UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

July 2026








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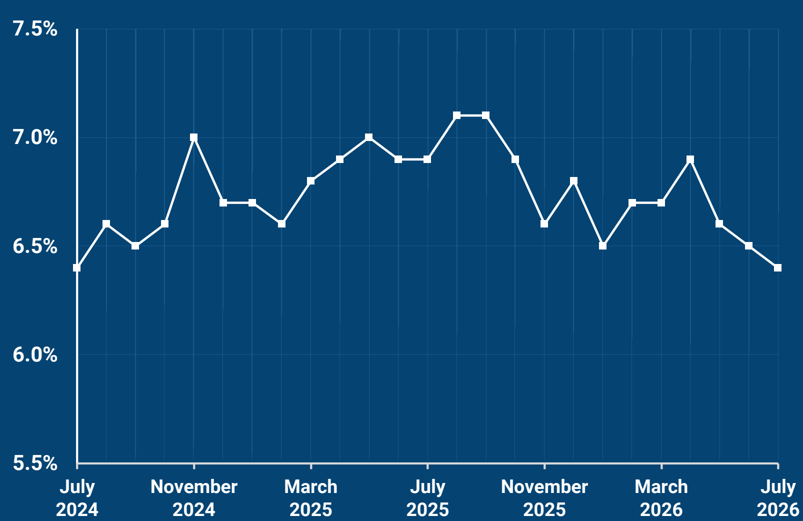
National Statistics

Canada's labour market soundly beat analysts' consensus predictions, generating more than 75,000 jobs in July (+0.4%). On an annualized basis, there were nearly 200,000 more jobs this past month compared to July 2025. As a result, the unemployment rate fell to 6.4% – the lowest on record since July 2024 –while the participation rate increased slightly to 65.1% (+0.1 percentage point).

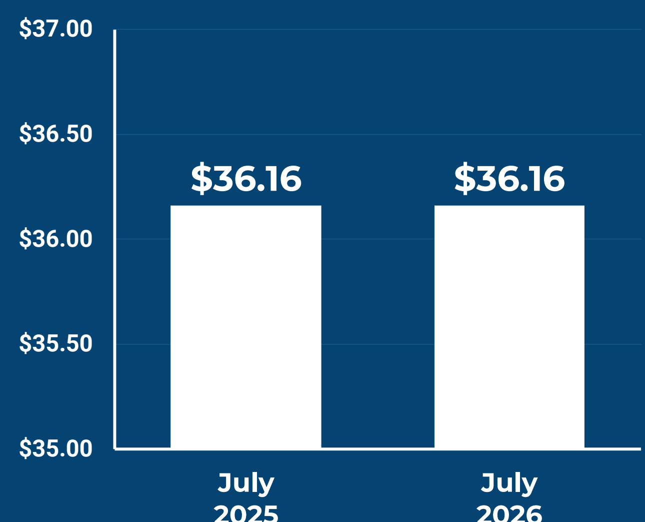
Jobs growth was evenly split between full-time and part-time positions, although part-time positions saw higher percentage growth (+1.0% compared to +0.2% for full-time jobs). The concentration of employment increases in part-time positions over the past two months has helped to drag hourly wages down, with wages declining for three consecutive months since April. Year-over-year, real wages (adjusted for inflation) were on par with July 2025.

Statistic	July 2020–24 average	July 2025	June 2026	July 2026	*Year-over-year (Y/Y) change*	*Monthly (M/M) change*
Total employment (#)[1]	19,556,300	21,018,300	21,139,700	**21,214,800**	*196,500* *0.9%*	*75,100* *0.4%*
Unemployment rate (%)[2]	7.0	6.9	6.5	**6.4**	*-0.5*	*-0.1*
Participation rate (%)[3]	65.3	65.2	65.0	**65.1**	*-0.1*	*0.1*
Union coverage (%)[4]	29.4	29.5	30.6	**29.5**	*0.0*	*-1.1*
Average hourly wage ($)[5]	$32.04	$36.16	$37.20	**$37.17**	*2.8%*	*-0.1%*
Real average hourly wage ($)[6]	$35.13	$36.16	$36.06	**$36.16**	*0.0%*	*0.3%*

