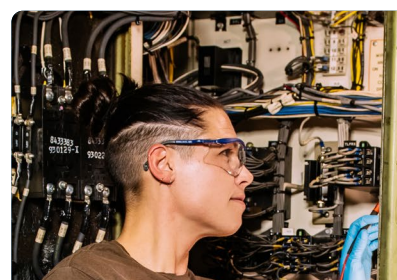


UNIFOR RESEARCH DEPARTMENT

# LABOUR MARKET INSIGHTS

*A monthly review of labour market indicators*

December 2021



**UNIFOR**  
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January 7, 2022

# National Statistics

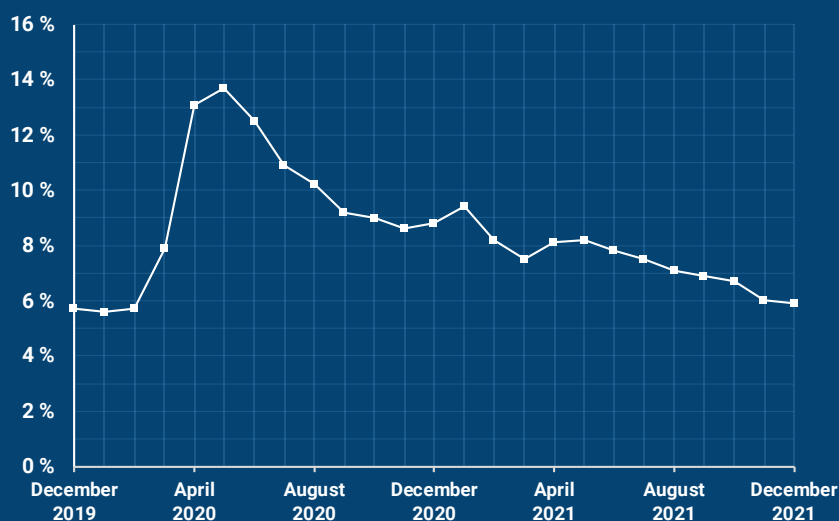
Nearly 55,000 jobs were added to the Canadian labour market in the month of December, as the unemployment rate dropped further to 5.9%. The unemployment rate continues to near pre-pandemic lows and is just 0.5 percentage points off the 45-year record low of 5.4% reached in May 2019. However, with the Omicron variant of COVID-19 surging across Canada, this trend will likely fail to hold for January 2022 as public health restrictions lead to a new round of layoffs.

Promisingly, the rate of union coverage (30.9%) has remained above the 2015-2019 average of 30.5%, indicating that the recent increase in jobs has been accompanied by a growing proportion of positions covered by a collective bargaining agreement. And while the average hourly wage adjusted for inflation fell on an annual basis, the gap has closed in recent months due to stronger monthly wage growth. Between November and December, wages increased by another 0.3%.

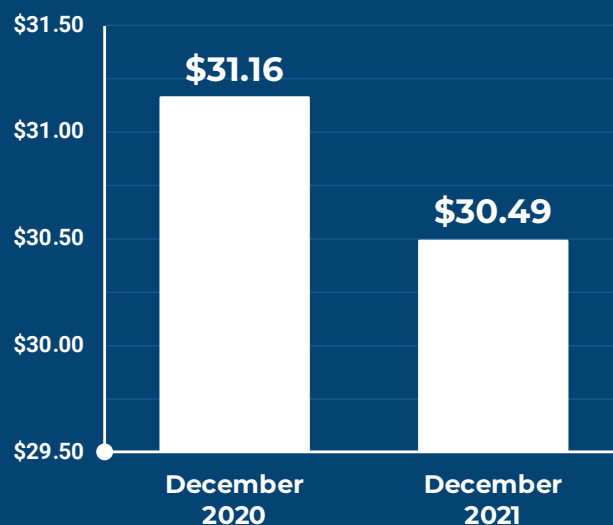
	December average 2015–19	Dec. 2020	Dec. 2021	Dec. 2020–21 Change	Nov.–Dec. 2021 Change
Total employment (#) <sup>1</sup>	18,440,300	18,484,800	19,370,800	886,000 4.8%	54,700 0.3%
Unemployment rate (%) <sup>2</sup>	6.3	8.8	5.9	-2.9 p.p.	-0.1 p.p.
Participation rate (%) <sup>3</sup>	65.6	65.0	65.3	0.3 p.p.	0.0 p.p.
Union coverage (%) <sup>4</sup>	30.5	31.5	30.9	-0.6 p.p.	0.2 p.p.
Average hourly wage (\$) <sup>5</sup>	\$29.32	\$31.16	\$30.49	-2.1%	0.3%
Average weekly hours (hrs.) <sup>6</sup>	35.0	35.1	35.2	0.3%	0.0%

