

UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

March 2022



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National Statistics

Canada's labour market added another 72,500 jobs in March, as the national unemployment fell to 5.3%, which is the lowest on record since the 1960s. Year-over-year, the Canadian economy has added more than 750,000 jobs (an increase of 4.0%) and the unemployment rate has fallen by 2.2 percentage points since March 2021. While the proportion of Canadians participating in the labour force remained unchanged from February, the participation rate is up 0.2 percentage points since March of last year.

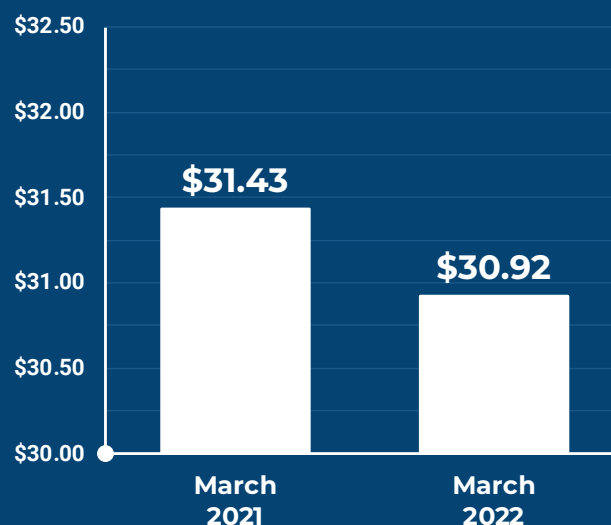
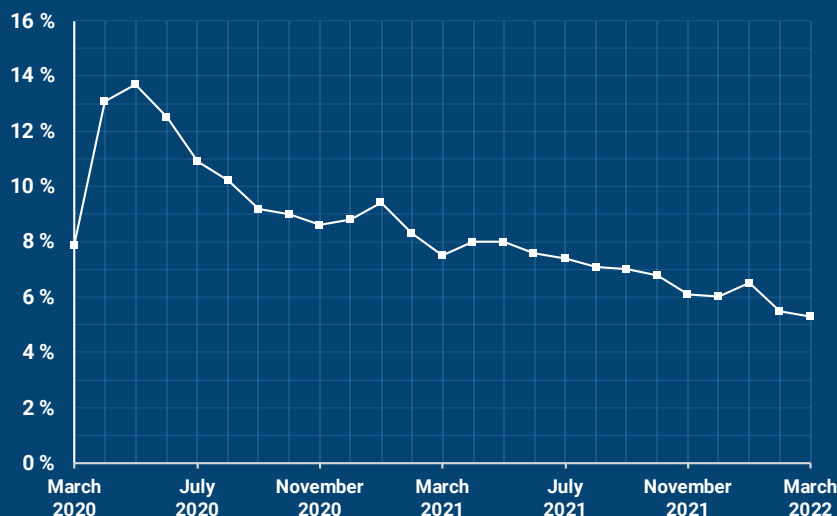
However, there continue to be signs that workers' wages are not keeping up with the added cost of living caused by heightened inflation, with nominal wages creeping up just 0.1% since February and real wages (i.e., adjusted for inflation) down by 1.6%, year-over-year. Union coverage rates have also slipped further, falling to 30.3% nationwide.

	March average 2016–20	Mar. 2021	Mar. 2022	Mar. 2021–22 Change	Feb.–Mar. 2022 Change
Total employment (#) ¹	18,307,000	18,834,300	19,585,200	750,900 4.0%	72,500 0.4%
Unemployment rate (%) ²	6.7	7.5	5.3	-2.2 p.p.	-0.2 p.p.
Participation rate (%) ³	65.2	65.2	65.4	0.2 p.p.	0.0 p.p.
Union coverage (%) ⁴	30.6	31.5	30.3	-1.2 p.p.	-0.3 p.p.
Average hourly wage (\$) ⁵	\$29.69	\$31.43	\$30.92	-1.6%	0.1%
Average weekly hours (hrs.) ⁶	35.1	35.1	35.2	0.3%	0.3%

*p.p. refers to percentage points.

