

UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

October 2021



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National Statistics

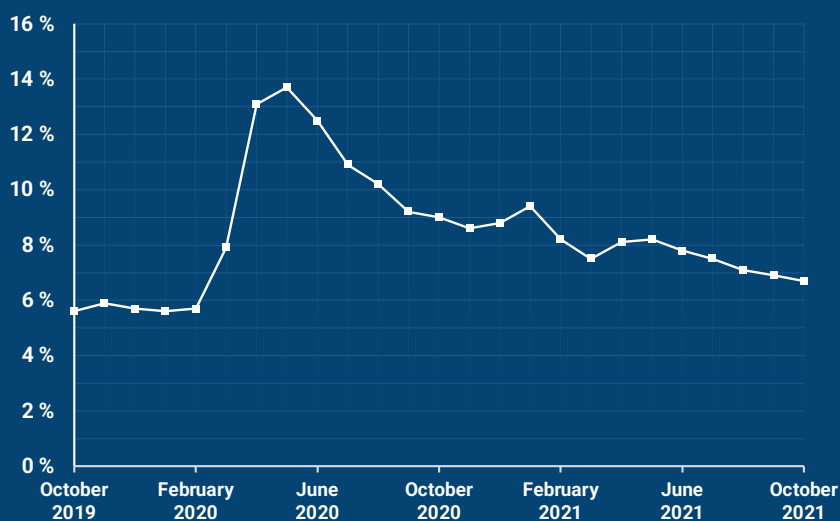
The month of October saw continued jobs growth in Canada, although the increase in employment slowed significantly compared to September. The unemployment rate continued to decline and fell a further 0.2 percentage points, bringing the labour market within 0.4 percentage points of the pre-pandemic average. In another positive sign, while the rate of union coverage dropped marginally from October 2020, it remains above the average from 2015 to 2019.

However, disruptions to global supply chains and the surging price of gas contributed to further inflationary pressures, with the annual growth in the consumer price index (CPI) reaching 4.4% in September. Although most observers believe these pressures to be temporary, they continue to erode workers' real wages, with the average hourly real wage declining by 1.8% since October 2020.

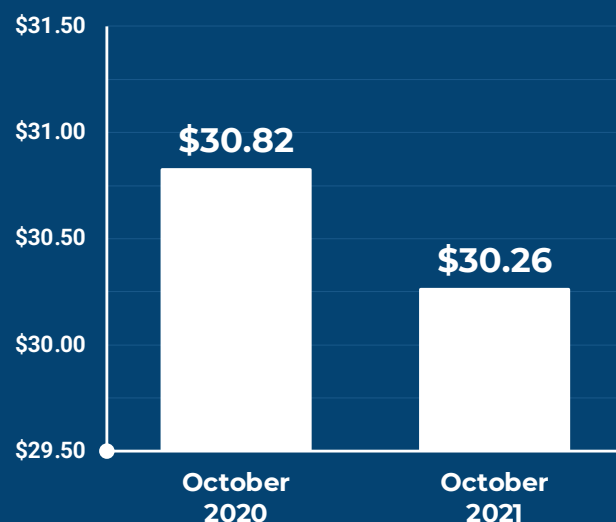
	October average 2015–19	Oct. 2020	Oct. 2021	Oct. 2020–21 Change	Sep.–Oct. 2021 Change
Total employment (#) ¹	18,388,080	18,482,900	19,162,400	679,500 3.7%	31,200 0.2%
Unemployment rate (%) ²	6.3	9.0	6.7	-2.3 p.p.	-0.2 p.p.
Participation rate (%) ³	65.6	65.2	65.3	0.1 p.p.	-0.2 p.p.
Union coverage (%) ⁴	30.6	31.1	30.9	-0.2 p.p.	0.2 p.p.
Average hourly wage (\$) ⁵	\$27.71	\$30.82	\$30.26	-1.8%	0.5%
Average weekly hours (hrs.) ⁶	35.2	35.2	35.3	0.3%	-0.3%

*p.p. refers to percentage points.

Unemployment Rate



Average Hourly Wage



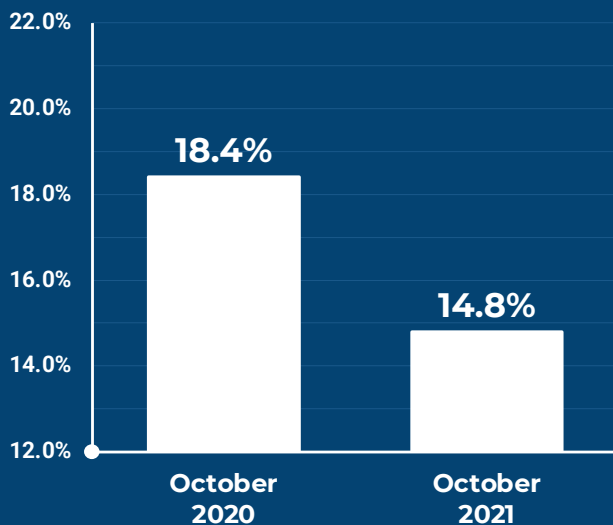
National Precarity Indicators

Unifor's precarity indicators paint a mostly positive picture of the jobs recovery, with the involuntary part-time, underutilization and underemployment rates all having declined since October of last year. That said, almost one in six Canadian workers continue find themselves underemployed, meaning that they are unable to find suitable employment or lack the necessary supports to actively search for work. At the other end of the spectrum are those who have to work multiple jobs to make ends meet, with the multiple job holder rate increasing by 0.8 percentage points since October 2020.

