

UNIFOR RESEARCH DEPARTMENT

# LABOUR MARKET INSIGHTS

*A monthly review of labour market indicators*

June 2023



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theUnion | lesyndicat  
July 7, 2023

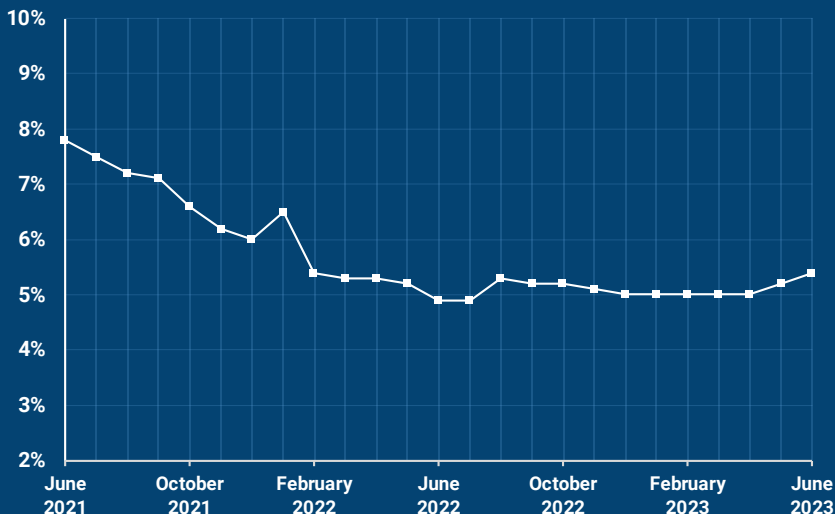
# National Statistics

The headline labour market indicators for the month of June reveal a mixed picture. Although employment increased by 60,000, the unemployment figure increased by nearly the same amount (+54,000) pushing the unemployment rate up to 5.4% – the highest level since February 2022. Since March, the number of unemployed in Canada has grown by 94,000 to 1.15 million (+8.9%), suggesting that the growth in jobseekers is outpacing the rate of job creation. The participation rate is currently sitting at 65.7% (+0.2 percentage points), with more than 130,000 individuals having entered the labour force over the past two months alone.

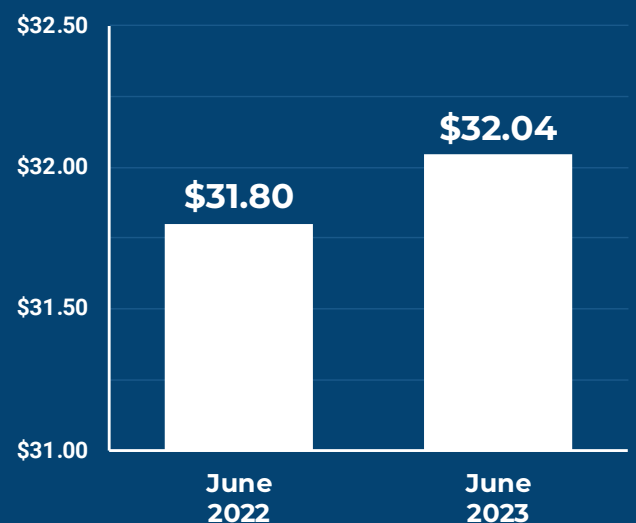
Employment growth was mainly concentrated in non-unionized workplaces, with the rate of union coverage dipping just under 30%. Meanwhile, wage growth has slowed down, falling from 5.1% year-over-year in May to 4.2% in June, although real wage growth remains positive (+0.8%).

	June 2017–21 average	June 2022	May 2023	June 2023	Year-over-year (Y/Y) change	Monthly (M/M) change
Total employment (#) <sup>1</sup>	18,506,680	19,702,800	20,113,000	20,172,800	470,000 2.4%	59,800 0.3%
Unemployment rate (%) <sup>2</sup>	7.7	4.9	5.2	5.4	0.5	0.2
Participation rate (%) <sup>3</sup>	65.5	65.3	65.5	65.7	0.4	0.2
Union coverage (%) <sup>4</sup>	30.4	30.1	30.5	29.9	-0.2	-0.6
Average hourly wage (\$) <sup>5</sup>	\$28.56	\$31.80	\$33.25	\$33.12	4.2%	-0.4%
Real average hourly wage (\$) <sup>6</sup>	\$30.92	\$31.80	\$32.17	\$32.04	0.8%	n/a

