

UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

October 2022



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November 4, 2022

National Statistics

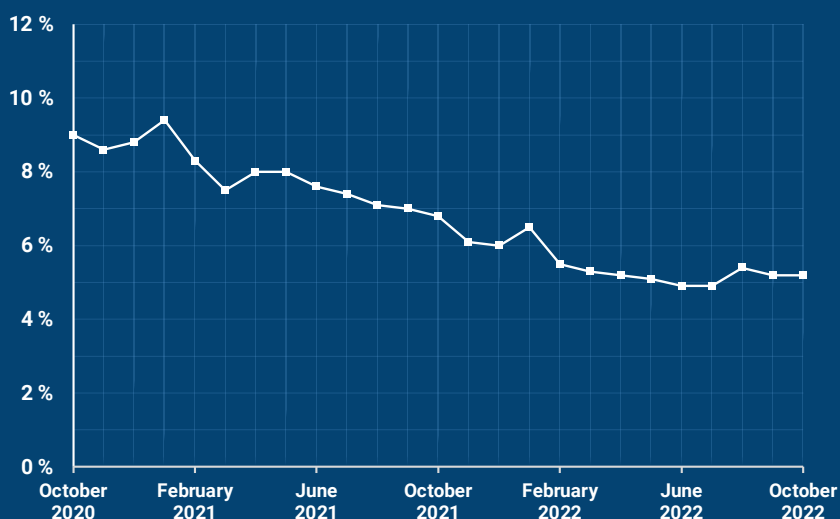
Against expectations, Canada's labour market added another 108,000 jobs in October, an overall employment increase of 0.6%. On an annual basis, there were nearly half a million more Canadians working in October compared to the same time last year. Despite the influx of workers into the labour market, the unemployment rate remained unchanged as there was a slight increase in the overall number of unemployed Canadians. However, this was offset by a rise in labour force participation which saw the participation rate increase by 0.2 percentage points.

Hourly wages jumped 0.9% in October, although real wages (adjusted for inflation) remain slightly behind 2021 levels. Nevertheless, the robust gains in wages continue to defy the Bank of Canada's attempts to engineer an economic slowdown through outsized interest rate hikes. Recent declines in CPI growth offer yet more proof that wage increases are not the primary cause of inflation.

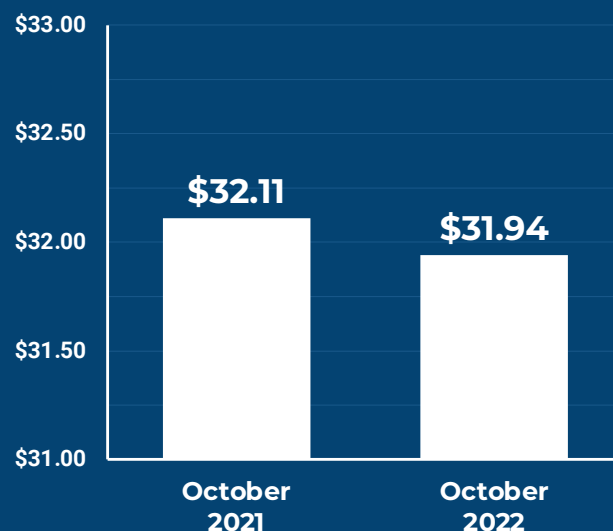
	Oct. average 2016–20	Oct. 2021	Oct. 2022	Oct. 2021–22 Change	Sep.–Oct. 2022 Change
Total employment (#) ¹	18,515,920	19,162,400	19,656,200	493,800 2.6%	108,300 0.6%
Unemployment rate (%) ²	6.8	6.7	5.2	-1.5 p.p.	0.0 p.p.
Participation rate (%) ³	65.4	65.3	64.9	-0.4 p.p.	0.2 p.p.
Union coverage (%) ⁴	30.6	30.9	31.3	0.4 p.p.	0.1 p.p.
Average hourly wage (\$) ⁵	\$31.27	\$32.11	\$31.94	-0.5%	0.9%
Average weekly hours (hrs.) ⁶	35.2	35.3	35.4	0.3%	-0.6%

*p.p. refers to percentage points.

