

UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

February 2022



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March 11, 2022

National Statistics

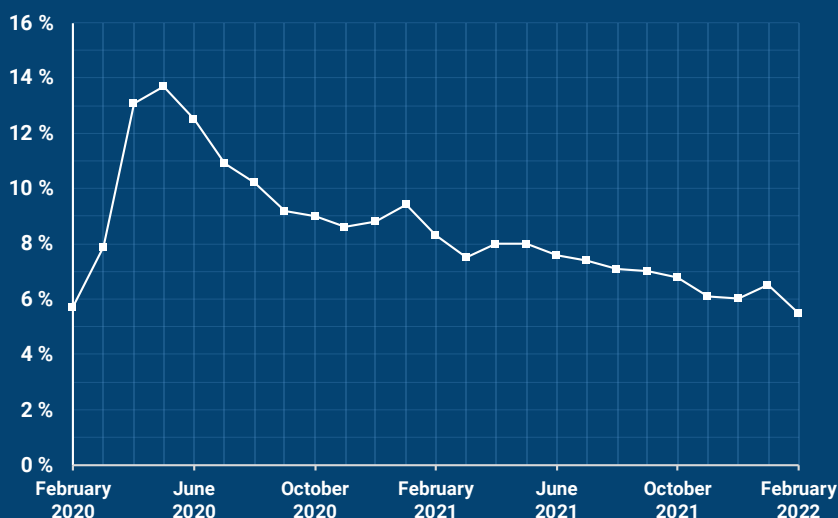
As public health restrictions were lifted across Canada in the wake of declining COVID-19 hospitalizations, the labour market saw a drastic recovery in February. After a January spike in the unemployment rate, the addition of nearly 337,000 jobs in February caused the unemployment rate to fall by a full percentage point to 5.5% –the lowest level since May 2019. Compared to February 2021, there are nearly one million more Canadians employed, an increase of more than 5%. The influx of workers into the labour market was also reflected in the participation rate, which rose to 65.4%.

However, sustained inflationary pressures continued to erode workers' real wages, with the real average hourly wage down 1.5% from last February. The fall in the rate of union coverage also suggests that the jobs returning to the labour market have been concentrated in non-unionized forms of employment.

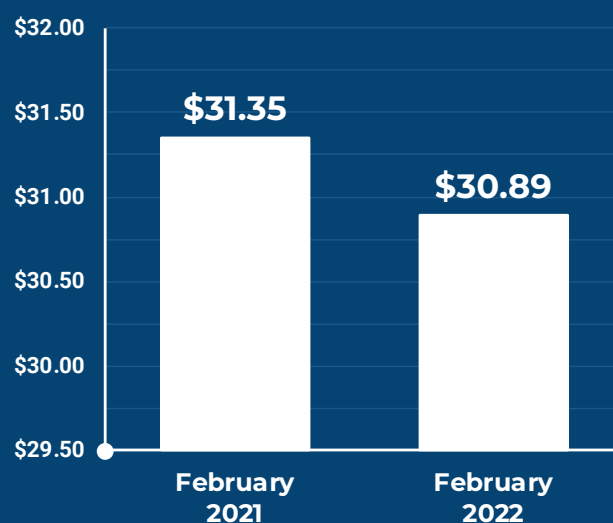
	February average 2016–20	Feb. 2021	Feb. 2022	Feb. 2021–22 Change	Jan.–Feb. 2022 Change
Total employment (#) ¹	18,485,660	18,531,200	19,512,700	981,500 5.3%	336,600 1.8%
Unemployment rate (%) ²	6.3	8.2	5.5	-2.7 p.p.	-1.0 p.p.
Participation rate (%) ³	65.6	64.7	65.4	0.7 p.p.	0.4 p.p.
Union coverage (%) ⁴	30.6	32.0	30.6	-1.4 p.p.	-0.4 p.p.
Average hourly wage (\$) ⁵	\$29.58	\$31.35	\$30.89	-1.5%	-0.2%
Average weekly hours (hrs.) ⁶	34.8	35.9	35.1	-2.2%	-0.6%

*p.p. refers to percentage points.

Unemployment Rate



Real Average Hourly Wage



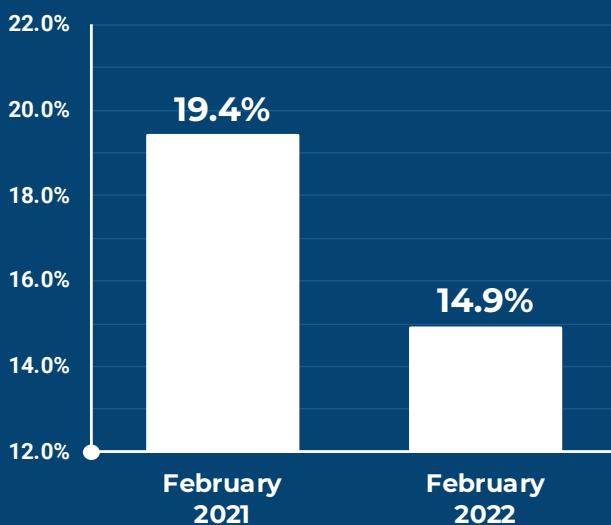
National Precarity Indicators

While the Omicron variant of COVID-19 had a sharply negative impact on the labour market in late December and January, the latest data suggests that these effects may be short-lived. The return to normalcy is partially reflected in our precarity indicators, which show a continuation of the decline in underemployment and underutilization.

