

UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

September 2023



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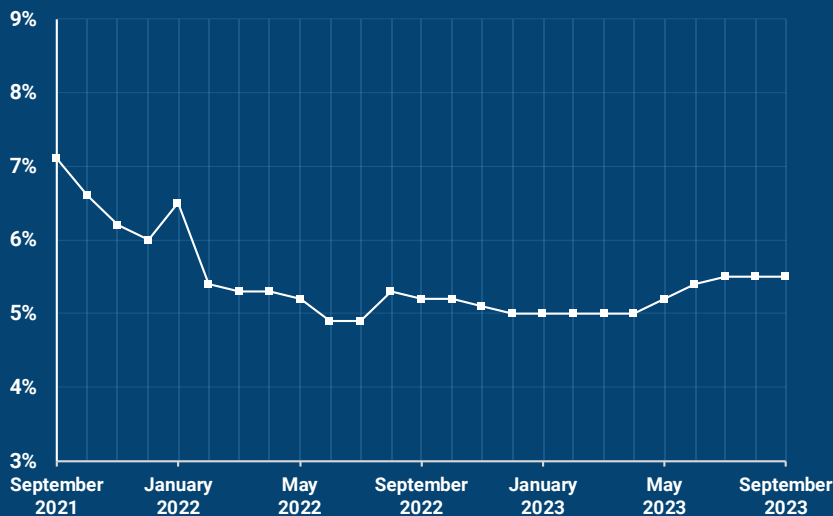
National Statistics

Canada's labour market saw an unexpectedly strong gain of nearly 64,000 jobs in the month of September (+0.3%), although a significant proportion of these jobs were concentrated in part-time work (+48,000). The participation rate climbed by 0.1 percentage point to 65.6% and the unemployment rate remained level at 5.5%. Recent employment increases have been impressive in the context of flagging GDP growth and higher interest rates, but Statistics Canada has suggested that 50,000 new jobs are needed every month for employment to keep pace with the current rate of working age population growth.

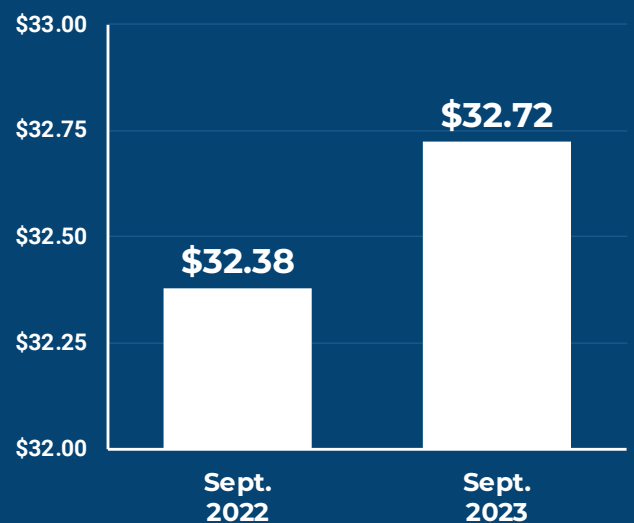
Hourly wages surpassed the \$34 mark and were 5.0% higher year-over-year, amounting to a 1.1% increase in real terms (adjusted for inflation). The proportion of workers covered by a collective agreement was 30.9%, which was essentially level with September 2022.

	September 2017–21 average	September 2022	August 2023	September 2023	Year-over-year (Y/Y) change	Monthly (M/M) change
Total employment (#) ¹	18,833,080	19,718,100	20,206,300	20,270,100	552,000 2.8%	63,800 0.3%
Unemployment rate (%) ²	6.8	5.2	5.5	5.5	0.3	0.0
Participation rate (%) ³	65.8	65.2	65.5	65.6	0.4	0.1
Union coverage (%) ⁴	30.5	31.0	29.3	30.9	-0.1	1.6
Average hourly wage (\$) ⁵	\$28.86	\$32.38	\$33.47	\$34.01	5.0%	1.6%
Real average hourly wage (\$) ⁶	\$32.31	\$32.38	\$32.20	\$32.72	1.1%	n/a

Unemployment Rate



Real Average Hourly Wage



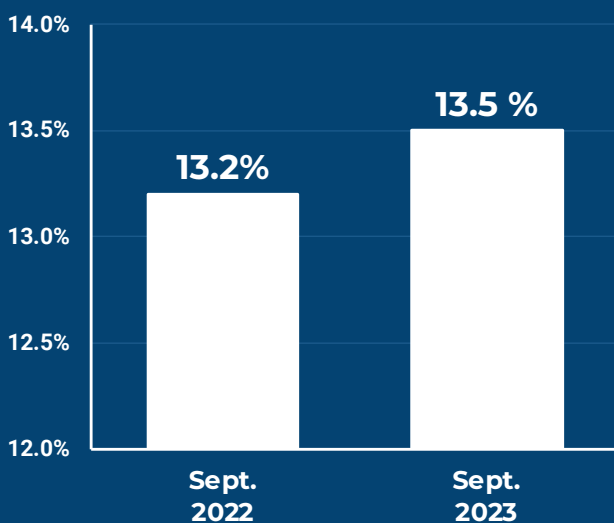
National Precarity Indicators

Since Unifor’s precarity indicators are not adjusted for seasonality, September often sees a sharp decline in certain measures due to the end of seasonal work and the beginning of classes. However, on a year-over-year basis, indicators such as the underutilization rate (+0.6), underemployment rate (+0.3) and temporary job holder rate (+0.2) continue to show that there has been a weakening in labour market conditions compared to 2022, which appears to be disproportionately