Unemployment Rate



Real Average Hourly Wage

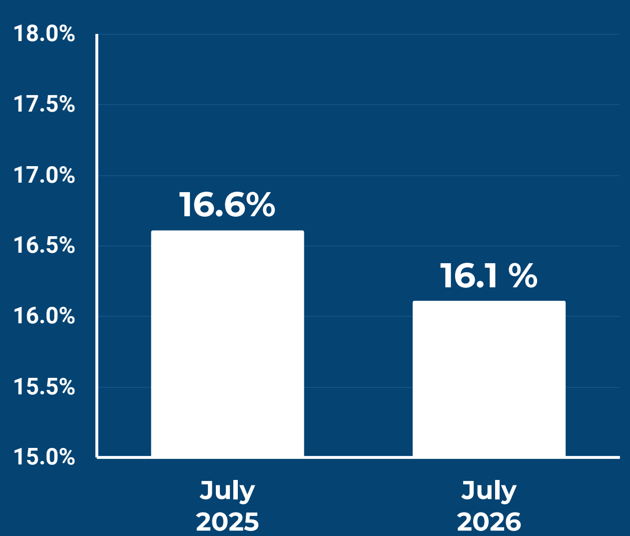


National Precarity Indicators

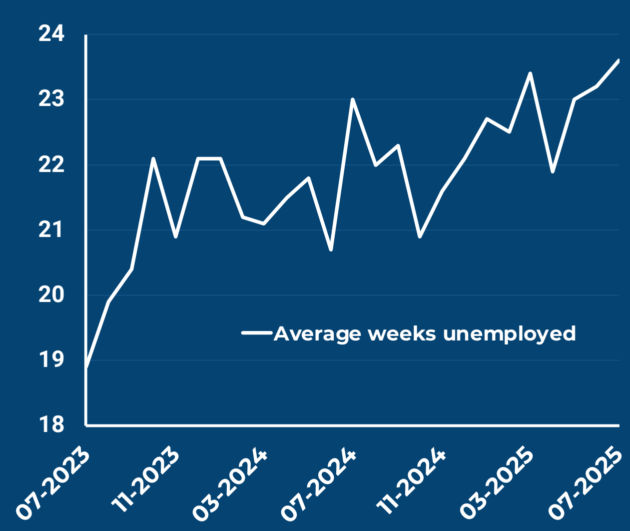
The more rapid increase in part-time positions in recent months translated into a higher involuntary part-time rate (51.1%) as more part-timers reported that they preferred full-time work. Nevertheless, the underemployment rate fell slightly from a year ago (-0.5) to 16.1% as the higher proportion of involuntary part-timers was offset by a lower proportion of individuals marginally attached to the labour market. In a positive sign for youth participation, there was a substantially lower number of youths not in employment, education or training (NEETs), which was 4.4% lower compared to July 2025. Nevertheless, significant structural mismatches remain between available labour supply and employers' labour demand as the average duration of unemployment rose to its highest post-pandemic level in July, reaching an average of 23.6 weeks (see chart below).

Indicator	July 2025	June 2026	**July 2026**	*Y/Y change*	*M/M change*
Part-time rate (%)[7]	16.7	17.2	**16.4**	*-0.3*	*-0.8*
Involuntary part-time (%)[8]	50.4	48.4	**51.1**	*0.7*	*2.7*
Underutilization (R8) rate (%)[9]	9.9	8.5	**9.3**	*-0.6*	*0.8*
Underemployment rate (%)[10]	16.6	15.5	**16.1**	*-0.5*	*0.6*
Multiple job holders (%)[11]	5.4	5.7	**5.8**	*0.4*	*0.1*
Temporary job holders (%)[12]	13.4	13.5	**14.1**	*0.7*	*0.6*
Casual/other (%)	3.5	3.5	**3.4**	*-0.1*	*-0.1*
Temporary/contract (%)	6.2	6.7	**6.7**	*0.5*	*0.0*
Seasonal (%)	3.7	3.2	**3.9**	*0.2*	*0.7*
Low wage incidence (%)[13]	21.1	19.5	**20.1**	*-1.0*	*0.6*
Gender wage gap[14]	$4.46	$4.78	**$4.90**	*9.9%*	*2.5%*
NEETs (x1,000)[15]	1,944.3	1,068.8	**1,859.1**	*-4.4%*	*73.9%*