Unemployment Rate

Real Average Hourly Wage



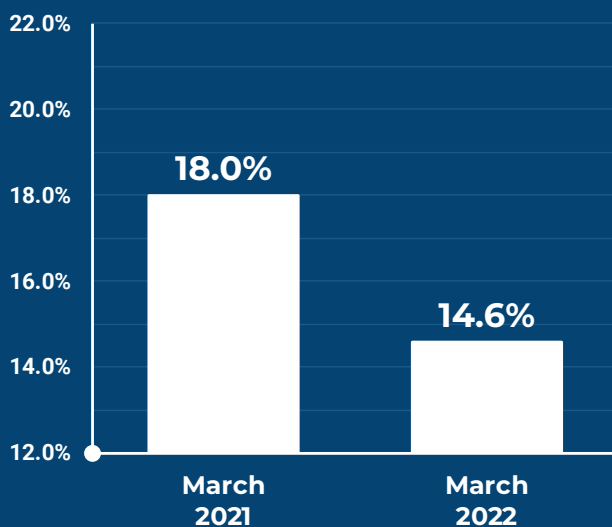
National Precarity Indicators

While the steady decline in the unemployment rate since 2020 is cause for optimism among workers, some economists have suggested that the Canadian economy is effectively at full employment and that the falling unemployment rate is one of the main causes of spiking inflation. Although the unemployment rate will never fall to zero given so-called “frictional” unemployment (i.e., the existence of people transitioning between jobs) our indicators show that there continues to be significant slack in the labour market. Note, for example, that the underutilization (R8) rate increased last month,

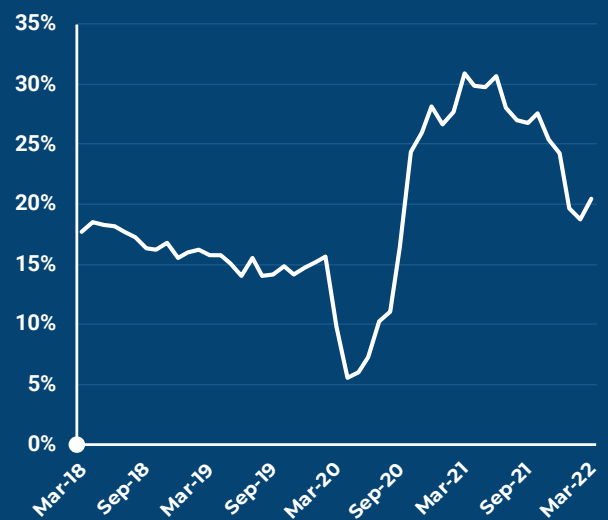
indicating that there are more Canadians who want, but are unable to find, full-time employment. Likewise, the percentage of the long-term unemployed (those searching for a job for 27 weeks or longer) increased and remains above 2018-19 levels (see below). In other words, there is plenty of room for the economy to generate more quality jobs and for the unemployment rate to fall further.

	Mar. 2021	Mar. 2022	Mar. 2021–22 Change (p.p.)	Feb.–Mar. 2022 Change (p.p.)
Part-time rate (%) ⁷	19.1	19.5	0.4	-0.3
Involuntary part-time (%) ⁸	44.9	40.0	-4.9	0.0
Underutilization (R8) rate (%) ⁹	11.4	8.3	-3.1	0.2
Underemployment rate (%) ¹⁰	18.0	14.6	-3.4	-0.3
Multiple job holders (%) ¹¹	5.2	5.5	0.3	0.0
Temporary job holders (%) ¹²	11.2	11.3	0.1	0.2
<i>Casual/other (%)</i>	3.2	3.4	0.2	0.0
<i>Temporary/contract (%)</i>	6.9	6.9	0.0	0.1
<i>Seasonal (%)</i>	1.1	1.0	-0.1	0.1
Low wage incidence (%) ¹³	20.4	18.9	-1.5	0.0
Gender pay gap ¹⁴	\$3.44	\$4.06	18.2%	-2.5%
NEETs (x1,000) ¹⁵	804.1	697.6	-13.2%	0.7%

