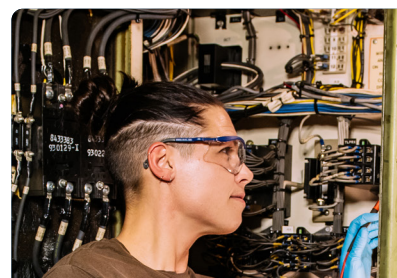


UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

January 2024



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February 9, 2024

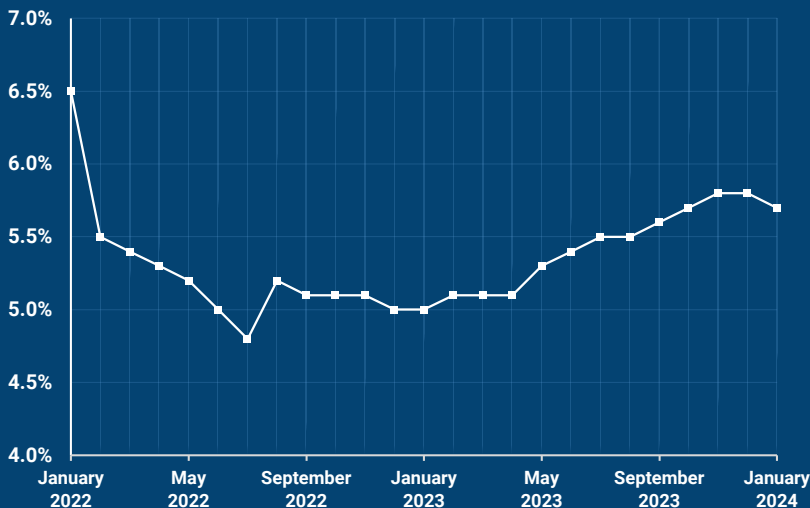
National Statistics

The labour market added 37,000 jobs in January, with overall employment increasing by 0.2% across the country. The unemployment rate dipped to 5.7%, which was the first decline since December 2022, although this was partially the result of a 0.2 percentage point fall in the participation rate. At 61.6%, the employment rate is now at its lowest level since January 2022. In short, while the economy continues to generate jobs, recent increases in Canada’s working-age population are outpacing the labour market’s immediate demand for workers. There is also clear evidence that the quality of work has declined over the past few months (see pg. 3, National Precarity Indicators).

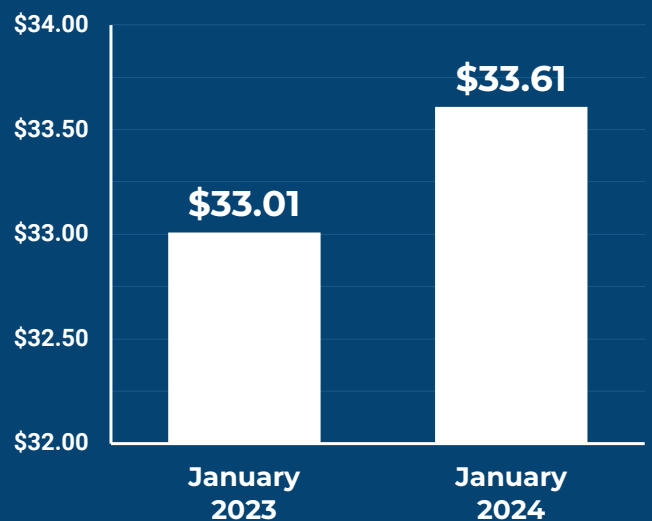
Year-over-year increases in average hourly wages fell slightly in January, from 5.4% to 5.3%, although they remain just 1.8% higher when accounting for inflation. The proportion of workers covered by a collective agreement stayed level at 30.5%.

	January 2018–22 average	January 2023	December 2023	January 2024	Year-over-year (Y/Y) change	Monthly (M/M) change
Total employment (#) ¹	18,884,940	20,032,300	20,324,900	20,362,200	329,900 1.6%	37,300 0.2%
Unemployment rate (%) ²	6.6	5.0	5.8	5.7	0.7	-0.1
Participation rate (%) ³	65.6	65.7	65.5	65.3	-0.4	-0.2
Union coverage (%) ⁴	30.5	30.9	30.5	30.5	-0.4	0.0
Average hourly wage (\$) ⁵	\$29.38	\$33.01	\$34.45	\$34.75	5.3%	0.9%
Real average hourly wage (\$) ⁶	\$32.96	\$33.01	\$33.32	\$33.61	1.8%	n/a