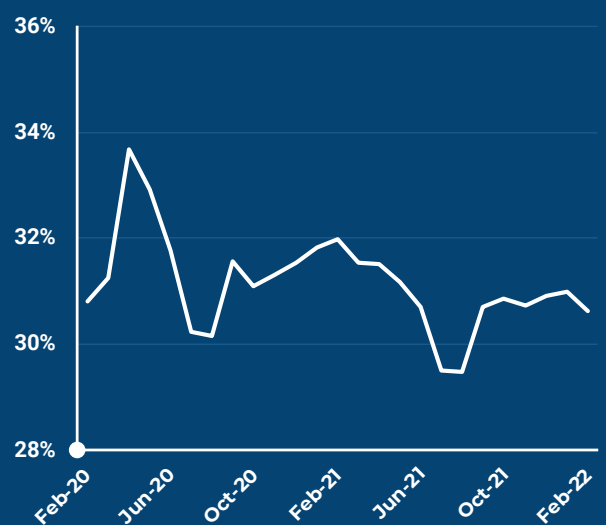
However, the return to a pre-pandemic status quo is also reflected in the heightened proportion of part-time workers (19.8%) and those who hold multiple (5.5%) and/or temporary jobs (11.1%). In other words, some of the precarity dynamics observed prior to the pandemic appear to be re-establishing themselves. These trends are undoubtedly intertwined with the rate of union coverage, which appears to be on a downward trend once again, as the growth in non-unionized jobs outpaces unionized positions.

	Feb. 2021	Feb. 2022	Feb. 2021–22 Change (p.p.)	Jan.–Feb. 2022 Change (p.p.)
Part-time rate (%) ⁷	18.9	19.8	0.9	0.9
Involuntary part-time (%) ⁸	48.2	40.0	-8.2	-0.9
Underutilization (R8) rate (%) ⁹	12.2	8.1	-4.1	-1.0
Underemployment rate (%) ¹⁰	19.4	14.9	-4.5	-1.1
Multiple job holders (%) ¹¹	4.7	5.5	0.8	0.3
Temporary job holders (%) ¹²	10.9	11.1	0.2	0.4
<i>Casual/other (%)</i>	3.2	3.4	0.2	0.1
<i>Temporary/contract (%)</i>	6.8	6.8	0.0	0.3
<i>Seasonal (%)</i>	0.9	0.9	0.0	0.0
Low wage incidence (%) ¹³	20.0	18.9	-1.1	0.2
Gender pay gap ¹⁴	\$3.66	\$4.17	13.8%	2.4%
NEETs (x1,000) ¹⁵	871.9	692.8	-20.5%	-17.8%

Underemployment Rate



Union Coverage Rate



Regional Statistics

February's employment growth was spread out across Canada, with every region experiencing an influx of jobs. However, employment gains were relatively more muted in B.C. and the Prairies, which saw an increase of 0.8% and 0.6%, respectively. Notably, there was no monthly change in the participation rate in the Prairies, while the participation rate in B.C. fell compared to February 2021.

More than half of the total employment gains in Canada came in Ontario, where the number of jobs surged by nearly 200,000. There are now half a million more workers employed in Ontario compared to February 2021, a gain of 7%. Meanwhile, Quebec saw an employment growth of 1.9% in February, adding 81,500 jobs. The Atlantic region came in third, at an increase of 1.6%.

Strikingly, however, the proportion of workers covered by a collective agreement fell in all regions except Quebec, with Ontario's rate of union coverage now 2.3 percentage points lower than February 2021. Real wages also fell further in Ontario and are now down 2.0% since last February, suggesting that much of the growth in employment there has been concentrated in lower waged, non-unionized positions.



Regional Statistics Continued

Atlantic

	Feb. 2021	Feb. 2022	Feb. 2021–22 Change	Jan.–Feb. 2022 Change
Total employment (#)	1,109,400	1,149,800	40,400 3.6%	17,700 1.6%
Unemployment rate (%)	9.8	8.4	-1.4	-0.5
Participation rate (%)	60.2	60.5	0.3	0.5
Union coverage (%)	33.3	33.8	0.5	-0.3
Average hourly wage (\$)	\$27.03	\$26.97	-0.2%	0.6%
Average weekly hours (hrs.)	36.3	36.2	-0.2%	-0.9%



Quebec

	Feb. 2021	Feb. 2022	Feb. 2021–22 Change	Jan.–Feb. 2022 Change
Total employment (#)	4,214,700	4,378,900	164,200 3.9%	81,500 1.9%
Unemployment rate (%)	6.4	4.5	-1.9	-0.9
Participation rate (%)	63.6	64.3	0.8	0.5
Union coverage (%)	40.0	39.9	-0.1	0.1
Average hourly wage (\$)	\$29.57	\$29.93	1.2%	0.3%
Average weekly hours (hrs.)	35.2	34.4	-2.2%	-1.0%