Underemployment Rate



Percentage of Long-term Unemployed



Regional Statistics

Employment growth for the month of March was concentrated in the Quebec, Ontario and B.C. regions, with the number of jobs remaining essentially unchanged in the Atlantic and the Prairies. As a proportion of the labour market, Quebec led the way with a monthly increase of 0.6% (+27,100), followed by Ontario at 0.5% (+35,100), and finally B.C. at 0.4% (+10,500).

The unemployment rate remains the highest in the Atlantic region (8.3%), although this represents a drop of 1.2 percentage points since March 2021. At 6.1%, the unemployment rate in the Prairies also continues to lag behind the national average, although it is currently lower than the Prairies' pre-pandemic average between 2016 and 2019 (6.9%). Quebec continues to lead the country at an unemployment rate of just 4.1%, followed by B.C. (5.1%) and Ontario (5.3%).

Average hourly wage growth was a robust 1.0% in B.C., followed by the Atlantic (0.8%), Quebec (0.7%) and Prairies (0.3%) regions, although wages fell by 0.7% in Ontario, weighing down the national average. However, adjusted for inflation, real hourly wage growth since March 2021 was negative across the board, with the exception of Quebec (0.3%).



Regional Statistics Continued

Atlantic

	Mar. 2021	Mar. 2022	Mar. 2021–22 Change	Feb.–Mar. 2022 Change
Total employment (#)	1,126,100	1,151,100	25,000 2.2%	1,300 0.1%
Unemployment rate (%)	9.5	8.3	-1.2	-0.1
Participation rate (%)	60.9	60.4	-0.4	-0.1
Union coverage (%)	32.1	33.6	1.5	-0.2
Average hourly wage (\$)	\$27.21	\$27.19	-0.1%	0.8%
Average weekly hours (hrs.)	35.9	36.3	1.2%	0.3%



Quebec

	Mar. 2021	Mar. 2022	Mar. 2021–22 Change	Feb.–Mar. 2022 Change
Total employment (#)	4,240,600	4,406,000	165,400 3.9%	27,100 0.6%
Unemployment rate (%)	6.4	4.1	-2.3	-0.4
Participation rate (%)	63.9	64.4	0.5	0.1
Union coverage (%)	40.4	38.8	-1.6	-1.1
Average hourly wage (\$)	\$30.04	\$30.12	0.3%	0.7%
Average weekly hours (hrs.)	34.8	34.6	-0.6%	0.6%



Ontario

	Mar. 2021	Mar. 2022	Mar. 2021–22 Change	Feb.–Mar. 2022 Change
Total employment (#)	7,368,100	7,722,900	354,800 4.8%	35,100 0.5%
Unemployment rate (%)	7.5	5.3	-2.2	-0.3
Participation rate (%)	64.7	65.4	0.6	0.0
Union coverage (%)	27.9	26.4	-1.5	-0.4
Average hourly wage (\$)	\$32.24	\$31.51	-2.3%	-0.7%
Average weekly hours (hrs.)	35.7	35.7	0.0%	0.7%



Regional Statistics Continued

Prairies

	Mar. 2021	Mar. 2022	Mar. 2021-22 Change	Feb.-Mar. 2022 Change
Total employment (#)	3,438,500	3,567,400	128,900 3.7%	-1,500 0.0%
Unemployment rate (%)	8.4	6.1	-2.3	0.0
Participation rate (%)	68.6	68.6	0.0	-0.2
Union coverage (%)	28.7	27.2	-1.5	0.2
Average hourly wage (\$)	\$32.52	\$31.43	-3.3%	0.3%
Average weekly hours (hrs.)	35.8	36.0	0.3%	0.3%



