

UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

May 2025



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National Statistics

Canada’s unemployment rate increased by another 0.1 percentage point in May, reaching 7.0%, which is the highest level since 2016 (outside of the 2020-21 pandemic years). Employment stood virtually unchanged, with 8,800 jobs added (0.0%), as did the participation rate at 65.3%. Notably, however, the private sector gained more than 60,000 jobs last month, which helped to claw back much of the 75,000 private sector jobs lost from February to April. These gains were offset by a loss of 21,000 public sector jobs and 30,000 self-employed positions.

Average wage growth continued to be anemic in May, increasing by just one cent per hour since April (0.0%). Year-over-year, nominal wage growth remains in the mid-3% range while real wages have increased by 1.7%. Union coverage declined in May, which is an established seasonal trend, but was 0.2 percentage points higher compared to May 2024.

	May 2019–23 average	May 2024	April 2025	May 2025	Year-over-year (Y/Y) change	Monthly (M/M) change
Total employment (#) ¹	18,822,340	20,698,300	20,969,300	20,978,100	279,800 1.4%	8,800 0.0%
Unemployment rate (%) ²	7.7	6.3	6.9	7.0	0.7	0.1
Participation rate (%) ³	64.8	65.6	65.3	65.3	-0.3	0.0
Union coverage (%) ⁴	30.8	30.4	30.9	30.6	0.2	-0.3
Average hourly wage (\$) ⁵	\$30.91	\$34.94	\$36.13	\$36.14	3.4%	0.0%
Real average hourly wage (\$) ⁶	\$34.58	\$34.94	\$35.49	\$35.52	1.7%	0.1%

Unemployment Rate

Real Average Hourly Wage



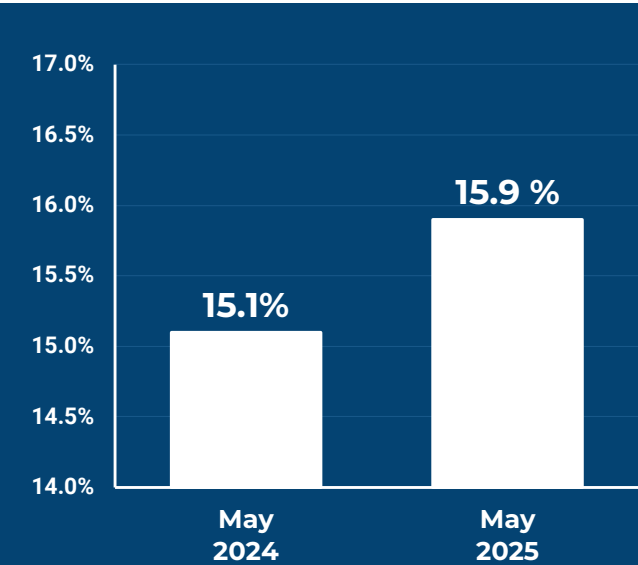
National Precarity Indicators

A number of key precarity indicators such as the underemployment (16.0%) and underutilization (9.2%) rates declined slightly during the month of May, although they remain elevated year-over-year. The proportion of temporary job holders was also higher compared to May 2024 (+0.2), which was mainly driven by a higher rate of casual and contract work, while the proportion of seasonal workers declined. The number of youths aged 15 to 29 who were not in employment, education or training (NEETs) was 3.6%

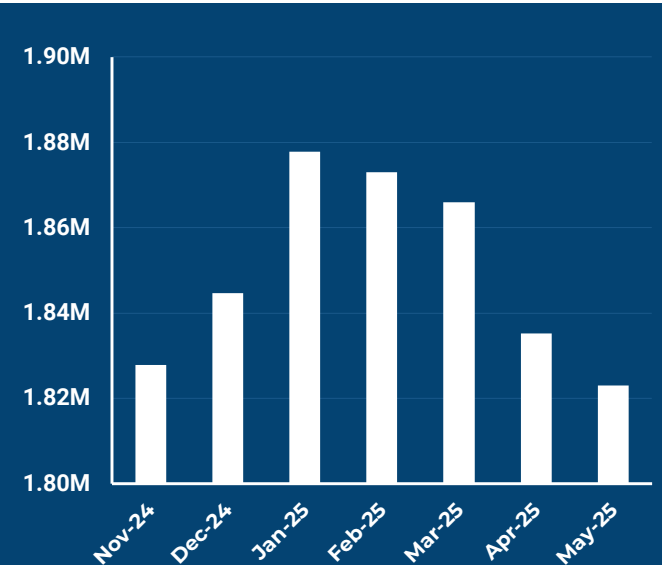
	May 2024	April 2025	May 2025	Y/Y change	M/M change
Part-time rate (%) ⁷	18.2	18.9	17.9	-0.3	-1.0
Involuntary part-time (%) ⁸	42.9	42.3	44.2	1.3	1.9
Underutilization (R8) rate (%) ⁹	8.5	9.2	9.1	0.6	-0.1
Underemployment rate (%) ¹⁰	15.1	16.0	15.9	0.8	-0.1
Multiple job holders (%) ¹¹	5.5	5.7	5.5	0.0	-0.2
Temporary job holders (%) ¹²	12.1	11.2	12.3	0.2	1.1
Casual/other (%)	3.4	3.5	3.5	0.1	0.0
Temporary/contract (%)	6.3	6.4	6.4	0.1	0.0
Seasonal (%)	2.5	1.3	2.4	-0.1	1.1
Low wage incidence (%) ¹³	22.3	20.6	20.8	-1.5	0.2
Gender wage gap ¹⁴	\$4.76	\$4.60	\$4.44	-6.8%	-3.6%
NEETs (x1,000) ¹⁵	1,006.7	869.1	1,043.2	3.6%	20.0%