Underemployment Rate



Duration of Unemployment



Regional Statistics

Employment growth in July was concentrated primarily in two regions, with Ontario and British Columbia both observing employment increases of 0.6%. In absolute figures, this growth translated to a gain of 52,000 jobs in Ontario and 18,000 jobs in B.C. As a result, Ontario saw its unemployment rate dip below the 7% mark to 6.8% (-0.2), while the unemployment rate in B.C. fell to 6.2% (-0.3). On an annualized basis, Ontario's unemployment rate is a full 1.0 percentage point below its July 2025 level, followed closely by the Atlantic region which has seen a year-over-year unemployment rate decline of 0.8 percentage points to 7.1%.

The slowdown in annualized wage gains was observed across all regions, with Ontario's year-over-year wage growth falling to 2.4%, amounting to a 0.4% decline in real wages (i.e., adjusted for inflation). The real wage decline in Ontario was the sharpest regional fall in purchasing power, although British Columbia also recorded negative real wages with a decline of 0.2% year-over-year. Notably, however, B.C. was the only region to post a substantial annualized jump in its union coverage rate, which climbed by 1.3 percentage points to 30.7%. This increase speaks to the success of B.C.'s recent restoration of single-step certification and underscores the importance of generalizing the single-step model to all jurisdictions.

Regional Statistics Continued

Atlantic

Statistic	July 2025	July 2026	*Y/Y change*	*M/M change*
Total employment (#)	1,271,300	**1,283,700**	*12,400* *1.0%*	*4,000* *0.3%*
Unemployment rate (%)	7.9	**7.1**	*-0.8*	*-0.1*
Participation rate (%)	61.1	**60.5**	*-0.6*	*0.1*
Union coverage (%)	30.2	**30.8**	*0.6*	*-1.1*
Average hourly wage ($)	$31.59	**$32.59**	*3.2%*	*-0.1%*
Real avg. hourly wage ($)	$31.59	**$31.70**	*0.3%*	*0.3%*

Quebec

Statistic	July 2025	July 2026	*Y/Y change*	*M/M change*
Total employment (#)	4,635,000	**4,607,200**	*-27,800* *-0.6%*	*700* *0.0%*
Unemployment rate (%)	5.5	**5.6**	*0.1*	*0.2*
Participation rate (%)	64.6	**64.4**	*-0.2*	*0.2*
Union coverage (%)	38.5	**38.1**	*-0.4*	*-1.1*
Average hourly wage ($)	$34.78	**$35.97**	*3.4%*	*-0.6%*
Real avg. hourly wage ($)	$34.78	**$34.99**	*0.6%*	*-0.2%*

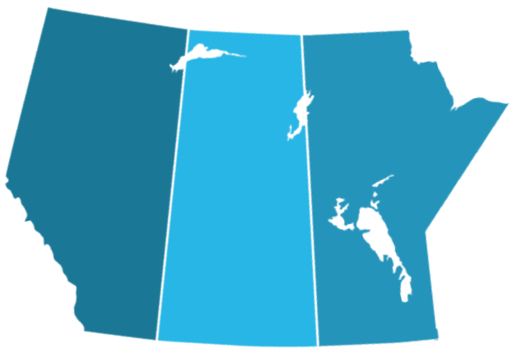
Ontario

Statistic	July 2025	July 2026	*Y/Y change*	*M/M change*
Total employment (#)	8,216,300	**8,324,600**	*108,300* *1.3%*	*51,600* *0.6%*
Unemployment rate (%)	7.8	**6.8**	*-1.0*	*-0.2*
Participation rate (%)	65.0	**64.8**	*-0.2*	*0.2*
Union coverage (%)	25.6	**25.6**	*0.0*	*-0.7*
Average hourly wage ($)	$37.42	**$38.31**	*2.4%*	*0.0%*
Real avg. hourly wage ($)	$37.42	**$37.27**	*-0.4%*	*0.4%*

