

UNIFOR RESEARCH DEPARTMENT

LABOUR MARKET INSIGHTS

A monthly review of labour market indicators

February 2023



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March 10, 2023

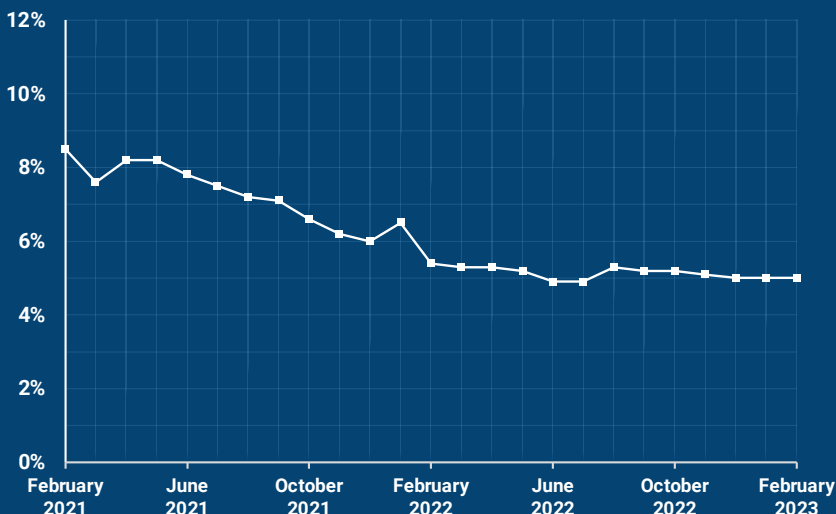
National Statistics

In what has become a familiar refrain within these pages, Canada's labour market beat consensus expectations yet again. The Canadian economy added nearly 22,000 jobs in the month of February and the unemployment rate remained level at 5%. Compared to February 2022, there are now 410,000 more workers across the country, an overall gain of 2.1% year-over-year. Although the labour market has certainly slowed down since January, it continues to produce jobs despite stagnant GDP numbers and falling business confidence.

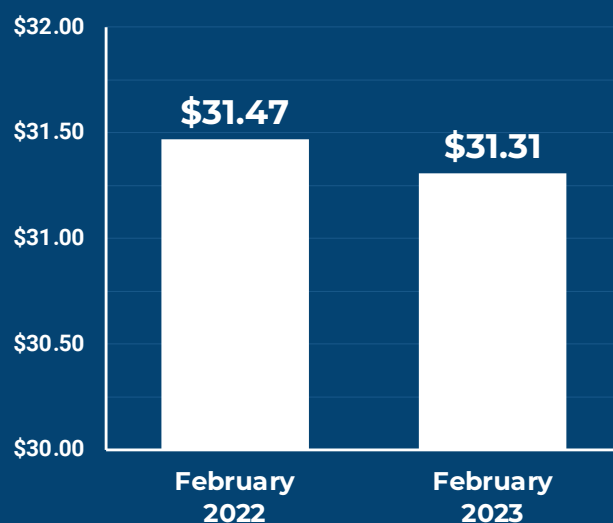
In terms of wages, February tacked on another 0.5% onto average hourly wages, but real wages (adjusted for inflation) continue to be lower one year on. Promisingly, the rate of union coverage climbed to 31% and was significantly above the February average for recent years.

	February 2017–21 average	February 2022	January 2023	February 2023	Year-over-year (Y/Y) change	Monthly (M/M) change
Total employment (#) ¹	18,741,500	19,643,800	20,032,300	20,054,100	410,300 2.1%	21,800 0.1%
Unemployment rate (%) ²	6.5	5.4	5.0	5.0	-0.4	0.0
Participation rate (%) ³	65.8	65.8	65.7	65.7	-0.1	0.0
Union coverage (%) ⁴	30.5	30.4	30.9	31.0	0.6	0.1
Average hourly wage (\$) ⁵	\$28.44	\$31.47	\$33.01	\$33.16	5.4%	0.5%
Real average hourly wage (\$) ⁶	\$30.84	\$31.47	\$31.17	\$31.31	-0.5%	n/a