\*p.p. refers to percentage points.

## Unemployment Rate



## Average Hourly Wage



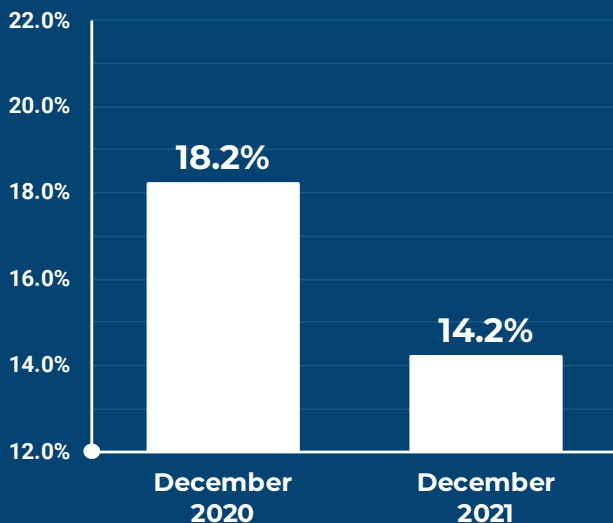
# National Precarity Indicators

December's fall in the unemployment rate was also accompanied by improvements in our precarity indicators. Both the proportion of part-timers and involuntary part-timers fell on a monthly basis, while the underemployment rate is just 0.2 percentage points off the level reached in December 2019 (14.0%). Perhaps the largest improvement in our precarity indicators has been the nearly 22% decline in the number of youths aged 15 to 29 who are not in employment, education or training (NEETs).

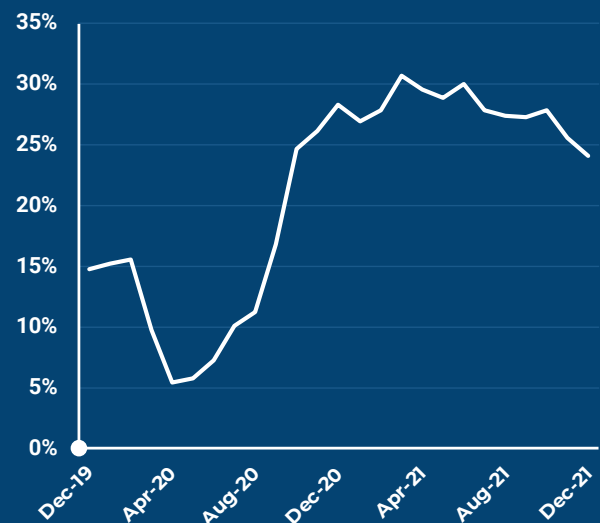
The percentage of the long-term unemployed – those jobseekers who have been looking for a job for more than 27 weeks – also fell in December, falling to 24.1% (see below). Although this figure remains above pre-pandemic levels, many jobseekers are likely using more robust income supports to be more selective about the jobs they take on, which could have a positive effect on both skills matching and job satisfaction.

