

UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

September 2026



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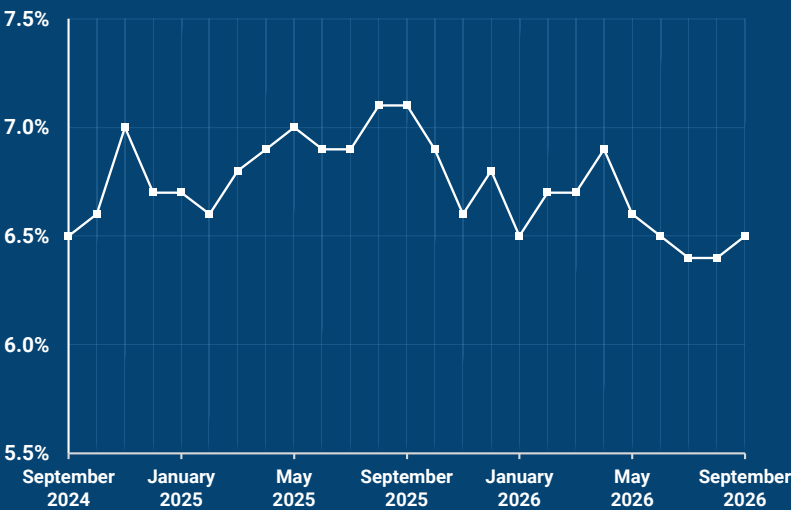
National Statistics

Canada’s labour market recorded a substantial downturn in September as nearly 70,000 jobs were shed and employment declined by 0.3%. The unemployment rate climbed back to 6.5% (+0.1), although a substantial fall in the participation rate of 0.2% offset what would have been a larger increase in unemployment as close to 53,000 jobseekers left the labour force. At 64.8%, the participation rate is now at its lowest level since 1997, outside of 2020 during the early part of the COVID-19 pandemic.

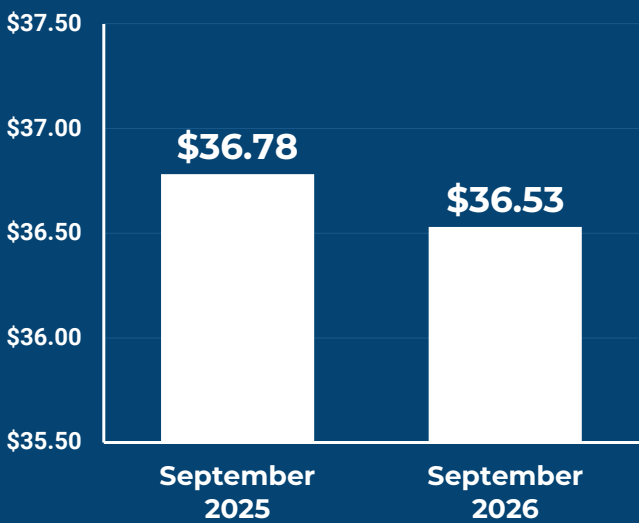
Wage growth continued to moderate, with annualized hourly wage growth sitting at 2.3% for the month of September. With inflation remaining at the 3% upper limit of the Bank of Canada’s target range, real hourly wages fell year-over-year, declining by 0.7%.

Statistic	September 2020–24 average	September 2025	August 2026	September 2026	Year-over-year (Y/Y) change	Monthly (M/M) change
Total employment (#) ¹	19,774,440	21,009,900	21,173,100	21,104,800	94,900 0.5%	-68,300 -0.3%
Unemployment rate (%) ²	6.6	7.1	6.4	6.5	-0.6	0.1
Participation rate (%) ³	65.6	65.2	65.0	64.8	-0.4	-0.2
Union coverage (%) ⁴	31.0	30.8	29.3	30.6	-0.2	1.3
Average hourly wage (\$) ⁵	\$32.59	\$36.78	\$37.02	\$37.64	2.3%	1.7%
Real average hourly wage (\$) ⁶	\$35.69	\$36.78	\$36.10	\$36.53	-0.7%	1.2%