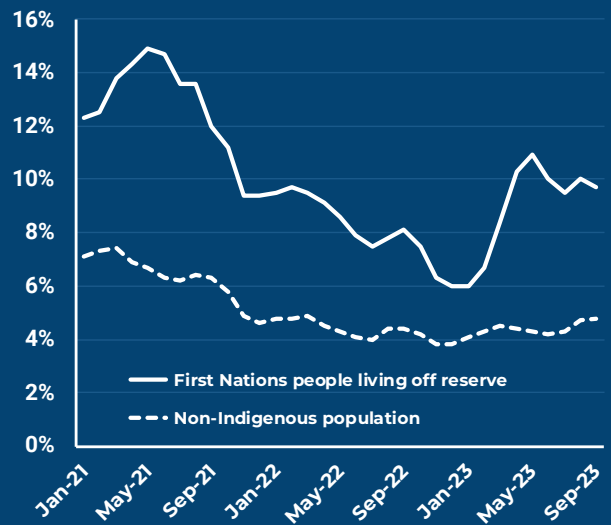
impacting racialized and Indigenous workers. For example, core-aged First Nations workers living off reserve experienced a particularly notable spike in unemployment in recent months (see chart below) and their unemployment rate in September (9.7%) was more than double the rate for core-aged non-Indigenous workers (4.8%) – a significant widening of the gap from 1.9 percentage points in January.

	Sept. 2022	Aug. 2023	Sept. 2023	Y/Y change	M/M change
Part-time rate (%) ⁷	18.1	16.1	18.0	-0.1	1.9
Involuntary part-time (%) ⁸	39.5	46.7	39.5	0.0	-7.2
Underutilization (R8) rate (%) ⁹	6.3	8.2	6.9	0.6	-1.3
Underemployment rate (%) ¹⁰	13.2	15.0	13.5	0.3	-1.5
Multiple job holders (%) ¹¹	5.6	5.2	5.6	0.0	0.4
Temporary job holders (%) ¹²	11.8	13.1	12.0	0.2	-1.1
Casual/other (%)	3.2	3.2	3.3	0.1	0.1
Temporary/contract (%)	6.3	6.0	6.3	0.0	0.3
Seasonal (%)	2.3	3.8	2.4	0.1	-1.4
Low wage incidence (%) ¹³	19.6	20.3	19.4	-0.2	-0.9
Gender wage gap ¹⁴	\$4.57	\$4.28	\$4.48	-2.1%	4.6%
NEETs (x1,000) ¹⁵	687.4	1,760.5	729.1	6.1%	-58.6%

Underemployment Rate



Indigenous Unemployment Rate



Regional Statistics

Employment increased in every region, except for the Prairies where total jobs declined by 23,000 positions (-0.6%). These losses were concentrated in Alberta which saw a cumulative decline of 38,000 jobs (-1.5%). British Columbia and Quebec both observed employment increases of nearly 1%, although the unemployment rate increased in both regions due to significantly higher participation rates (+0.5 in Quebec; +0.6 in B.C.).

Hourly wage growth was robust in all regions, ranging from 1.1% in Quebec to 2.6% in B.C. On an annualized basis, wages in B.C. have surpassed past other regions and is closing in on 8% year-over-year, although this equates to 3.7% in real terms (i.e., adjusted for inflation). Much of this growth is due to the fact that minimum wage workers in B.C. saw a significant wage boost in the summer when minimum wages were increased by 7%, from \$15.65 to \$16.75 an hour.

Elsewhere, year-over-year real wage growth was 1.3% in the Prairies, 0.6% in the Atlantic region, 0.5% in Ontario and 0.2% in Quebec. This marks a change from 2022 when Quebec outpaced the rest of the country and consistently maintained real wage growth while other regions were seeing their wages eroded by inflation.



Regional Statistics Continued

Atlantic

	Sept. 2022	Sept. 2023	Y/Y change	M/M change
Total employment (#)	1,180,300	1,210,500	30,200 2.6%	2,600 0.2%
Unemployment rate (%)	7.3	7.5	0.2	-0.1
Participation rate (%)	60.5	60.6	0.1	-0.1
Union coverage (%)	33.0	32.4	-0.6	2.5
Average hourly wage (\$)	\$28.12	\$29.41	4.6%	2.5%
Real avg. hourly wage (\$)	\$28.12	\$28.30	0.6%	n/a