Unemployment Rate



Real Average Hourly Wage

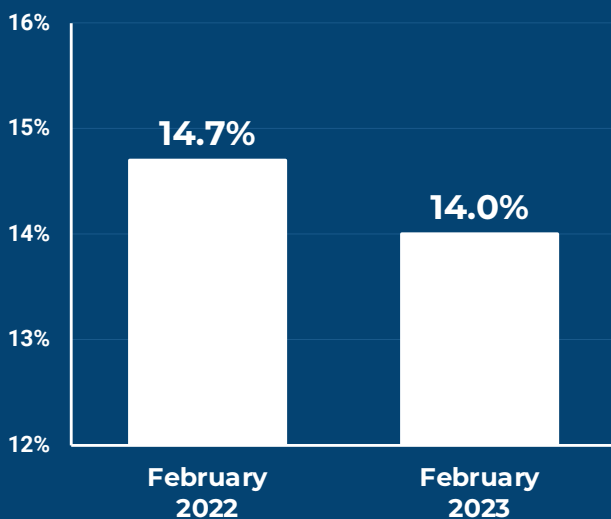


National Precarity Indicators

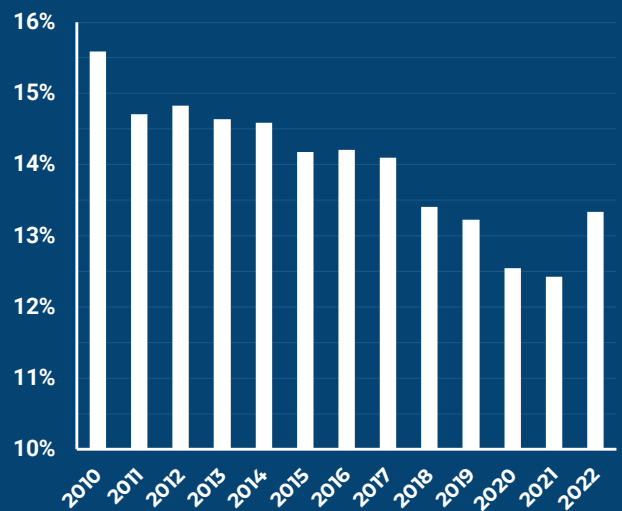
Unifor's precarity indicators reveal that some of the labour market softening we saw in January continued into the month of February. The proportion of part-time workers increased, including the percentage of part-timers who wanted full-time work. The underutilization rate fell slightly but remains 1 point above December levels, while there was a slight increase in the proportion of temporary/contract workers. One of the more troubling developments over the past year has been a jump in the gender wage gap. Women's average hourly wages were nearly 13.5% lower than those of men in 2022 (see chart below), and this figure increased to 14% during January and February. In short, despite record jobs numbers, women continue to face systemic barriers to pay equity across Canada.

	Feb. 2022	Jan. 2023	Feb. 2023	Y/Y change	M/M change
Part-time rate (%) ⁷	19.4	18.7	18.9	-0.5	0.2
Involuntary part-time (%) ⁸	39.9	39.8	39.9	0.0	0.1
Underutilization (R8) rate (%) ⁹	8.0	7.4	7.3	-0.7	-0.1
Underemployment rate (%) ¹⁰	14.7	14.0	14.0	-0.7	0.0
Multiple job holders (%) ¹¹	5.5	5.7	5.7	0.2	0.0
Temporary job holders (%) ¹²	11.0	10.4	10.6	-0.4	0.2
Casual/other (%)	3.4	3.2	3.1	-0.3	-0.1
Temporary/contract (%)	6.7	6.2	6.3	-0.4	0.1
Seasonal (%)	1.0	1.0	1.1	0.1	0.1
Low wage incidence (%) ¹³	18.9	19.0	18.9	0.0	-0.1
Gender pay gap ¹⁴	\$4.72	\$5.00	\$4.96	5.1%	-0.8%
NEETs (x1,000) ¹⁵	666.4	704.6	687.4	3.2%	-2.4%

Underemployment Rate



Gender Wage Gap



Regional Statistics

Employment growth was observed in nearly every region except Quebec, where there was a decline of 15,500 jobs (-0.3%). This caused the regional unemployment rate to climb above the 4% mark, while the participation rate simultaneously fell by 0.2 percentage points. Still, at 4.1%, Quebec's unemployment rate remains significantly below the national average.

Elsewhere, Ontario added 15,600 jobs (+0.2%), followed by the Prairies with 9,100 jobs (+0.2%), B.C. with 6,700 jobs (+0.2%) and the Atlantic region with 5,900 jobs (+0.5%). Interestingly, despite the gain in jobs, B.C.'s unemployment rate surged by 0.7 percentage points as jobseekers streamed into the labour market, with the participation rate increasing by 0.5 points.

Wage growth was strongest in the Prairies, where average hourly wages increased by 1.3% during February, but real wages there continue to show the starkest decline year-over-year (-1.4%). In contrast, wage growth was anemic in Ontario where average hourly wages climbed by just 0.1%, compared to a national average of 0.5% last month.