Unemployment Rate



Real Average Hourly Wage



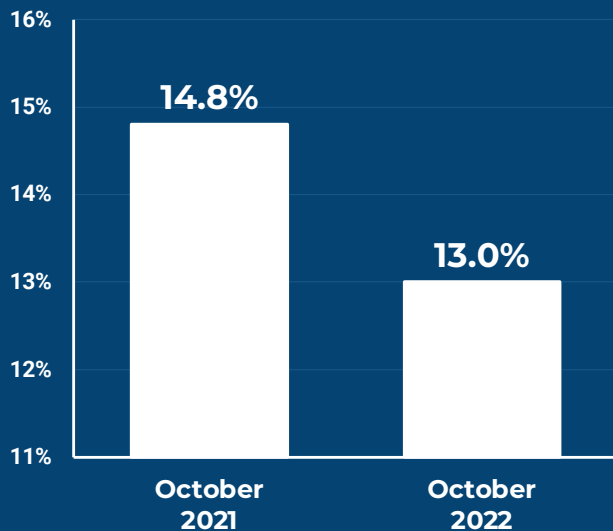
National Precarity Indicators

The trend in precarity has improved as multiple indicators show that Canadians are less likely to report an inability to find desired employment due to extenuating circumstances. The involuntary part-time rate (38.8%) fell in October, while the underemployment (13.0%) and underutilization (6.2%) rates continue to hover around historic lows. There was also a slight decline in the proportion of Canadians who hold multiple (5.6%) and temporary (11.7%) jobs.

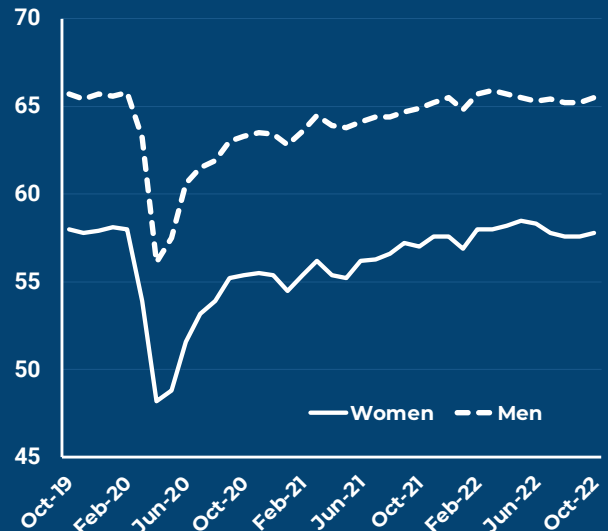
However, 1 out of 5 Canadians continue to earn low wages – defined as two-thirds of the median hourly wage – and the gender pay gap has grown substantially since 2021. There are also troubling signs that the employment rate among women has started to fall further behind men (see below), reversing a trend from the first half of 2022. As of October, the employment rate among women is 7.7 percentage points behind men, up from 7.0 percentage points during May and June.

	Oct. 2021	Oct. 2022	Oct. 2021–22 Change (p.p.)	Sep.–Oct. 2022 Change (p.p.)
Part-time rate (%) ⁷	18.9	18.6	-0.3	0.3
Involuntary part-time (%) ⁸	40.8	38.8	-2.0	-1.0
Underutilization (R8) rate (%) ⁹	8.1	6.2	-1.9	-0.1
Underemployment rate (%) ¹⁰	14.8	13.0	-1.8	-0.3
Multiple job holders (%) ¹¹	5.4	5.6	0.2	-0.1
Temporary job holders (%) ¹²	11.9	11.7	-0.2	-0.1
<i>Casual/other (%)</i>	3.1	3.2	0.1	0.1
<i>Temporary/contract (%)</i>	6.8	6.4	-0.4	0.0
<i>Seasonal (%)</i>	2.0	2.0	0.0	-0.3
Low wage incidence (%) ¹³	19.3	19.8	0.5	0.0
Gender pay gap ¹⁴	\$3.55	\$4.15	16.8%	3.6%
NEETs (x1,000) ¹⁵	662.9	665.3	0.4%	-3.7%