Unemployment Rate



Real Average Hourly Wage



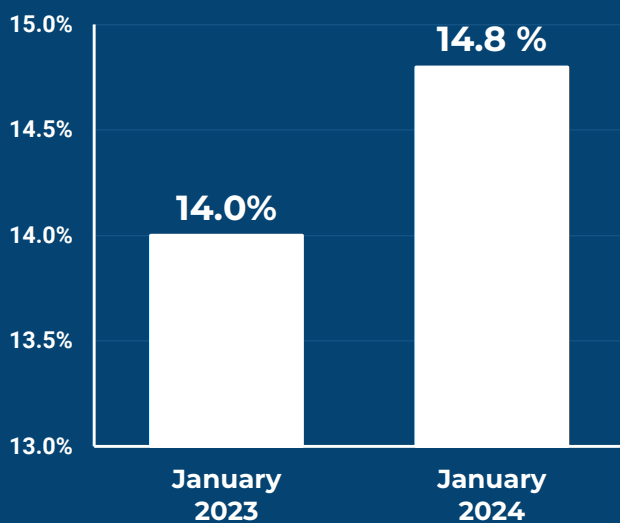
National Precarity Indicators

There was more evidence in January that weakening labour market conditions are eroding the quality of work. The number of part-time jobs increased by 49,000 positions, meaning that last month's employment growth came at the expense of nearly 12,000 full-time jobs. There were corresponding increases in the underutilization and underemployment rates, signifying a rise in the proportion of working age people who were involuntarily without full-time work. Youth participation rates declined further, with women aged 15 to 24 experiencing the lowest rate of labour force participation (62.5%) since May 2000 (excluding pandemic lockdowns). Finally, the proportion of jobseekers who had been unemployed for 27 weeks or more swung sharply higher, reaching 17.5% (see chart below).

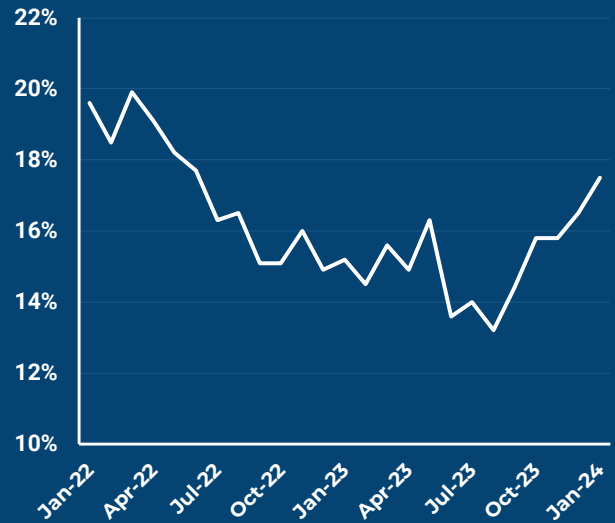
	Jan. 2023	Dec. 2023	Jan. 2024	Y/Y change	M/M change
Part-time rate (%) ⁷	18.7	18.8	19.1	0.4	0.3
Involuntary part-time (%) ⁸	39.8	38.6	38.9	-0.9	0.3
Underutilization (R8) rate (%) ⁹	7.4	7.3	8.4	1.0	1.1
Underemployment rate (%) ¹⁰	14.0	13.8	14.8	0.8	1.0
Multiple job holders (%) ¹¹	5.7	5.7	5.4	-0.3	-0.3
Temporary job holders (%) ¹²	10.4	10.8	10.1	-0.3	-0.7
Casual/other (%)	3.2	3.3	3.2	0.0	-0.1
Temporary/contract (%)	6.2	6.0	5.7	-0.5	-0.3
Seasonal (%)	1.0	1.4	1.2	0.2	-0.2
Low wage incidence (%) ¹³	19.0	19.5	19.4	0.4	-0.1
Gender wage gap ¹⁴	\$5.00	\$4.93	\$4.69	-6.3%	-4.9%
NEETs (x1,000) ¹⁵	704.6	789.7	843.2	19.7%	6.8%

Further, with women aged 15 to 24 experiencing the lowest rate of labour force participation (62.5%) since May 2000 (excluding pandemic lockdowns). Finally, the proportion of jobseekers who had been unemployed for 27 weeks or more swung sharply higher, reaching 17.5% (see chart below).

Underemployment Rate



Long-Term Unemployment



Regional Statistics

Employment growth was focused in the Atlantic, Ontario and Prairie regions during the month of January. Atlantic Canada observed an increase of 12,600 jobs (+1.0%) followed by the Prairies with 10,800 jobs (+0.3%). Half of all employment growth occurred in Ontario where the number of jobs increased by 23,800 (+0.3%).

BC saw a marginal loss of 2,600 jobs (-0.1%) and Quebec observed a decline of 7,500 positions (-0.2%). Year-over-year, Quebec has seen the smallest margin of employment growth both in terms of absolute numbers (+20,000) and percentagewise (+0.4%). This stands in marked contrast to the peak of the COVID-19 pandemic, when Quebec tended to outperform other regions. Since the beginning of 2023, the Prairie region has added 125,000 jobs, followed by Ontario (+86,000), BC (+71,000) and Atlantic Canada (+43,000).