Quebec

	Sept. 2022	Sept. 2023	Y/Y change	M/M change
Total employment (#)	4,417,800	4,543,200	125,400 2.8%	38,700 0.9%
Unemployment rate (%)	4.4	4.4	0.0	0.1
Participation rate (%)	64.4	65.2	0.8	0.5
Union coverage (%)	39.1	38.9	-0.2	0.9
Average hourly wage (\$)	\$31.26	\$32.56	4.2%	1.1%
Real avg. hourly wage (\$)	\$31.26	\$31.33	0.2%	n/a



Ontario

	Sept. 2022	Sept. 2023	Y/Y change	M/M change
Total employment (#)	7,714,900	7,960,200	245,300 3.2%	19,900 0.3%
Unemployment rate (%)	5.6	6.0	0.4	0.0
Participation rate (%)	65.1	65.6	0.5	0.0
Union coverage (%)	27.4	27.2	-0.2	1.8
Average hourly wage (\$)	\$33.58	\$35.09	4.5%	1.4%
Real avg. hourly wage (\$)	\$33.58	\$33.77	0.5%	n/a



Regional Statistics Continued

Prairies

	Sept. 2022	Sept. 2023	Y/Y change	M/M change
Total employment (#)	3,639,100	3,742,000	102,900 2.8%	-23,000 -0.6%
Unemployment rate (%)	5.1	5.4	0.3	-0.2
Participation rate (%)	68.4	68.0	-0.4	-0.8
Union coverage (%)	28.9	28.1	-0.8	1.6
Average hourly wage (\$)	\$32.26	\$33.96	5.3%	1.8%
Real avg. hourly wage (\$)	\$32.26	\$32.67	1.3%	n/a



British Columbia

	Sept. 2022	Sept. 2023	Y/Y change	M/M change
Total employment (#)	2,766,000	2,814,300	48,300 1.7%	25,700 0.9%
Unemployment rate (%)	4.3	5.4	1.1	0.2
Participation rate (%)	65.1	65.4	0.3	0.6
Union coverage (%)	29.8	30.8	1.0	1.3
Average hourly wage (\$)	\$33.01	\$35.59	7.8%	2.6%
Real avg. hourly wage (\$)	\$33.01	\$34.24	3.7%	n/a



Average Hourly Wages by Industry

Nominal vs. Inflation-Adjusted Wage Growth

Industry	September 2022	September 2023	Y/Y change	Y/Y inflation-adjusted change
Agriculture	\$21.54	\$25.58	18.7%	12.4%
Forestry	\$33.92	\$33.46	-1.4%	-5.4%
Mining, oil and gas	\$45.50	\$49.37	8.5%	4.2%
Utilities	\$48.74	\$49.34	1.2%	-2.7%
Construction	\$34.22	\$35.79	4.6%	0.6%
Manufacturing: durables	\$32.24	\$34.07	5.7%	1.6%
Manufacturing: non-durables	\$29.69	\$33.29	12.1%	7.2%
Wholesale Trade	\$34.65	\$36.63	5.7%	1.6%
Retail Trade	\$22.29	\$23.22	4.2%	0.2%
Transportation and Warehousing	\$30.95	\$32.75	5.8%	1.7%
Finance and Insurance	\$41.21	\$43.67	6.0%	1.9%
Real Estate and Rental and Leasing	\$31.95	\$35.41	10.8%	6.2%
Professional, Scientific and Technical Services	\$42.99	\$44.96	4.6%	0.6%
Business, building and other support	\$25.50	\$25.96	1.8%	-2.2%
Educational Services	\$38.25	\$39.18	2.5%	-1.5%
Health Care and Social Assistance	\$30.96	\$32.52	5.0%	1.0%
Information, Culture and Recreation	\$31.44	\$31.65	0.7%	-3.3%
Accommodation and Food Services	\$19.09	\$19.84	4.0%	0.0%
Other Services	\$27.90	\$29.46	5.6%	1.5%
Public Administration	\$40.75	\$42.77	5.0%	0.9%

Real hourly wage growth was higher in certain goods-producing industries such as mining, oil and gas (+4.2%) and non-durables manufacturing (+7.2%), although real estate and rental and leasing also saw significant real wage growth (6.2%). A number of service sector industries such as educational services (-1.5%) and information, culture and recreation (-3.3%) continue to see real wage declines.

Job growth in September was overwhelmingly concentrated in educational services (+65,800), followed by transportation and warehousing (+18,900). In a sign that higher interest rates may be causing a slowdown in housing, both the construction industry (-17,500) and finance, insurance, real estate, rental and leasing (-19,800) posted notable job losses.

Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, August to September 2023

GOODS-PRODUCING SECTOR	-10,500	
Agriculture	-300	
Forestry, fishing, mining, quarrying, oil and gas		300
Utilities	-1,800	
Construction	-17,500	
Manufacturing		8,800
SERVICES PRODUCING SECTOR		74,300
Wholesale and retail trade	-10,700	
Transportation and warehousing		18,900
Finance, insurance, real estate, rental and leasing	-19,800	
Professional, scientific and technical services		8,400
Business, building and other support services		1,900
Educational services		65,800
Health care and social assistance		3,600
Information, culture and recreation	-12,100	
Accommodation and food services		11,000
Other services (except public administration)		800
Public administration		6,400



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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