Unemployment Rate



Real Average Hourly Wage

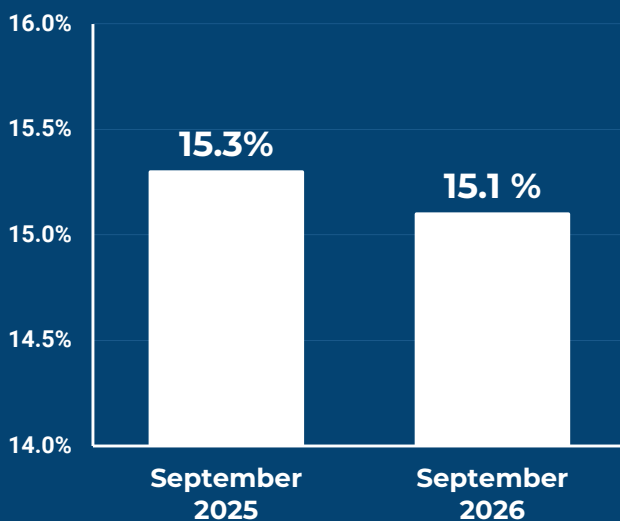


National Precarity Indicators

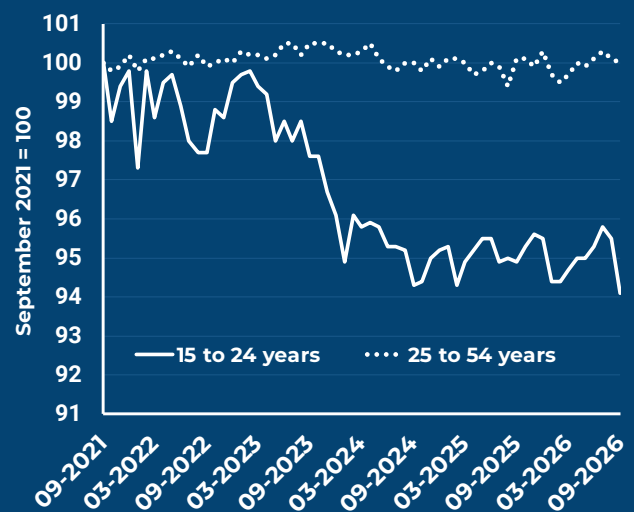
Unifor's precarity indicators were mixed on an annualized basis, with a higher year-over-year part-time rate (+0.1) and involuntary part-time rate (+1.6) counterbalanced by lower underutilization (-0.5) and underemployment rates (-0.2). This indicates that fewer individuals were marginally attached to the labour force compared to a year ago. Notably, however, despite a lower number of youths not in employment, education or training (NEETs), a sharp drop in the labour force participation rate among youths since early 2023 is contributing to Canada's historically low participation rate. While some analysts have suggested an aging population could be the cause, the fall in the youth participation rate from 66.0% in January 2023 to just 62.3% last month (see chart below) is clearly a major driving force in the overall decline.

Indicator	Sept. 2025	Aug. 2026	Sept. 2026	Y/Y change	M/M change
Part-time rate (%) ⁷	17.9	16.3	18.0	0.1	1.7
Involuntary part-time (%) ⁸	42.0	50.8	43.6	1.6	-7.2
Underutilization (R8) rate (%) ⁹	8.6	9.4	8.1	-0.5	-1.3
Underemployment rate (%) ¹⁰	15.3	16.5	15.1	-0.2	-1.4
Multiple job holders (%) ¹¹	5.3	5.7	5.9	0.6	0.2
Temporary job holders (%) ¹²	12.1	13.8	12.1	0.0	-1.7
Casual/other (%)	3.5	3.4	3.5	0.0	0.1
Temporary/contract (%)	6.2	6.6	6.3	0.1	-0.3
Seasonal (%)	2.4	3.8	2.3	-0.1	-1.5
Low wage incidence (%) ¹³	19.9	20.0	20.9	1.0	0.9
Gender wage gap ¹⁴	\$4.45	\$4.57	\$4.53	1.8%	-0.9%
NEETs (x1,000) ¹⁵	815.8	2,050.1	813.8	-0.2%	-60.3%