Hourly wages were uniformly higher across all regions, although real wages (i.e., adjusted for inflation) were negative in Quebec (-0.1%) and only marginally outpaced the higher cost of living in the Prairies (+0.5%).



Regional Statistics Continued

Atlantic

	Jan. 2023	Jan. 2024	Y/Y change	M/M change
Total employment (#)	1,197,800	1,241,200	43,400 3.6%	12,600 1.0%
Unemployment rate (%)	7.3	7.6	0.3	0.5
Participation rate (%)	61.0	61.6	0.6	0.7
Union coverage (%)	33.4	32.5	-0.9	0.0
Average hourly wage (\$)	\$28.70	\$30.44	6.1%	1.3%
Real avg. hourly wage (\$)	\$28.70	\$29.44	2.6%	n/a



Quebec

	Jan. 2023	Jan. 2024	Y/Y change	M/M change
Total employment (#)	4,504,600	4,524,400	19,800 0.4%	-7,500 -0.2%
Unemployment rate (%)	4.0	4.5	0.5	-0.3
Participation rate (%)	65.1	64.5	-0.6	-0.4
Union coverage (%)	39.1	39.3	0.2	0.4
Average hourly wage (\$)	\$32.25	\$33.32	3.3%	0.9%
Real avg. hourly wage (\$)	\$32.25	\$32.22	-0.1%	n/a



Ontario

	Jan. 2023	Jan. 2024	Y/Y change	M/M change
Total employment (#)	7,851,800	7,937,700	85,900 1.1%	23,800 0.3%
Unemployment rate (%)	5.2	6.2	1.0	-0.1
Participation rate (%)	65.6	64.8	-0.8	-0.1
Union coverage (%)	26.8	26.1	-0.7	-0.2
Average hourly wage (\$)	\$33.96	\$36.14	6.4%	1.2%
Real avg. hourly wage (\$)	\$33.96	\$34.95	2.9%	n/a



Regional Statistics Continued

Prairies

	Jan. 2023	Jan. 2024	Y/Y change	M/M change
Total employment (#)	3,698,400	3,823,500	125,100 3.4%	10,800 0.3%
Unemployment rate (%)	5.4	5.6	0.2	-0.1
Participation rate (%)	69.0	68.7	-0.4	-0.2
Union coverage (%)	28.6	28.2	-0.4	-0.3
Average hourly wage (\$)	\$32.66	\$33.94	3.9%	-0.5%
Real avg. hourly wage (\$)	\$32.66	\$32.83	0.5%	n/a



British Columbia

	Jan. 2023	Jan. 2024	Y/Y change	M/M change
Total employment (#)	2,764,400	2,835,300	70,900 2.6%	-2,600 -0.1%
Unemployment rate (%)	4.5	5.4	0.9	-0.1
Participation rate (%)	65.0	65.3	0.3	-0.4
Union coverage (%)	30.8	30.8	0.0	0.3
Average hourly wage (\$)	\$33.97	\$36.24	6.7%	1.5%
Real avg. hourly wage (\$)	\$33.97	\$35.05	3.2%	n/a