higher on a year-over-year basis, which is consistent with a youth unemployment rate that reached 14.2% last month, matching 2024 peak levels. Tariffs imposed by the U.S. also continued to have a serious impact on Canada’s manufacturing sector in May, with another 12,000 manufacturing jobs lost. Since the start of the year, the sector has shed nearly 55,000 jobs.

Underemployment Rate



Manufacturing Employment



Regional Statistics

Employment decline during the month of May was concentrated in Quebec and the Prairie region, with Quebec recording the greatest number of job losses (-17,000; -0.4%), followed by the Prairies (-6,400; -0.2%). Owing to a sharp decrease in the participation rate, however, the unemployment rate in Quebec actually fell by 0.2 percentage points to 5.8%, as jobseekers left the labour market. Meanwhile, job losses in the Prairie region contributed to a 0.3 percentage point increase in the unemployment rate to 6.6%, which is level with May 2024.

Elsewhere, employment in Ontario grew marginally by 3,400 jobs (0.0%), following a sharp decline in April. With more jobseekers entering the market, however, the participation rate increased to 65.0% (+0.1) and the unemployment rate rose to 7.9%, which gives Ontario the highest regional unemployment level by a substantial margin.

Meanwhile, the Atlantic region recorded a surge in employment of nearly 16,000 jobs (+1.3%), which caused the unemployment rate to dip to 7.2%. British Columbia also saw significant jobs growth (+13,000; 0.4%), although the unemployment rate there rose to 6.4% (+0.3) owing to greater labour force participation.



Regional Statistics Continued

Atlantic

	May 2024	May 2025	Y/Y change	M/M change
Total employment (#)	1,255,400	1,275,100	19,700 1.6%	15,900 1.3%
Unemployment rate (%)	7.5	7.2	-0.2	-0.3
Participation rate (%)	61.0	60.9	-0.1	0.5
Union coverage (%)	32.2	32.7	0.5	-0.9
Average hourly wage (\$)	\$30.70	\$31.59	2.9%	-1.3%
Real avg. hourly wage (\$)	\$30.70	\$31.05	1.1%	-1.3%



Quebec

	May 2024	May 2025	Y/Y change	M/M change
Total employment (#)	4,548,200	4,628,600	80,400 1.8%	-17,000 -0.4%
Unemployment rate (%)	5.1	5.8	0.7	-0.2
Participation rate (%)	64.7	64.9	0.2	-0.4
Union coverage (%)	39.0	40.3	1.3	0.3
Average hourly wage (\$)	\$33.90	\$34.77	2.6%	0.3%
Real avg. hourly wage (\$)	\$33.90	\$34.18	0.8%	0.3%



Ontario

	May 2024	May 2025	Y/Y change	M/M change
Total employment (#)	8,144,300	8,198,600	54,300 0.7%	3,400 0.0%
Unemployment rate (%)	6.8	7.9	1.2	0.2
Participation rate (%)	65.4	65.0	-0.3	0.1
Union coverage (%)	25.7	26.3	0.6	-0.4
Average hourly wage (\$)	\$35.65	\$37.44	5.0%	0.2%
Real avg. hourly wage (\$)	\$35.65	\$36.80	3.2%	0.3%