Regional Statistics Continued

Atlantic

	Feb. 2022	Feb. 2023	Y/Y change	M/M change
Total employment (#)	1,164,000	1,204,400	40,400 3.5%	5,900 0.5%
Unemployment rate (%)	8.3	6.9	-1.4	-0.5
Participation rate (%)	61.2	60.9	-0.3	-0.2
Union coverage (%)	33.9	33.2	-0.7	-0.2
Average hourly wage (\$)	\$27.37	\$28.92	5.6%	0.7%
Real avg. hourly wage (\$)	\$27.37	\$27.30	-0.3%	n/a



Quebec

	Feb. 2022	Feb. 2023	Y/Y change	M/M change
Total employment (#)	4,398,200	4,496,100	97,900 2.2%	-15,500 -0.3%
Unemployment rate (%)	4.4	4.1	-0.2	0.2
Participation rate (%)	64.5	65.0	0.5	-0.2
Union coverage (%)	39.2	39.5	0.3	0.4
Average hourly wage (\$)	\$30.40	\$32.38	6.5%	0.4%
Real avg. hourly wage (\$)	\$30.40	\$30.57	0.6%	n/a



Ontario

	Feb. 2022	Feb. 2023	Y/Y change	M/M change
Total employment (#)	7,721,300	7,865,300	144,000 1.9%	15,600 0.2%
Unemployment rate (%)	5.7	5.1	-0.5	0.0
Participation rate (%)	65.7	65.5	-0.2	0.0
Union coverage (%)	26.7	26.9	0.2	0.1
Average hourly wage (\$)	\$32.44	\$34.00	4.8%	0.1%
Real avg. hourly wage (\$)	\$32.44	\$32.10	-1.1%	n/a



Regional Statistics Continued

Prairies

	Feb. 2022	Feb. 2023	Y/Y change	M/M change
Total employment (#)	3,618,100	3,711,000	92,900 2.6%	9,100 0.2%
Unemployment rate (%)	5.8	5.4	-0.4	0.0
Participation rate (%)	69.4	69.1	-0.4	0.0
Union coverage (%)	27.4	28.7	1.3	0.1
Average hourly wage (\$)	\$31.67	\$33.07	4.4%	1.3%
Real avg. hourly wage (\$)	\$31.67	\$31.22	-1.4%	n/a



British Columbia

	Feb. 2022	Feb. 2023	Y/Y change	M/M change
Total employment (#)	2,742,100	2,777,400	35,300 1.3%	6,700 0.2%
Unemployment rate (%)	4.7	5.1	0.3	0.7
Participation rate (%)	65.4	65.5	0.2	0.5
Union coverage (%)	29.3	31.0	1.7	0.2
Average hourly wage (\$)	\$32.01	\$34.12	6.6%	0.4%
Real avg. hourly wage (\$)	\$32.01	\$32.21	0.6%	n/a