	Dec. 2020	Dec. 2021	Dec. 2020–21 Change (p.p.)	Nov.–Dec. 2021 Change (p.p.)
Part-time rate (%) <sup>7</sup>	19.0	19.3	0.3	-0.2
Involuntary part-time (%) <sup>8</sup>	45.8	39.4	-6.4	-0.2
Underutilization (R8) rate (%) <sup>9</sup>	11.1	7.6	-3.5	0.0
Underemployment rate (%) <sup>10</sup>	18.2	14.2	-4.0	-0.3
Multiple job holders (%) <sup>11</sup>	4.5	5.5	1.0	-0.2
Temporary job holders (%) <sup>12</sup>	11.0	11.5	0.5	-0.4
<i>Casual/other (%)</i>	3.1	3.5	0.4	0.2
<i>Temporary/contract (%)</i>	6.7	6.7	0.0	-0.3
<i>Seasonal (%)</i>	1.2	1.3	0.1	-0.3
Low wage incidence (%) <sup>13</sup>	20.5	18.7	-1.8	-0.7
Gender pay gap <sup>14</sup>	\$3.39	\$4.03	19.0%	8.5%
NEETs (x1,000) <sup>15</sup>	844.3	659.2	-21.9%	-2.6%

## Underemployment Rate



## Percentage of Long-term Unemployed



# Regional Statistics

While there was an overall increase in the number of jobs across Canada for the month of May, the vast majority of job growth was driven by increases in Ontario (+46,900), followed by the Prairies (+19,600). There were employment losses in both the Quebec and Atlantic regions, with the loss of 6,000 jobs in the latter representing a fairly sizeable employment decline of 0.5%. Meanwhile, the employment situation in B.C. stood essentially unchanged, although the unemployment rate actually decreased by 0.2 percentage points as jobseekers left the labour market and the participation rate fell (-0.3 percentage points).

While most regions saw inflation continuing to erode real hourly wages, the declines were less drastic compared to previous months as nominal wages continued their upwards trajectory. However, one notable exception was the Prairies region where real wages were 4.3% lower compared to December 2020. In short, the return of robust jobs growth to the region has not been accompanied by enough of an increase in wages to counteract inflationary pressures. With inflation forecast to remain higher than the Bank of Canada's one to three per cent target range over the course of 2022, nominal wages will have to increase at a faster pace to ensure that the purchasing power of Canadian workers keeps up.





# Regional Statistics Continued

## Atlantic

	Dec. 2020	Dec. 2021	Dec. 2020–21 Change	Nov.–Dec. 2021 Change
Total employment (#)	1,117,900	1,141,900	24,000 2.1%	-6,000 -0.5%
Unemployment rate (%)	9.9	8.6	-1.3	-0.1
Participation rate (%)	60.7	60.5	-0.2	-0.5
Union coverage (%)	32.9	33.3	0.4	1.7
Average hourly wage (\$)	\$26.97	\$26.48	-1.8%	0.8%
Average weekly hours (hrs.)	36.3	36.4	0.3%	-0.2%



## Quebec

	Dec. 2020	Dec. 2021	Dec. 2020–21 Change	Nov.–Dec. 2021 Change
Total employment (#)	4,200,000	4,358,300	158,300 3.8%	-6,200 -0.1%
Unemployment rate (%)	6.8	4.6	-2.1	0.1
Participation rate (%)	63.6	64.2	0.5	0.0
Union coverage (%)	39.9	39.4	-0.5	-0.8
Average hourly wage (\$)	\$29.91	\$29.39	-1.8%	0.0%
Average weekly hours (hrs.)	34.5	34.6	0.4%	0.3%



## Ontario

	Dec. 2020	Dec. 2021	Dec. 2020–21 Change	Nov.–Dec. 2021 Change
Total employment (#)	7,239,000	7,651,700	412,700 5.7%	46,900 0.6%
Unemployment rate (%)	9.6	6.0	-3.6	-0.3
Participation rate (%)	65.3	65.6	0.3	0.0
Union coverage (%)	28.0	26.7	-1.3	0.6
Average hourly wage (\$)	\$31.90	\$31.13	-2.4%	0.3%
Average weekly hours (hrs.)	35.4	35.7	0.7%	0.1%