Underemployment Rate



Change in Participation Rate



Regional Statistics

The decline in employment across Canada during the month of September was concentrated in three of five regions. Quebec bore the brunt of job losses with a fall of close to 50,000 jobs (-1.1%), and an unemployment rate that climbed by 0.4 percentage points, reaching 6.0%. Quebec continues to be the only region that has recorded a year-over-year fall in employment, with annualized losses hitting 95,000 jobs last month, amounting to a decline of 2.0%.

British Columbia and Ontario also observed fairly substantial job losses, with both regions recording losses of 20,000 jobs, which equalled a 0.2% employment decline in Ontario and a 0.7% decline in B.C. However, while Ontario's unemployment rate climbed slightly to 7.0% (+0.1), a sharp fall in the participation rate in B.C. (-0.5) to 64.6% saw the regional unemployment rate actually decrease to 6.4% (-0.1).

These losses were offset by a substantial employment increase in the Prairie region, which added 19,000 jobs (+0.5%), and in Atlantic Canada, which recorded a more modest increase of 2,300 jobs (+0.2%). On an annualized basis, both regions have seen employment grow by more than 2%.



Regional Statistics Continued

Atlantic

Statistic	Sept. 2025	Sept. 2026	Y/Y change	M/M change
Total employment (#)	1,264,500	1,292,000	27,500 2.2%	2,300 0.2%
Unemployment rate (%)	7.8	7.3	-0.5	0.2
Participation rate (%)	60.6	60.8	0.2	0.1
Union coverage (%)	32.5	32.3	-0.2	1.8
Average hourly wage (\$)	\$32.39	\$33.57	3.6%	1.8%
Real avg. hourly wage (\$)	\$32.39	\$32.58	0.6%	1.3%



Quebec

Statistic	Sept. 2025	Sept. 2026	Y/Y change	M/M change
Total employment (#)	4,633,900	4,539,300	-94,600 -2.0%	-49,400 -1.1%
Unemployment rate (%)	5.7	6.0	0.3	0.4
Participation rate (%)	64.6	63.7	-0.9	-0.5
Union coverage (%)	39.6	38.4	-1.2	0.5
Average hourly wage (\$)	\$35.55	\$36.79	3.5%	1.5%
Real avg. hourly wage (\$)	\$35.55	\$35.71	0.5%	1.1%



Ontario

Statistic	Sept. 2025	Sept. 2026	Y/Y change	M/M change
Total employment (#)	8,200,200	8,286,500	86,300 1.1%	-20,000 -0.2%
Unemployment rate (%)	7.9	7.0	-0.9	0.1
Participation rate (%)	64.8	64.6	-0.2	-0.1
Union coverage (%)	26.7	27.2	0.5	1.6
Average hourly wage (\$)	\$38.17	\$38.71	1.4%	2.1%
Real avg. hourly wage (\$)	\$38.17	\$37.57	-1.6%	1.6%



Regional Statistics Continued

Prairies

Statistic	Sept. 2025	Sept. 2026	Y/Y change	M/M change
Total employment (#)	3,967,700	4,058,000	90,300 2.3%	19,000 0.5%
Unemployment rate (%)	7.2	6.0	-1.2	-0.3
Participation rate (%)	68.7	68.0	-0.7	-0.1
Union coverage (%)	28.1	27.7	-0.4	1.3
Average hourly wage (\$)	\$36.02	\$36.51	1.4%	1.3%
Real avg. hourly wage (\$)	\$36.02	\$35.43	-1.6%	0.8%



