

UNIFOR RESEARCH DEPARTMENT

# LABOUR MARKET INSIGHTS

*A monthly review of labour market indicators*  
February 2021



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# National Statistics

February 2021 saw a significant decline in the national unemployment rate, as lockdown measures across large parts of the country were eased. The Canadian economy added nearly 260,000 jobs in the month of February, which led the unemployment rate to drop to 8.2% – the lowest figure since the shutdown of the economy in March 2020. However, there continue to be significantly fewer jobs in the labour market compared to February 2020, with nearly 600,000 fewer Canadians employed. Notably, the participation rate stayed the same from January to February 2021, which means that many Canadians who left the labour market continued to stay on the sidelines. The average hourly wage also saw a monthly decline, suggesting that much of the fall in unemployment was caused by the re-entry of lower waged workers back into sectors most impacted by recent lockdown measures.

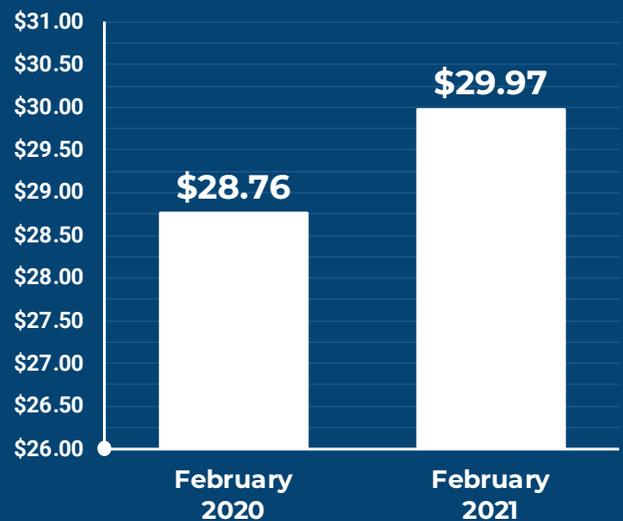
	5-year February avg. 2015–19	February 2020	February 2021	February 2020–21 Change	January–February 2021 Change
Total employment (#) <sup>1</sup>	18,210,700	19,130,300	18,531,200	-599,100 -3.1%	259,200 1.4%
Unemployment rate (%) <sup>2</sup>	6.5	5.7	8.2	2.5 p.p.	-1.2 p.p.
Participation rate (%) <sup>3</sup>	65.6	65.5	64.7	-0.8 p.p.	0.0 p.p.
Union coverage (%) <sup>4</sup>	30.6	30.8	32.0	1.2 p.p.	0.2 p.p.
Average hourly wage (\$) <sup>5</sup>	\$27.73	\$28.76	\$29.97	4.2%	-0.8%
Average weekly hours (hrs.) <sup>6</sup>	34.8	34.8	35.9	3.2%	-1.0%

\*p.p. refers to percentage points.

## Unemployment Rate



## Average Hourly Wage



# National Precarity Indicators

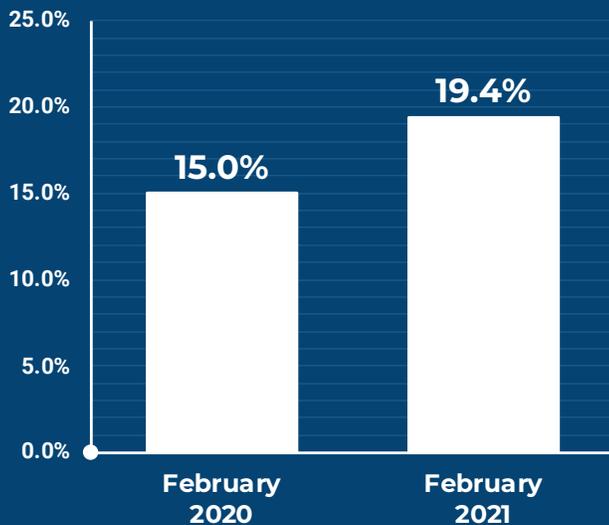
Our precarity indicators reveal that the state of the COVID-19 economy continues to impact low-wage, precarious workers the most, with part-time employees and temporary job holders more likely to lose their jobs than full-time, permanent employees.

As in previous months, the gender wage gap shows a year-over-year decline, but this is mainly due to the greater likelihood of lower-waged women becoming unemployed and/or exiting the labour market, which has driven women's overall average wage up. Women's participation rate in the Canadian labour market (60.3%) continues to lag significantly behind that of men (69.2%), and women are underemployed at a much higher rate (21.9%) than men (17.2%).

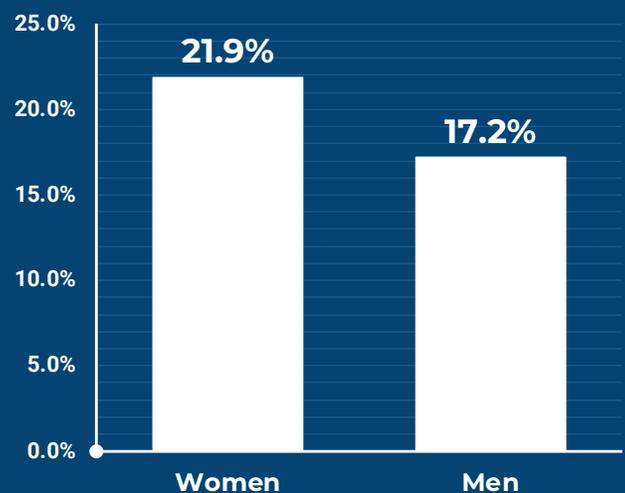
After having surged past the one million mark in January 2021, the number of Canadians aged 15 to 29 who are not in employment, education or training – i.e. NEETs – declined to 871,900 in February 2021, in large part due to the return of retail jobs (see pages 7-8). However, this continues to represent a sharp increase (+15.8%) over February 2020.