# Regional Statistics Continued

## Prairies

	Dec. 2020	Dec. 2021	Dec. 2020–21 Change	Nov.–Dec. 2021 Change
Total employment (#)	3,331,300	3,521,600	190,300 5.7%	19,600 0.6%
Unemployment rate (%)	10.1	6.6	-3.4	-0.1
Participation rate (%)	67.8	68.4	0.6	0.2
Union coverage (%)	28.7	28.9	0.2	0.3
Average hourly wage (\$)	\$32.82	\$31.40	-4.3%	0.0%
Average weekly hours (hrs.)	36.1	36.1	-0.1%	-0.4%



## British Columbia

	Dec. 2020	Dec. 2021	Dec. 2020–21 Change	Nov.–Dec. 2021 Change
Total employment (#)	2,596,800	2,697,300	100,500 3.9%	400 0.0%
Unemployment rate (%)	7.2	5.3	-1.9	-0.2
Participation rate (%)	64.8	64.9	0.1	-0.3
Union coverage (%)	30.4	30.2	-0.2	-0.3
Average hourly wage (\$)	\$31.50	\$31.05	-1.4%	0.8%
Average weekly hours (hrs.)	34.8	34.8	0.0%	0.9%



# Average Wages and Employment Gains/Losses by Industry

Examining wage growth by industry, we continue to observe a general loss in purchasing power for workers across the vast majority of sectors, as inflation caused by global supply chain issues continues to take its toll on real wages. Year-over-year declines for December were particularly pronounced for workers in the utilities (-4.7%) and mining, oil and gas (-5.6%) industries, while government-imposed wage restraint in a number of provinces has seen wages in public administration (-3.0%) and the health care and social assistance (-4.0%) sectors continue to fall behind. Not surprisingly, calls to repeal Bill 124 in Ontario, which limits annual salary increases for most workers in the public sector to just one per cent, have grown increasingly louder as health care workers find themselves stretched to the limit. Comparing sectors by annual employment growth, most industries have seen a significant rebound in jobs since December 2020, with retail trade leading the way at nearly +114,000 positions, followed by health care and social assistance (+110,601), accommodation and food services (+102,353), and information, culture and recreation (+97,664). However, apart from health care and social assistance, the jobs in these industries will likely be significantly impacted by the recent lockdowns and public health restrictions implemented in response to the latest wave of COVID-19.

## Average Hourly Wages by Industry

Industry	Dec. 2021	Dec. 2020–2021 Change
Agriculture	\$21.52	-2.0%
Forestry	\$31.91	-0.9%
Fishing, hunting, and trapping	\$23.06	-14.3%
Mining, oil, and gas	\$44.73	-5.6%
Utilities	\$46.82	-4.7%
Construction	\$32.39	-2.6%
Manufacturing - durables	\$29.86	-2.3%
Manufacturing non-durables	\$28.97	-0.4%
Wholesale Trade	\$30.96	-0.8%
Retail Trade	\$21.05	-2.7%
Transportation and Warehousing	\$28.91	-0.1%
Finance and Insurance	\$37.99	-1.9%
Real Estate and rental and leasing	\$29.40	-3.2%
Professional, Scientific and Technical Services	\$38.71	0.3%
Business, building and other support	\$23.73	1.4%
Educational Services	\$36.19	-2.7%
Health Care and Social Assistance	\$29.49	-4.0%
Information, Culture and Recreation	\$31.61	-2.9%
Accommodation and Food Services	\$17.72	-1.9%
Other Services	\$26.62	-6.3%
Public Administration	\$39.85	-3.0%

# Average Wages and Employment Gains/Losses by Industry Continued

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

Agriculture	-38,300	
Forestry	-8,734	
Fishing, hunting, and trapping	-4,719	
Mining, oil, and gas		11,882
Utilities	-1,712	
Construction		49,661
Manufacturing - durables		3,053
Manufacturing non-durables		15,906
Wholesale Trade		9,787
Retail Trade		113,985
Transportation and Warehousing		52,081
Finance and Insurance		1,438
Real Estate and rental and leasing		43,576
Professional, Scientific, Technical Services		87,500
Business, building and other support		25,951
Educational Services		50,451
Health Care and Social Assistance		110,601
Information, Culture and Recreation		97,664
Accommodation and Food Services		102,353
Other Services	-6,432	
Public Administration		85,595





# 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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