## Unemployment Rate



## Real Average Hourly Wage

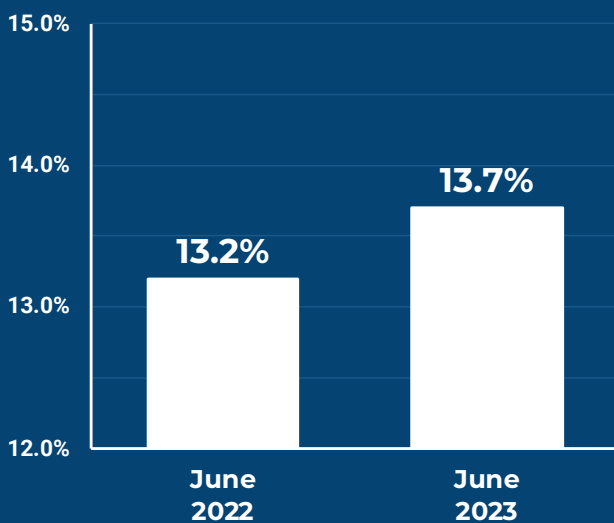


# National Precarity Indicators

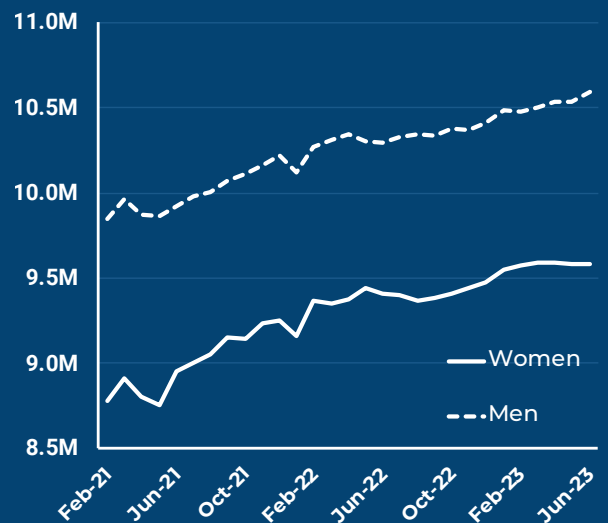
The part-time rate fell significantly in June as the number of part-time positions declined by 50,000 (-1.4%), while full-time positions surged by 110,000 (+0.7%). Notably, the decline in part-time positions appears to have primarily impacted women, with women's employment falling slightly in June. Since its peak in April, women's employment has fallen by 16,000, with nearly all of the losses accounted for by younger workers aged 15 to 24. Meanwhile, men have seen their employment figures continue to climb by almost 60,000 (see chart below). As we saw during the pandemic, a fall in part-time work disproportionately impacts lower-paid women working in precarious roles, and this is reflected in the narrowing of the gender wage gap as these jobs are eliminated.

	June 2022	May 2023	June 2023	Y/Y change	M/M change
Part-time rate (%) <sup>7</sup>	17.1	17.9	17.1	0.0	-0.8
Involuntary part-time (%) <sup>8</sup>	42.3	40.5	43.7	1.4	3.2
Underutilization (R8) rate (%) <sup>9</sup>	6.4	7.2	7.1	0.7	-0.1
Underemployment rate (%) <sup>10</sup>	13.2	13.6	13.7	0.5	0.1
Multiple job holders (%) <sup>11</sup>	5.5	5.7	5.7	0.2	0.0
Temporary job holders (%) <sup>12</sup>	13.7	12.3	12.6	-1.1	0.3
Casual/other (%)	3.3	3.3	3.2	-0.1	-0.1
Temporary/contract (%)	7.4	6.5	6.5	-0.9	0.0
Seasonal (%)	3.0	2.4	3.0	0.0	0.6
Low wage incidence (%) <sup>13</sup>	21.0	18.8	18.7	-2.3	-0.1
Gender wage gap <sup>14</sup>	\$4.45	\$4.49	\$4.26	-4.1%	-5.1%
NEETs (x1,000) <sup>15</sup>	794.6	849.2	882.8	11.1%	4.0%

## Underemployment Rate



## Employment by Gender



# Regional Statistics

Employment gains in the month of June were primarily concentrated in the Ontario and Prairie regions, with Ontario adding nearly 56,000 jobs (+0.7%), while the Prairies tacked on another 13,000 positions (+0.3%). Employment changes were marginal in B.C. (-0.1%) and the Atlantic region (+0.2%), while Quebec observed a slight dip in employment, with 8,400 jobs lost (-0.2%). On a year-over-year basis, however, all five regions have posted significant employment gains since June 2022, ranging between +1.1% in B.C. and +2.8% in Ontario.

On a monthly basis, hourly wages declined in Ontario (-0.7%), the Atlantic (-0.6%) and Quebec (-0.3%), while wages were level in B.C. The Prairie region observed a slight wage gain of 0.1%. Year-over-year, real wage growth (adjusted for inflation) was highest in B.C. (+2.0%), although all five regions continue to see real wages outpace inflation, despite last month's decline. With both inflation and wage growth on a downward trend, time will tell if real wage growth can remain positive over the coming months.