Underemployment Rate



Employment Rate by Gender



Regional Statistics

As a percentage of regional employment, jobs growth in October was fairly evenly distributed across the country. The Atlantic region led the way with an increase of 0.9% (+10,200), followed by Ontario (+42,700) and Quebec (+27,800) which were tied at 0.6%. The Prairies posted an increase of 0.5% (+17,600), with B.C. rounding out the five regions at 0.4% (+9,800).

There were, however, differences in regional unemployment trends. Quebec saw a significant monthly decline of 0.3 percentage points, with the regional unemployment rate falling to 4.1%. This is only slightly above the historic low of 3.9% that was reached in April 2022. Meanwhile, B.C.'s unemployment rate continues to hit record lows, declining 0.1 percentage points to 4.2% in October. Conversely, the number of unemployed in Ontario climbed by 12,000, but this was offset by an even larger jump in the size of the labour force. As a result, Ontario's unemployment rate increased by just 0.1 percentage points in October.

Wages were up across the board, with significant monthly increases in B.C. (+1.4%) and the Prairies (+1.3%). In terms of year-over-year real wage growth, hourly wages caught up to inflation in the Atlantic (+0.0%), B.C. (+0.1%), and Ontario (+0.3%).



Regional Statistics Continued

Atlantic

	Oct. 2021	Oct. 2022	Oct. 2021–22 Change	Sep.–Oct. 2022 Change
Total employment (#)	1,131,200	1,174,700	43,500 3.8%	10,200 0.9%
Unemployment rate (%)	9.7	7.4	-2.3	0.2
Participation rate (%)	60.8	60.1	-0.7	0.5
Union coverage (%)	32.5	34.2	1.7	0.1
Average hourly wage (\$)	\$28.04	\$28.04	0.0%	0.3%
Average weekly hours (hrs.)	36.7	36.9	0.7%	-0.4%



Quebec

	Oct. 2021	Oct. 2022	Oct. 2021–22 Change	Sep.–Oct. 2022 Change
Total employment (#)	4,319,000	4,408,300	89,300 2.1%	27,800 0.6%
Unemployment rate (%)	5.6	4.1	-1.5	-0.3
Participation rate (%)	64.3	64.0	-0.3	0.2
Union coverage (%)	40.3	40.0	-0.3	0.6
Average hourly wage (\$)	\$31.21	\$31.08	-0.4%	0.6%
Average weekly hours (hrs.)	34.9	34.9	0.1%	0.6%



Ontario

	Oct. 2021	Oct. 2022	Oct. 2021–22 Change	Sep.–Oct. 2022 Change
Total employment (#)	7,536,700	7,679,000	142,300 1.9%	42,700 0.6%
Unemployment rate (%)	7.0	5.9	-1.1	0.1
Participation rate (%)	65.4	64.9	-0.5	0.3
Union coverage (%)	26.2	26.7	0.5	-0.8
Average hourly wage (\$)	\$32.75	\$32.85	0.3%	0.7%
Average weekly hours (hrs.)	35.7	35.7	0.1%	-0.8%



Regional Statistics Continued

Prairies

	Oct. 2021	Oct. 2022	Oct. 2021-22 Change	Sep.-Oct. 2022 Change
Total employment (#)	3,483,300	3,632,000	148,700 4.3%	17,600 0.5%
Unemployment rate (%)	7.0	5.0	-2.0	-0.1
Participation rate (%)	68.1	68.0	-0.1	0.1
Union coverage (%)	28.2	28.8	0.6	-0.1
Average hourly wage (\$)	\$32.76	\$31.89	-2.7%	1.3%
Average weekly hours (hrs.)	36.4	36.6	0.7%	0.1%