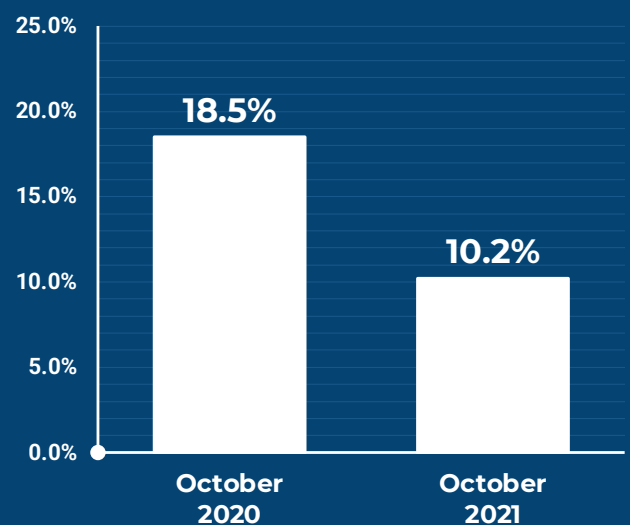
	Oct. 2020	Oct. 2021	Oct. 2020–21 Change (p.p.)	Sep.–Oct. 2021 Change (p.p.)
Part-time rate (%) ⁷	19.2	18.9	-0.3	0.3
Involuntary part-time (%) ⁸	46.9	40.8	-6.1	0.8
Underutilization (R8) rate (%) ⁹	11.1	8.1	-3.0	-0.2
Underemployment rate (%) ¹⁰	18.4	14.8	-3.6	-0.2
Multiple job holders (%) ¹¹	4.6	5.4	0.8	0.3
Temporary job holders (%) ¹²	11.6	11.9	0.3	-0.3
<i>Casual/other (%)</i>	3.0	3.1	0.1	0.1
<i>Temporary/contract (%)</i>	6.4	6.8	0.4	-0.1
<i>Seasonal (%)</i>	2.2	2.0	-0.2	-0.3
Low wage incidence (%) ¹³	20.5	19.3	-1.2	-0.5
Gender pay gap ¹⁴	\$3.59	\$3.55	-1.0%	-0.2%
NEETs (x1,000) ¹⁵	865.7	662.9	-23.4%	-4.9%

While youths were among those hardest hit by the pandemic, having been disproportionately concentrated in frontline service sector jobs that were most vulnerable to layoffs, the youth unemployment has fallen drastically since October 2020. At 10.2%, the unemployment rate for youths aged 15 to 24 is now lower than the pre-pandemic period.

Underemployment Rate



Youth Unemployment



Regional Statistics

For the month of October, most regions saw marginal declines in the unemployment rate, with only the Atlantic region experiencing no change since September. Ontario had the largest monthly growth in jobs at +37,000, followed by B.C. at +10,400. However, while the Prairies' unemployment rate decline by 0.4 percentage points, the region actually lost 18,600 jobs, which was reflected in a decline in the participation rate of 0.8 percentage since September.

As observed over the past few months, the decline in average hourly wages appears to have turned the corner. All regions posted fairly significant month-over-month increases, with the exception of Ontario, which saw no increase after a fairly significant monthly increase of 1.7% in September. For the month of October, Quebec led the way with a 1.4% monthly increase in the average hourly wage, followed by the Prairies at 0.7%, and the Atlantic and B.C. regions at 0.5%.

This may indicate that employers are starting to respond to continued job vacancies by bidding up wages to attract workers.



Regional Statistics Continued

Atlantic

	Oct. 2020	Oct. 2021	Oct. 2020–21 Change	Sep.–Oct. 2021 Change
Total employment (#)	1,109,600	1,131,200	21,600 1.9%	2,800 0.2%
Unemployment rate (%)	10.4	9.7	-0.7	0.0
Participation rate (%)	60.6	60.8	0.2	0.1
Union coverage (%)	32.3	32.5	0.2	0.1
Average hourly wage (\$)	\$26.80	\$26.42	-1.4%	0.5%
Average weekly hours (hrs.)	36.7	36.7	0.0%	-0.5%



Quebec

	Oct. 2020	Oct. 2021	Oct. 2020–21 Change	Sep.–Oct. 2021 Change
Total employment (#)	4,210,800	4,319,000	108,200 2.6%	-300 0.0%
Unemployment rate (%)	7.7	5.6	-2.1	-0.1
Participation rate (%)	64.5	64.3	-0.2	-0.1
Union coverage (%)	39.9	40.3	0.4	0.1
Average hourly wage (\$)	\$29.88	\$29.42	-1.6%	1.4%
Average weekly hours (hrs.)	34.8	34.9	0.4%	-0.5%