# Regional Statistics Continued

## Atlantic

	June 2022	June 2023	Y/Y change	M/M change
Total employment (#)	1,180,000	1,201,700	21,700 1.8%	2,000 0.2%
Unemployment rate (%)	7.0	7.0	0.0	0.1
Participation rate (%)	60.8	60.3	-0.5	0.0
Union coverage (%)	32.1	31.4	-0.7	-1.0
Average hourly wage (\$)	\$27.54	\$28.81	4.6%	-0.6%
Real avg. hourly wage (\$)	\$27.54	\$27.87	1.2%	n/a



## Quebec

	June 2022	June 2023	Y/Y change	M/M change
Total employment (#)	4,380,600	4,498,200	117,600 2.7%	-8,400 -0.2%
Unemployment rate (%)	4.4	4.4	0.0	0.4
Participation rate (%)	64.0	64.9	0.9	0.1
Union coverage (%)	38.9	38.7	-0.2	-0.7
Average hourly wage (\$)	\$30.87	\$32.17	4.2%	-0.3%
Real avg. hourly wage (\$)	\$30.87	\$31.12	0.8%	n/a



## Ontario

	June 2022	June 2023	Y/Y change	M/M change
Total employment (#)	7,738,300	7,951,300	213,000 2.8%	55,800 0.7%
Unemployment rate (%)	5.2	5.7	0.5	0.1
Participation rate (%)	65.2	65.9	0.7	0.4
Union coverage (%)	25.9	25.7	-0.2	-0.7
Average hourly wage (\$)	\$32.79	\$34.02	3.7%	-0.7%
Real avg. hourly wage (\$)	\$32.79	\$32.92	0.4%	n/a



# Regional Statistics Continued

## Prairies

	June 2022	June 2023	Y/Y change	M/M change
Total employment (#)	3,655,400	3,743,300	87,900 2.4%	13,000 0.3%
Unemployment rate (%)	4.8	5.3	0.6	0.0
Participation rate (%)	68.9	68.7	-0.2	0.0
Union coverage (%)	27.9	27.7	-0.2	-0.6
Average hourly wage (\$)	\$31.82	\$33.08	4.0%	0.1%
Real avg. hourly wage (\$)	\$31.82	\$32.00	0.6%	n/a



## British Columbia

	June 2022	June 2023	Y/Y change	M/M change
Total employment (#)	2,748,500	2,778,200	29,700 1.1%	-2,600 -0.1%
Unemployment rate (%)	4.7	5.6	0.9	0.6
Participation rate (%)	65.1	65.2	0.1	0.1
Union coverage (%)	29.6	29.5	-0.1	-0.1
Average hourly wage (\$)	\$32.44	\$34.21	5.5%	0.0%
Real avg. hourly wage (\$)	\$32.44	\$33.10	2.0%	n/a



# Average Hourly Wages by Industry

## Nominal vs. Inflation-Adjusted Wage Growth

Industry	June 2022	June 2023	Y/Y change	Y/Y inflation-adjusted change
Agriculture	\$21.48	\$23.60	9.9%	5.9%
Forestry	\$35.24	\$32.06	-9.0%	-13.6%
Mining, oil, and gas	\$45.53	\$49.11	7.9%	4.2%
Utilities	\$46.93	\$48.65	3.7%	0.3%
Construction	\$33.28	\$34.49	3.6%	0.3%
Manufacturing: durables	\$31.90	\$33.67	5.6%	2.1%
Manufacturing: non-durables	\$29.14	\$31.36	7.6%	4.0%
Wholesale Trade	\$33.41	\$34.74	4.0%	0.6%
Retail Trade	\$22.68	\$23.16	2.1%	-1.2%
Transportation and Warehousing	\$30.35	\$31.85	4.9%	1.5%
Finance and Insurance	\$39.88	\$42.34	6.2%	2.7%
Real Estate and Rental and Leasing	\$32.96	\$34.77	5.5%	2.0%
Professional, Scientific and Technical Services	\$41.12	\$43.19	5.0%	1.6%
Business, building and other support	\$24.23	\$25.83	6.6%	3.1%
Educational Services	\$37.25	\$38.07	2.2%	-1.1%
Health Care and Social Assistance	\$30.80	\$31.68	2.9%	-0.5%
Information, Culture and Recreation	\$31.23	\$31.28	0.2%	-3.2%
Accommodation and Food Services	\$18.45	\$19.56	6.0%	2.5%
Other Services	\$26.58	\$28.34	6.6%	3.0%
Public Administration	\$40.45	\$42.24	4.4%	1.0%

Although wages outpaced inflation across most industries, the decline in average hourly wages last month meant that real wage growth in some industries like retail trade, educational services, and health care and social assistance continues to be negative. In other words, workers in these industries have taken an effective wage cut given their loss in purchasing power over the past year.

Significantly, employment growth in June was concentrated in wholesale and retail trade (+32,600) and manufacturing (+27,300), indicating that robust consumer demand continues to bolster the labour market and economy, despite interest rate hikes and inflation weighing on affordability.

# Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, May to June 2023

GOODS-PRODUCING SECTOR		9,800
Agriculture	-6,000	
Forestry, fishing, mining, quarrying, oil and gas		3,000
Utilities	-1,200	
Construction	-13,500	
Manufacturing		27,300
SERVICES PRODUCING SECTOR		50,000
Wholesale and retail trade		32,600
Transportation and warehousing		10,400
Finance, insurance, real estate, rental and leasing		9,800
Professional, scientific and technical services	-6,500	
Business, building and other support services	-2,400	
Educational services	-14,000	
Health care and social assistance		20,700
Information, culture and recreation	-1,200	
Accommodation and food services	-1,000	
Other services (except public administration)	-4,700	
Public administration		6,700





# 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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