Ontario

	Feb. 2021	Feb. 2022	Feb. 2021–22 Change	Jan.–Feb. 2022 Change
Total employment (#)	7,185,800	7,687,800	502,000 7.0%	194,300 2.6%
Unemployment rate (%)	9.2	5.5	-3.6	-1.8
Participation rate (%)	64.4	65.4	1.0	0.3
Union coverage (%)	29.1	26.8	-2.3	-0.2
Average hourly wage (\$)	\$32.37	\$31.73	-2.0%	-0.8%
Average weekly hours (hrs.)	36.3	35.5	-2.3%	-1.0%



Regional Statistics Continued

Prairies

	Feb. 2021	Feb. 2022	Feb. 2021-22 Change	Jan.-Feb. 2022 Change
Total employment (#)	3,395,100	3,568,900	173,800 5.1%	22,000 0.6%
Unemployment rate (%)	8.9	6.1	-2.8	-0.5
Participation rate (%)	68.1	68.7	0.6	0.0
Union coverage (%)	28.6	27.0	-1.6	-1.1
Average hourly wage (\$)	\$32.67	\$31.34	-4.1%	0.8%
Average weekly hours (hrs.)	36.1	35.9	-0.7%	-0.4%



British Columbia

	Feb. 2021	Feb. 2022	Feb. 2021-22 Change	Jan.-Feb. 2022 Change
Total employment (#)	2,626,200	2,727,300	101,100 3.8%	21,000 0.8%
Unemployment rate (%)	6.9	4.9	-2.1	-0.2
Participation rate (%)	65.3	65.1	-0.2	0.3
Union coverage (%)	30.5	29.6	-0.9	-0.5
Average hourly wage (\$)	\$31.64	\$31.19	-1.4%	-0.9%
Average weekly hours (hrs.)	35.4	35.0	-1.2%	1.2%



Average Wages and Employment Gains/Losses by Industry

In terms of sectoral wage trends, real wages appear to be growing again in a number of goods-producing industries, with year-over-year wage gains in manufacturing, mining/oil/gas, and utilities, although wages in construction and forestry both fell. The picture was also mixed in the services sector where some industries like wholesale trade, finance/insurance and real estate saw robust wage gains, while others like retail trade and transportation/warehousing experienced declines. Notably, real wages in the public sector, including public administration, educational services and health care and social assistance, continue to fall behind.

Although yearly employment growth was significant in the vast majority of industries, the figures continue to obscure the extent to which some sectors like accommodation and food services have yet to recover from the pandemic. In fact, more than a third of the total monthly employment growth last month came from the return of jobs to the accommodation and food services industry (+114,000), which offset its January losses (-113,000), but the industry continues to be down more than 200,000 jobs since the pre-pandemic period. With employment growth shifting to other parts of the services sector, including information/culture/recreation and professional/scientific/technical services, a full recovery of the accommodation and food services industry remains in doubt.

Average Hourly Wages by Industry

Industry	Feb. 2022	Feb. 2021 – 2022 Change
Agriculture	\$22.98	8.9%
Forestry	\$31.79	-6.0%
Fishing, hunting, and trapping	\$27.00	32.7%
Mining, oil, and gas	\$45.86	0.5%
Utilities	\$46.24	0.5%
Construction	\$33.03	-1.1%
Manufacturing – durables	\$31.29	1.2%
Manufacturing – non-durables	\$30.01	4.2%
Wholesale Trade	\$30.93	1.8%
Retail Trade	\$21.32	-2.4%
Transportation and Warehousing	\$29.04	-2.9%
Finance and Insurance	\$38.73	1.0%
Real Estate and rental and leasing	\$30.17	4.8%
Professional, Scientific and Technical Services	\$38.72	-0.2%
Business, building and other support	\$24.08	-0.9%
Educational Services	\$35.90	-3.1%
Health Care and Social Assistance	\$29.65	-3.5%
Information, Culture and Recreation	\$30.94	-4.4%
Accommodation and Food Services	\$17.83	-1.4%
Other Services	\$27.14	-2.8%
Public Administration	\$40.49	-2.0%

Average Wages and Employment Gains/Losses by Industry Continued

Employment Change by Industry, Feb. 2021 to Feb. 2022

Agriculture	-18,385	
Forestry		5,732
Fishing, hunting, and trapping	-5,824	
Mining, oil, and gas		11,261
Utilities		2,114
Construction		85,324
Manufacturing - durables	-18,532	
Manufacturing non-durables		28,578
Wholesale Trade		51,823
Retail Trade		153,154
Transportation and Warehousing		44,218
Finance and Insurance		9,189
Real Estate and rental and leasing		48,949
Professional, Scientific, Technical Services		140,668
Business, building and other support	-118	
Educational Services		42,274
Health Care and Social Assistance		126,092
Information, Culture and Recreation		142,655
Accommodation and Food Services		102,517
Other Services	-47,335	
Public Administration		52,214



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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