Ontario

	Oct. 2020	Oct. 2021	Oct. 2020–21 Change	Sep.–Oct. 2021 Change
Total employment (#)	7,200,600	7,536,700	336,100 4.7%	37,000 0.5%
Unemployment rate (%)	9.7	7.0	-2.7	-0.3
Participation rate (%)	65.1	65.4	0.4	0.0
Union coverage (%)	27.0	26.2	-0.8	-0.2
Average hourly wage (\$)	\$31.70	\$30.86	-2.6%	0.0%
Average weekly hours (hrs.)	35.7	35.7	0.1%	-0.7%



Regional Statistics Continued

Prairies

	Oct. 2020	Oct. 2021	Oct. 2020–21 Change	Sep.–Oct. 2021 Change
Total employment (#)	3,395,300	3,483,300	88,000 2.6%	-18,600 -0.5%
Unemployment rate (%)	9.5	7.0	-2.5	-0.4
Participation rate (%)	68.7	68.1	-0.7	-0.8
Union coverage (%)	28.8	28.2	-0.6	0.3
Average hourly wage (\$)	\$31.96	\$30.87	-3.4%	0.7%
Average weekly hours (hrs.)	36.0	36.4	1.1%	-0.6%



British Columbia

	Oct. 2020	Oct. 2021	Oct. 2020–21 Change	Sep.–Oct. 2021 Change
Total employment (#)	2,566,800	2,692,300	125,500 4.9%	10,400 0.4%
Unemployment rate (%)	8.0	5.6	-2.4	-0.3
Participation rate (%)	64.7	65.2	0.5	-0.1
Union coverage (%)	29.8	31.0	1.2	1.5
Average hourly wage (\$)	\$30.97	\$30.89	-0.3%	0.5%
Average weekly hours (hrs.)	34.6	35.0	1.2%	0.4%



Average Wages and Employment Gains/Losses by Industry

As noted above, continued disruptions in global supply chains has increased prices across a wide range of goods in Canada, although these inflationary pressures are likely temporary. One of the Bank of Canada's preferred measure of core inflation, CPI-common, which tracks inflation linked to underlying changes in the economy, has remained relatively stable and below the 2% mark throughout the pandemic. That said, the general increase in prices has helped to erode wage gains that were seen during the pandemic. While wage declines have eased somewhat over the past couple of months, the vast majority of industries continue to post lower average hourly wages compared to 2020.

In terms of jobs figures, most industries continue to be in a net positive position compared to last year. Retail trade, for example, surpassed its pre-pandemic employment figures, having added 95,000 jobs since October 2020. Perhaps the most remarkable jobs growth has been in the professional, scientific and

technical services industry, which added 81,500 jobs since October of last year and now has nearly 135,000 more jobs compared to the pre-pandemic period. However, despite the addition of 21,000 positions since last October, the accommodation and food services industry has 181,500 fewer workers compared to February 2020.

Average Hourly Wages by Industry

Industry	Oct. 2021	Oct. 2020– 2021 Change
Agriculture	\$20.45	-1.3%
Forestry	\$32.06	4.7%
Fishing, hunting, and trapping	\$25.04	3.7%
Mining, oil, and gas	\$44.52	-0.7%
Utilities	\$47.39	1.6%
Construction	\$31.65	-2.3%
Manufacturing - durables	\$29.62	-6.1%
Manufacturing non-durables	\$28.96	2.4%
Wholesale Trade	\$30.58	-0.9%
Retail Trade	\$21.06	-2.2%
Transportation and Warehousing	\$29.41	-0.2%
Finance and Insurance	\$37.59	-0.4%
Real Estate and rental and leasing	\$28.97	-3.2%
Professional, Scientific and Technical Services	\$38.00	0.2%
Business, building and other support	\$23.58	-1.1%
Educational Services	\$36.01	-2.6%
Health Care and Social Assistance	\$29.46	-4.0%
Information, Culture and Recreation	\$30.43	-5.7%
Accommodation and Food Services	\$17.36	-4.9%
Other Services	\$26.48	-5.3%
Public Administration	\$39.48	-3.0%

Average Wages and Employment Gains/Losses by Industry Continued

Employment Change by Industry, Oct. 2020 to Oct. 2021

Agriculture	-36,271	
Forestry		6,818
Fishing, hunting, and trapping	-3,190	
Mining, oil, and gas		6,141
Utilities	-3,330	
Construction		43,429
Manufacturing - durables		297
Manufacturing non-durables		3,098
Wholesale Trade		19,064
Retail Trade		95,047
Transportation and Warehousing		57,281
Finance and Insurance		40,415
Real Estate and rental and leasing		19,031
Professional, Scientific, Technical Services		81,499
Business, building and other support	-5,259	
Educational Services		59,147
Health Care and Social Assistance		66,398
Information, Culture and Recreation		57,508
Accommodation and Food Services		20,857
Other Services	-30,416	
Public Administration		90,422



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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