Regional Statistics Continued

Prairies

Statistic	July 2025	July 2026	*Y/Y change*	*M/M change*
Total employment (#)	3,943,500	**4,044,800**	*101,300* *2.6%*	*1,100* *0.0%*
Unemployment rate (%)	7.0	**6.5**	*-0.5*	*-0.1*
Participation rate (%)	68.4	**68.4**	*0.0*	*-0.1*
Union coverage (%)	26.5	**26.4**	*-0.1*	*-1.5*
Average hourly wage ($)	$35.61	**$36.69**	*3.0%*	*0.1%*
Real avg. hourly wage ($)	$35.61	**$35.69**	*0.2%*	*0.4%*



British Columbia

Statistic	July 2025	July 2026	*Y/Y change*	*M/M change*
Total employment (#)	2,952,400	**2,954,700**	*2,300* *0.1%*	*17,800* *0.6%*
Unemployment rate (%)	6.0	**6.2**	*0.2*	*-0.3*
Participation rate (%)	64.8	**65.1**	*0.3*	*0.2*
Union coverage (%)	29.4	**30.7**	*1.3*	*-1.0*
Average hourly wage ($)	$37.74	**$38.71**	*2.6%*	*0.2%*
Real avg. hourly wage ($)	$37.74	**$37.66**	*-0.2%*	*0.6%*