Average Hourly Wages by Industry

Nominal vs. Inflation-Adjusted Wage Growth

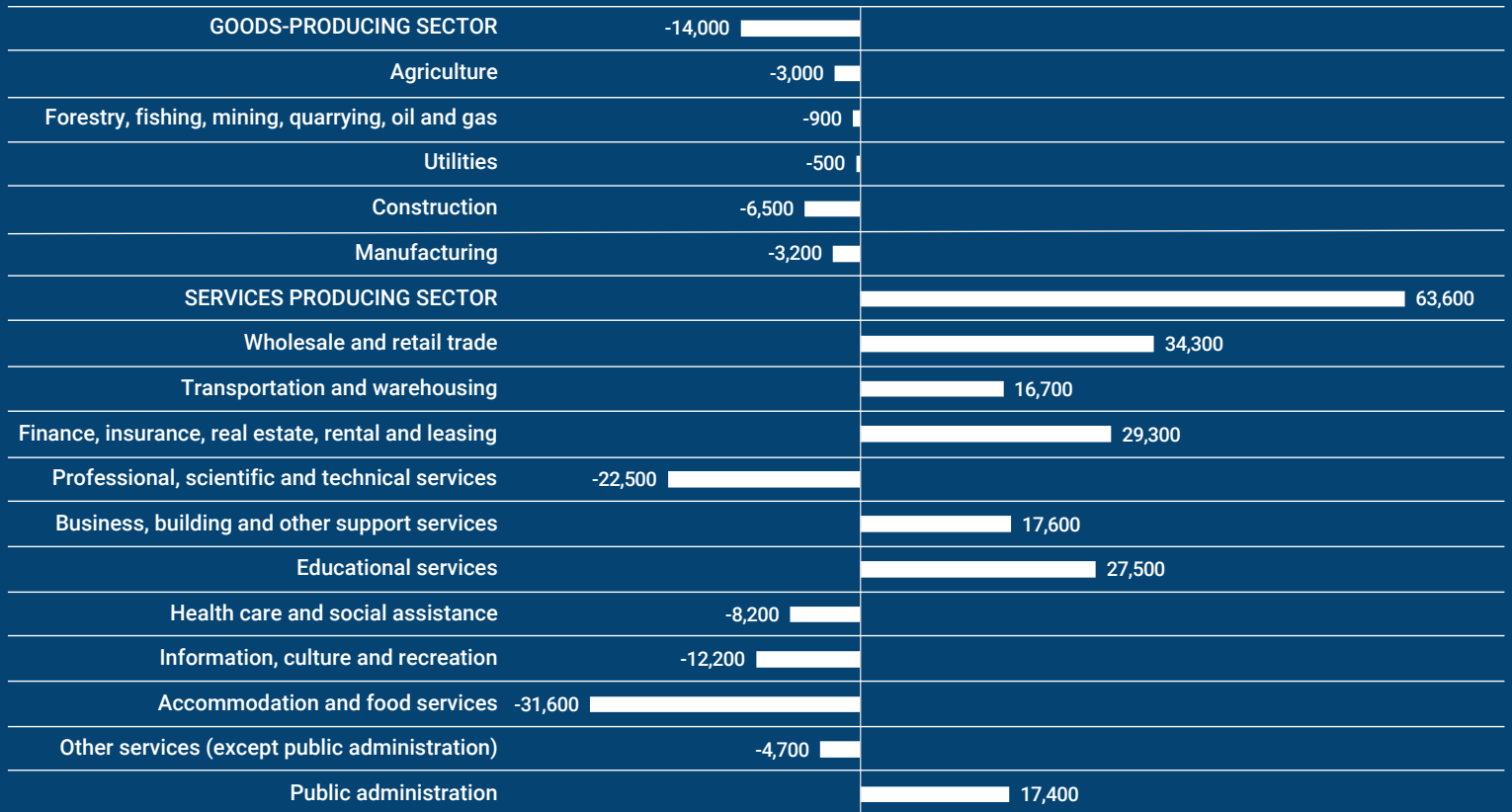
Industry	January 2023	January 2024	Y/Y change	Y/Y inflation-adjusted change
Agriculture	\$23.22	\$23.28	0.2%	-1.9%
Forestry	\$32.90	\$34.01	3.4%	0.0%
Mining, oil and gas	\$49.50	\$48.76	-1.5%	-5.0%
Utilities	\$49.98	\$50.66	1.4%	-2.0%
Construction	\$35.04	\$37.10	5.9%	2.4%
Manufacturing: durables	\$33.68	\$34.92	3.7%	0.3%
Manufacturing: non-durables	\$31.71	\$33.16	4.6%	1.1%
Wholesale Trade	\$34.33	\$37.01	7.8%	4.1%
Retail Trade	\$22.72	\$23.95	5.4%	1.9%
Transportation and Warehousing	\$30.82	\$32.80	6.4%	2.8%
Finance and Insurance	\$41.60	\$44.19	6.2%	2.7%
Real Estate and Rental and Leasing	\$32.64	\$35.68	9.3%	5.4%
Professional, Scientific and Technical Services	\$43.74	\$46.35	6.0%	2.4%
Business, building and other support	\$25.58	\$26.37	3.1%	-0.3%
Educational Services	\$38.01	\$38.93	2.4%	-1.0%
Health Care and Social Assistance	\$31.24	\$32.96	5.5%	2.0%
Information, Culture and Recreation	\$30.93	\$32.21	4.2%	0.7%
Accommodation and Food Services	\$19.15	\$20.70	8.1%	4.4%
Other Services	\$28.26	\$30.08	6.4%	2.9%
Public Administration	\$42.15	\$44.05	4.5%	1.1%

Wages in the public sector continue to lag behind average hourly wage growth for the labour market as a whole, with real wages in public administration up by just 1.1%, year-over-year, while real wages were in negative territory for workers in educational services, having fallen by 1.0% since last January. Wage growth has been similarly anemic in resources industries, including mining, oil and gas (-5.0%) and forestry (0.0%).

In terms of monthly employment growth, January's jobs gains were entirely focused in the services producing sector (+63,600). Every goods-producing industry observed an employment decline, adding to a loss of 14,000 jobs for the sector as a whole.

Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, Dec. 2023 to Jan. 2024



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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