Average Hourly Wages by Industry

Nominal vs. Inflation-Adjusted Wage Growth

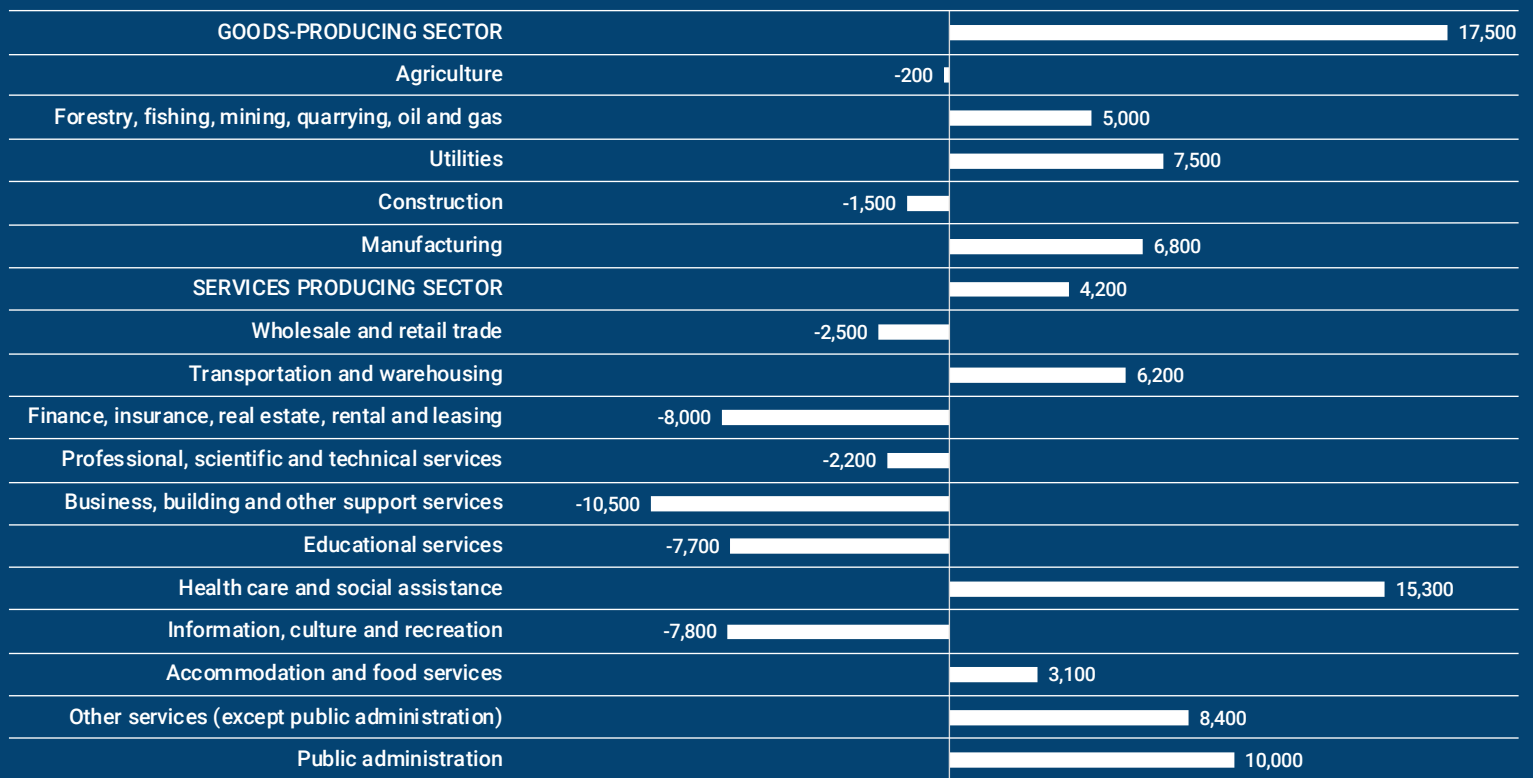
Industry	Feb. 2022	Feb. 2023	Y/Y change	Y/Y inflation-adjusted change
Agriculture	\$22.62	\$22.86	1.0%	-4.8%
Forestry	\$32.31	\$32.89	1.8%	-4.0%
Mining, oil, and gas	\$46.63	\$49.94	7.1%	1.1%
Utilities	\$47.09	\$48.95	3.9%	-1.9%
Construction	\$33.43	\$35.06	4.9%	-1.0%
Manufacturing: durables	\$32.15	\$33.58	4.4%	-1.4%
Manufacturing: non-durables	\$30.33	\$32.08	5.8%	-0.2%
Wholesale Trade	\$32.36	\$34.66	7.1%	1.1%
Retail Trade	\$21.59	\$22.93	6.2%	0.3%
Transportation and Warehousing	\$29.25	\$31.25	6.9%	0.9%
Finance and Insurance	\$39.53	\$42.08	6.5%	0.5%
Real Estate and rental and leasing	\$33.18	\$32.85	-1.0%	-7.0%
Professional, Scientific and Technical Services	\$39.85	\$43.68	9.6%	3.4%
Business, building and other support	\$24.48	\$25.80	5.4%	-0.5%
Educational Services	\$36.67	\$38.18	4.1%	-1.7%
Health Care and Social Assistance	\$29.95	\$31.14	4.0%	-1.8%
Information, Culture and Recreation	\$31.46	\$31.73	0.9%	-5.0%
Accommodation and Food Services	\$17.69	\$19.32	9.2%	3.0%
Other Services	\$27.19	\$28.13	3.5%	-2.4%
Public Administration	\$41.36	\$42.21	2.1%	-3.8%

Year-over-year wage increases were highest in accommodation and food services (+9.2%) and professional, scientific and technical services (+9.6%) – industries that saw impressive employment growth during 2022 and where real wage growth has now topped the 3% mark. However, more than half of all industries continue to post negative real wage growth due to the impacts of inflation.

In a shift from January, employment growth during February was concentrated in the goods-producing sector, which accounted for nearly 80% of all jobs gained. However, the industry that saw the highest growth overall was health care and social assistance (+15,300), although increases there were mostly cancelled out by losses elsewhere in the services sector.

Monthly Employment Gains and Losses by Industry and Sector

Employment Change by Industry/Sector, January to February 2023



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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