Average Hourly Wages by Industry

Nominal vs. Inflation-Adjusted Wage Growth

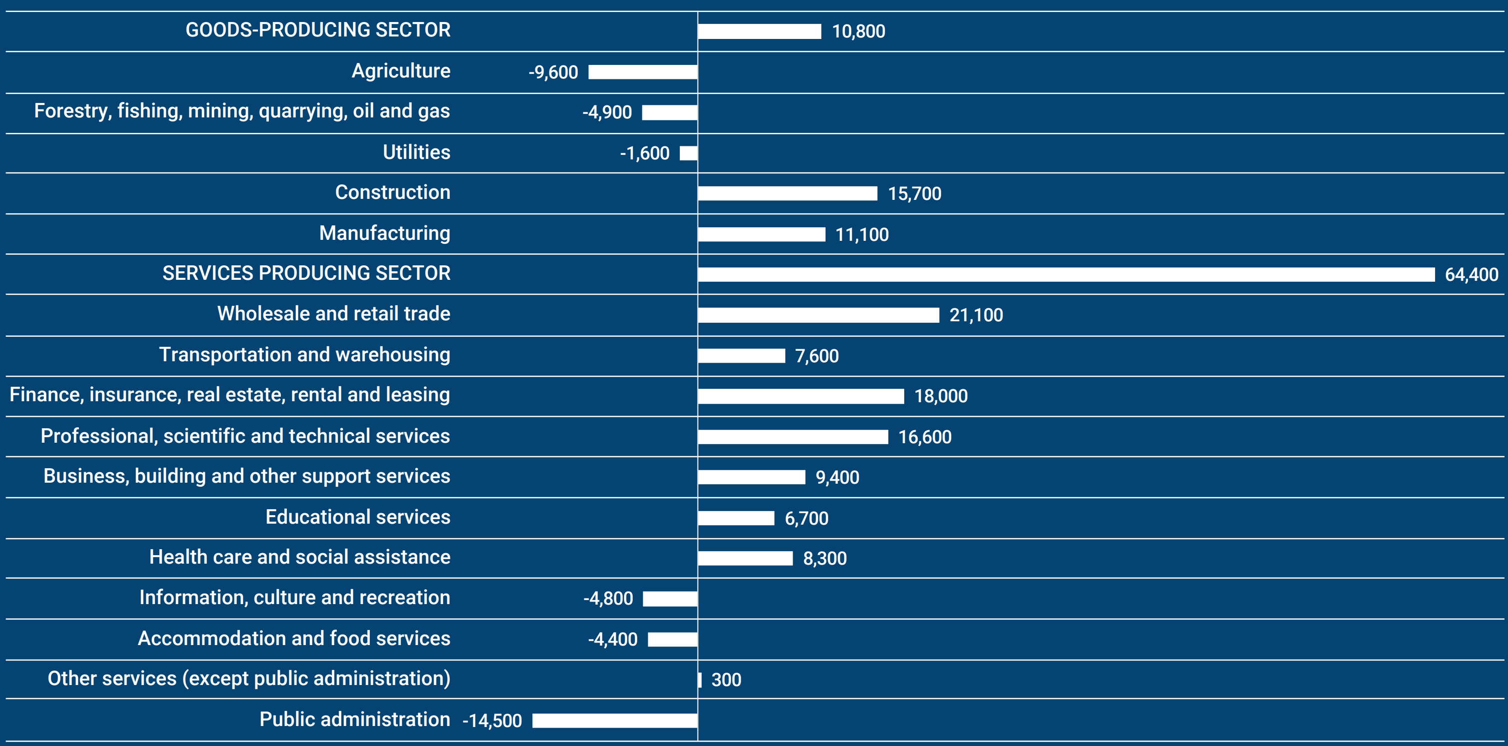
Industry	July 2025	July 2026	*Y/Y change*	*Y/Y inflation-adjusted change*
Agriculture	$25.00	**$26.61**	*6.4%*	*3.4%*
Forestry	$33.42	**$35.83**	*7.2%*	*4.1%*
Mining, oil and gas	$53.49	**$56.31**	*5.3%*	*2.3%*
Utilities	$55.40	**$55.43**	*0.1%*	*-2.7%*
Construction	$37.79	**$38.24**	*1.2%*	*-1.6%*
Manufacturing: durables	$36.16	**$37.81**	*4.6%*	*1.7%*
Manufacturing: non-durables	$33.40	**$33.73**	*1.0%*	*-1.8%*
Wholesale Trade	$37.52	**$39.16**	*4.4%*	*1.5%*
Retail Trade	$24.72	**$25.32**	*2.4%*	*-0.4%*
Transportation and Warehousing	$34.59	**$35.01**	*1.2%*	*-1.6%*
Finance and Insurance	$45.71	**$48.88**	*6.9%*	*3.9%*
Real Estate and Rental and Leasing	$35.58	**$39.80**	*11.9%*	*8.1%*
Professional, Scientific and Technical Services	$49.26	**$50.04**	*1.6%*	*-1.2%*
Business, building and other support	$29.01	**$27.98**	*-3.6%*	*-6.6%*
Educational Services	$43.21	**$44.10**	*2.1%*	*-0.7%*
Health Care and Social Assistance	$34.63	**$35.55**	*2.7%*	*-0.1%*
Information, Culture and Recreation	$32.50	**$32.89**	*1.2%*	*-1.6%*
Accommodation and Food Services	$20.71	**$21.58**	*4.2%*	*1.3%*
Other Services	$30.92	**$32.64**	*5.6%*	*2.6%*
Public Administration	$45.80	**$47.05**	*2.7%*	*-0.1%*

Real wage gains slowed and even declined in a number of key industries, including within the public sector, including public administration (-0.1%) and health care and social assistance (-0.1%), although a sharper decline in educational services (-0.7%) likely reflected the impact of the summer break. Real wages were also down in key industries such as construction (-1.6%) and transportation/warehousing (-1.6%).

Employment growth in July was focused in the services-producing sector (+64,400), with wholesale and retail trade adding 21,200 jobs, followed by an addition of 18,000 jobs in the finance, real estate, rental and leasing sector. The goods-producing sector added close to 11,000 jobs, led by construction (+16,000) and manufacturing (+11,000).

Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, June to July 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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