British Columbia

	Mar. 2021	Mar. 2022	Mar. 2021-22 Change	Feb.-Mar. 2022 Change
Total employment (#)	2,661,200	2,737,800	76,600 2.9%	10,500 0.4%
Unemployment rate (%)	6.9	5.1	-1.9	0.2
Participation rate (%)	66.1	65.4	-0.7	0.3
Union coverage (%)	30.4	29.9	-0.5	0.3
Average hourly wage (\$)	\$31.93	\$31.49	-1.4%	1.0%
Average weekly hours (hrs.)	34.4	34.8	1.0%	0.7%



Average Wages and Employment Gains/Losses by Industry

At the national level, average real hourly wages (adjusted for inflation) were down by 1.6% since March 2021, but a breakdown by industry reveals considerable variation. Within traditionally blue-collar industries, for example, the resource extraction (mining, oil, and gas) and manufacturing sector show significant real wage gains, while forestry, transportation and warehousing, construction, and utilities all saw notable declines. Frontline workers in retail, education, health care, social assistance, and accommodation and food services have also seen their real wages eroded significantly by inflation over the past year.

In terms of employment figures by industry, the numbers continue to be positive, with the vast majority of sectors seeing major year-over-year job growth. Perhaps the most notable exception was the durables manufacturing segment, where the number of jobs fell by 11,500 year-over-year. This figure is likely tied to continuing global supply constraints caused by the pandemic, with a recent survey by Canadian Manufacturers

and Exporters indicating that 9 in 10 manufacturers in Canada are still struggling with supply chain disruptions. Durables manufacturing remains one of the few industries that has yet to recover its pre-pandemic employment level, along with transportation and warehousing, and accommodation and food services.

Average Hourly Wages by Industry

Industry	Mar. 2022	Mar. 2021 – 2022 Change
Agriculture	\$22.98	6.3%
Forestry	\$31.79	-4.5%
Fishing, hunting, and trapping	\$27.00	19.4%
Mining, oil, and gas	\$45.86	1.7%
Utilities	\$46.24	-3.8%
Construction	\$33.03	-2.1%
Manufacturing – durables	\$31.29	1.1%
Manufacturing – non-durables	\$30.01	5.4%
Wholesale Trade	\$30.93	1.0%
Retail Trade	\$21.32	-1.7%
Transportation and Warehousing	\$29.04	-6.8%
Finance and Insurance	\$38.73	1.1%
Real Estate and rental and leasing	\$30.17	-0.1%
Professional, Scientific and Technical Services	\$38.72	1.2%
Business, building and other support	\$24.08	0.4%
Educational Services	\$35.90	-3.9%
Health Care and Social Assistance	\$29.65	-4.4%
Information, Culture and Recreation	\$30.94	-5.6%
Accommodation and Food Services	\$17.83	-3.1%
Other Services	\$27.14	-3.5%
Public Administration	\$40.49	-3.6%

Average Wages and Employment Gains/Losses by Industry Continued

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

Agriculture	-15,416	
Forestry		6,100
Fishing, hunting, and trapping	-4,708	
Mining, oil, and gas		16,079
Utilities		913
Construction		71,951
Manufacturing - durables	-11,523	
Manufacturing non-durables		21,652
Wholesale Trade		50,454
Retail Trade		77,614
Transportation and Warehousing		36,051
Finance and Insurance		36,136
Real Estate and rental and leasing		25,271
Professional, Scientific, Technical Services		126,223
Business, building and other support		5,106
Educational Services	-728	
Health Care and Social Assistance		87,342
Information, Culture and Recreation		95,070
Accommodation and Food Services		111,918
Other Services	-29,167	
Public Administration		68,559



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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