Regional Statistics Continued

Prairies

	May 2024	May 2025	Y/Y change	M/M change
Total employment (#)	3,821,300	3,912,000	90,700 2.4%	-6,400 -0.2%
Unemployment rate (%)	6.6	6.6	0.0	0.3
Participation rate (%)	68.5	67.8	-0.7	0.0
Union coverage (%)	27.0	27.2	0.2	-0.6
Average hourly wage (\$)	\$34.64	\$35.24	1.7%	0.3%
Real avg. hourly wage (\$)	\$34.64	\$34.64	0.0%	0.3%



British Columbia

	May 2024	May 2025	Y/Y change	M/M change
Total employment (#)	2,929,000	2,963,900	34,900 1.2%	13,000 0.4%
Unemployment rate (%)	5.6	6.4	0.8	0.3
Participation rate (%)	65.8	65.6	-0.3	0.4
Union coverage (%)	30.2	30.9	0.7	-0.1
Average hourly wage (\$)	\$36.98	\$38.07	2.9%	-0.5%
Real avg. hourly wage (\$)	\$36.98	\$37.41	1.2%	-0.4%



Average Hourly Wages by Industry

Nominal vs. Inflation-Adjusted Wage Growth

Industry	May 2024	May 2025	Y/Y change	Y/Y inflation-adjusted change
Agriculture	\$24.30	\$24.80	2.1%	0.2%
Forestry	\$34.77	\$32.93	-5.3%	-7.4%
Mining, oil and gas	\$51.96	\$54.03	4.0%	2.1%
Utilities	\$51.72	\$54.57	5.5%	3.6%
Construction	\$36.50	\$37.98	4.0%	2.2%
Manufacturing: durables	\$35.13	\$36.65	4.3%	2.5%
Manufacturing: non-durables	\$32.68	\$33.41	2.2%	0.5%
Wholesale Trade	\$36.05	\$37.04	2.7%	1.0%
Retail Trade	\$24.39	\$24.18	-0.9%	-2.6%
Transportation and Warehousing	\$32.42	\$34.07	5.1%	3.2%
Finance and Insurance	\$45.05	\$45.81	1.7%	-0.1%
Real Estate and Rental and Leasing	\$35.36	\$35.92	1.6%	-0.2%
Professional, Scientific and Technical Services	\$47.31	\$48.16	1.8%	0.1%
Business, building and other support	\$26.59	\$28.18	6.0%	4.0%
Educational Services	\$39.89	\$41.35	3.7%	1.9%
Health Care and Social Assistance	\$33.24	\$34.86	4.9%	3.0%
Information, Culture and Recreation	\$31.38	\$34.29	9.3%	6.9%
Accommodation and Food Services	\$20.55	\$20.83	1.4%	-0.3%
Other Services	\$29.79	\$30.95	3.9%	2.1%
Public Administration	\$44.45	\$46.27	4.1%	2.3%

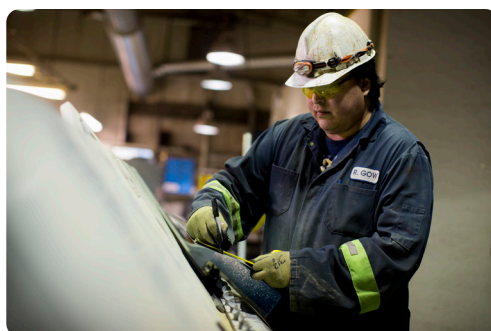
Moderating wage growth throughout the economy saw a number of industries record negative real wage growth compared to May 2024, including accommodation and food services (-0.3%), finance and insurance (-0.1%), and retail trade (-2.6%). Some industries with relatively high union density, however, have escaped this trend, with real wages up by 3.0% in health care and social assistance, and 2.3% in public administration.

Under sustained threat from U.S. tariffs, the goods-producing sector recorded net job losses in May, led by manufacturing (-12,200) and construction (-7,400), in contrast to a net gain of nearly 22,000 jobs in the services sector, led by retail and wholesale trade (+42,800).

Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, April to May 2025

GOODS-PRODUCING SECTOR	-13,000	
Agriculture	-2,500	
Forestry, fishing, mining, quarrying, oil and gas		4,300
Utilities		4,900
Construction	-7,400	
Manufacturing	-12,200	
SERVICES PRODUCING SECTOR		21,800
Wholesale and retail trade		42,800
Transportation and warehousing	-15,500	
Finance, insurance, real estate, rental and leasing		12,400
Professional, scientific and technical services		9,900
Business, building and other support services	-14,500	
Educational services		6,100
Health care and social assistance		10,300
Information, culture and recreation		19,300
Accommodation and food services	-16,400	
Other services (except public administration)	-300	
Public administration	-32,200	



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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