British Columbia

	Oct. 2021	Oct. 2022	Oct. 2021-22 Change	Sep.-Oct. 2022 Change
Total employment (#)	2,692,300	2,762,100	69,800 2.6%	9,800 0.4%
Unemployment rate (%)	5.6	4.2	-1.4	-0.1
Participation rate (%)	65.2	64.9	-0.3	0.2
Union coverage (%)	31.0	31.5	0.5	1.5
Average hourly wage (\$)	\$32.62	\$32.64	0.1%	1.4%
Average weekly hours (hrs.)	35.0	35.2	0.4%	-0.5%



Average Wages and Employment Gains/Losses by Industry

The slowdown in inflation in recent months has allowed real wages to catch up in a number of key sectors. Real wage increases were highest in the accommodation and food services industry, where wages are now 4.3% higher than October 2021 when adjusted for inflation. It is important to note, however, that wages in accommodation and food services are also the lowest of any industry at \$19.22/hour. Other industries with year-over-year real wage increases include forestry (+1.2%), durables manufacturing (+2.2%), construction (+1.5%), wholesale trade (+0.8%), and professional, scientific and technical services (+2.3%). While the remaining industries continue to post year-over-year declines in real wages, the gap has narrowed in recent months for the vast majority of workers.

With the exception of four industries (non-durables manufacturing, forestry, retail trade, and transportation/warehousing), year-over-year

employment growth was positive across the board. The influx of workers into professional, scientific and technical services has continued apace, with the industry boasting nearly 150,000 more workers compared to October 2021. Jobs growth in the construction industry (+103,200) has also been remarkably strong, although the slowdown in Canada's housing market suggests that the industry may face significant employment headwinds in the near future.

Real Average Hourly Wages by Industry

Industry	Oct. 2022	Oct. 2021 – 2022 Change
Agriculture	\$21.10	-2.8%
Forestry	\$34.44	1.2%
Mining, oil, and gas	\$45.18	-4.4%
Utilities	\$47.13	-6.3%
Construction	\$34.07	1.5%
Manufacturing – durables	\$32.13	2.2%
Manufacturing – non-durables	\$29.57	-3.8%
Wholesale Trade	\$32.69	0.8%
Retail Trade	\$22.06	-1.3%
Transportation and Warehousing	\$30.62	-1.9%
Finance and Insurance	\$39.71	-0.5%
Real Estate and rental and leasing	\$30.32	-1.4%
Professional, Scientific and Technical Services	\$41.24	2.3%
Business, building and other support	\$24.72	-1.2%
Educational Services	\$37.11	-2.9%
Health Care and Social Assistance	\$31.13	-0.4%
Information, Culture and Recreation	\$30.73	-4.8%
Accommodation and Food Services	\$19.22	4.3%
Other Services	\$27.99	-0.4%
Public Administration	\$40.90	-2.4%

Average Wages and Employment Gains/Losses by Industry Continued

Employment Change by Industry, October 2021 to October 2022

Agriculture		21,824
Forestry	-14,228	
Mining, oil, and gas		21,933
Utilities		12,747
Construction		103,211
Manufacturing - durables		17,652
Manufacturing - non-durables	-2,066	
Wholesale Trade		5,326
Retail Trade	-40,926	
Transportation and Warehousing	-29,754	
Finance and Insurance		15,601
Real Estate and rental and leasing		1,665
Professional, Scientific, Technical Services		148,211
Business, building and other support		15,536
Educational Services		9,774
Health Care and Social Assistance		56,118
Information, Culture and Recreation		34,809
Accommodation and Food Services		67,763
Other Services		15,041
Public Administration		42,571



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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