British Columbia

Statistic	Sept. 2025	Sept. 2026	Y/Y change	M/M change
Total employment (#)	2,943,500	2,929,000	-14,500 -0.5%	-20,200 -0.7%
Unemployment rate (%)	6.4	6.4	0.0	-0.1
Participation rate (%)	64.9	64.6	-0.3	-0.5
Union coverage (%)	30.5	30.9	0.4	1.3
Average hourly wage (\$)	\$37.94	\$39.49	4.1%	1.1%
Real avg. hourly wage (\$)	\$37.94	\$38.33	1.0%	0.6%



Average Hourly Wages by Industry

Nominal vs. Inflation-Adjusted Wage Growth

Industry	September 2025	September 2026	Y/Y change	Y/Y inflation-adjusted change
Agriculture	\$25.51	\$26.21	2.7%	-0.3%
Forestry	\$35.34	\$36.58	3.5%	0.5%
Mining, oil and gas	\$54.02	\$55.39	2.5%	-0.5%
Utilities	\$56.13	\$55.01	-2.0%	-5.1%
Construction	\$37.76	\$38.64	2.3%	-0.7%
Manufacturing: durables	\$36.95	\$37.18	0.6%	-2.4%
Manufacturing: non-durables	\$33.79	\$34.08	0.9%	-2.2%
Wholesale Trade	\$37.91	\$38.87	2.5%	-0.5%
Retail Trade	\$24.87	\$25.37	2.0%	-1.0%
Transportation and Warehousing	\$34.20	\$34.84	1.9%	-1.1%
Finance and Insurance	\$47.35	\$48.93	3.3%	0.3%
Real Estate and Rental and Leasing	\$36.74	\$36.61	-0.4%	-3.4%
Professional, Scientific and Technical Services	\$49.89	\$50.74	1.7%	-1.3%
Business, building and other support	\$28.80	\$28.28	-1.8%	-4.9%
Educational Services	\$43.07	\$44.34	2.9%	-0.1%
Health Care and Social Assistance	\$34.92	\$35.94	2.9%	-0.1%
Information, Culture and Recreation	\$34.62	\$36.47	5.3%	2.2%
Accommodation and Food Services	\$21.08	\$21.80	3.4%	0.4%
Other Services	\$31.43	\$31.98	1.7%	-1.3%
Public Administration	\$46.04	\$48.39	5.1%	2.0%

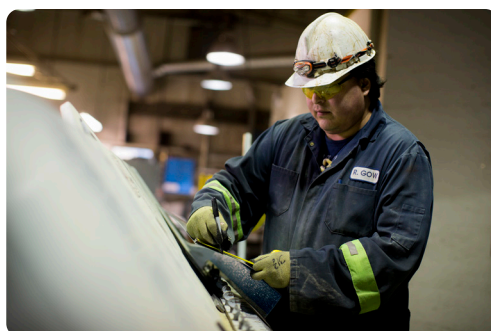
Continued weakness in annualized hourly wage growth across Canada's labour market led to declining real wages in a number of industries as inflation remained at the 3.0% mark. Manufacturing wages were among the hardest hit as real wages in durables and non-durables manufacturing fell by 2.4% and 2.2%, respectively. Real wages also fell in key industries such as retail trade (-1.0%), transportation and warehousing (-1.1%) and construction (-0.7%).

Job losses in September were focused in the public sector, with a decline of 35,300 jobs in educational services and a loss of 23,100 jobs in health care and social assistance. In the private sector, manufacturing recorded the most significant decline with a loss of 12,700 jobs.

Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, August to September 2026

GOODS-PRODUCING SECTOR	-16,000	
Agriculture		1,600
Forestry, fishing, mining, quarrying, oil and gas	-3,500	
Utilities	-500	
Construction	-700	
Manufacturing	-12,700	
SERVICES PRODUCING SECTOR	-52,300	
Wholesale and retail trade	-9,600	
Transportation and warehousing	-1,200	
Finance, insurance, real estate, rental and leasing	-3,900	
Professional, scientific and technical services		10,600
Business, building and other support services		6,100
Educational services	-35,300	
Health care and social assistance	-23,100	
Information, culture and recreation	-11,000	
Accommodation and food services		1,000
Other services (except public administration)		17,000
Public administration	-2,800	



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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