	Feb. 2020	Feb. 2021	February 2020–21 Change (p.p.)
Part-time rate (%) <sup>7</sup>	19.7	18.9	-0.8
Involuntary part-time (%) <sup>8</sup>	40.4	48.2	7.8
Underutilization (R8) rate (%) <sup>9</sup>	8.6	12.2	3.6
Underemployment rate (%) <sup>10</sup>	15.0	19.4	4.4
Multiple job holders (%) <sup>11</sup>	5.8	4.7	-1.1
Temporary job holders (%) <sup>12</sup>	11.8	10.9	-0.9
<i>Casual/other (%)</i>	4.0	3.2	-0.8
<i>Temporary/contract (%)</i>	6.6	6.8	0.2
<i>Seasonal (%)</i>	1.2	0.9	-0.3
Low wage incidence (%) <sup>13</sup>	21.3	20.0	-1.3
Gender pay gap <sup>14</sup>	\$3.82	\$3.66	-4.1%
NEETs (x1,000) <sup>15</sup>	753.0	871.9	15.8%

## Underemployment Rate



## Underemployment by Gender



# Regional Statistics

In sharp contrast to January, which saw significant regional differences in labour market outcomes, most of the country experienced a marked improvement in job numbers for the month of February. Quebec led the way, adding 112,600 jobs (a 2.7% increase in employment) and a fall in the unemployment rate of 2.3 percentage points (to 6.4%). However, Quebec's rate of union coverage and average hourly wage both declined significantly in February, indicating that much of the employment gains came from the return of low-waged, non-unionized positions. Ontario added another 100,300 jobs and saw its unemployment rate fall by 1 percentage point, although it remains the second highest regional unemployment rate at 9.2%.

Out west, the Prairies and BC both saw employment increases of approximately 1%, and a similar decline in the unemployment rate (-0.8 and -1.1 percentage points, respectively). Atlantic Canada was the only region to experience job losses as outbreaks of COVID-19, in some cases involving new variants of the virus, led to strengthened lockdown measures. As a result, the unemployment rate in the Atlantic region climbed back up to nearly 10% while the participation rate decline by 0.5 percentage points.



# Regional Statistics Continued

## Atlantic

	February 2020	February 2021	Feb. 2020–21 Change	Jan.–Feb. 2021 Change
Total employment (#)	1,138,400	1,109,400	-29,000 -2.5%	-15,600 -1.4%
Unemployment rate (%)	8.7	9.8	1.1	0.5
Participation rate (%)	61.2	60.2	-1.0	-0.5
Union coverage (%)	31.4	33.3	1.9	0.2
Average hourly wage (\$)	\$24.77	\$25.84	4.3%	0.2%
Average weekly hours (hrs.)	36.7	36.3	-1.1%	-0.8%



## Quebec

	February 2020	February 2021	Feb. 2020–21 Change	Jan.–Feb. 2021 Change
Total employment (#)	4,353,300	4,214,700	-138,600 -3.2%	112,600 2.7%
Unemployment rate (%)	4.5	6.4	1.9	-2.3
Participation rate (%)	64.8	63.6	-1.2	0.1
Union coverage (%)	39.0	40.0	1.0	-1.3
Average hourly wage (\$)	\$27.60	\$28.27	2.4%	-2.3%
Average weekly hours (hrs.)	35.2	35.2	-0.1%	-1.1%



## Ontario

	February 2020	February 2021	Feb. 2020–21 Change	Jan.–Feb. 2021 Change
Total employment (#)	7,491,100	7,185,800	-305,300 -4.1%	100,300 1.4%
Unemployment rate (%)	5.5	9.2	3.7	-1.0
Participation rate (%)	65.1	64.4	-0.8	0.1
Union coverage (%)	26.7	29.1	2.4	1.0
Average hourly wage (\$)	\$29.32	\$30.94	5.5%	-0.4%
Average weekly hours (hrs.)	36.2	36.3	0.2%	-0.6%



# Regional Statistics Continued

## Prairies

	February 2020	February 2021	Feb. 2020-21 Change	Jan.-Feb. 2021 Change
Total employment (#)	3,506,200	3,395,100	-111,100 -3.2%	35,300 1.1%
Unemployment rate (%)	6.8	8.9	2.1	-0.8
Participation rate (%)	69.4	68.1	-1.2	0.1
Union coverage (%)	29.3	28.6	-0.7	0.0
Average hourly wage (\$)	\$30.34	\$31.23	3.0%	-0.7%
Average weekly hours (hrs.)	37.1	36.6	-1.2%	-0.8%



## British Columbia

	February 2020	February 2021	Feb. 2020-21 Change	Jan.-Feb. 2021 Change
Total employment (#)	2,641,300	2,626,200	-15,100 -0.6%	26,600 1.0%
Unemployment rate (%)	5.1	6.9	1.8	-1.1
Participation rate (%)	65.0	65.3	0.3	-0.1
Union coverage (%)	29.9	30.5	0.6	0.2
Average hourly wage (\$)	\$29.30	\$30.25	3.2%	-0.4%
Average weekly hours (hrs.)	35.4	35.4	-0.1%	-0.6%



# Average Wages and Employment Gains/Losses by Industry

Sectoral wage growth in the month of February continued to reveal wide divergences, mainly due to the outsized effect of the economic crisis on sectors with lower average wages and more precarious terms of employment. Sectors with a wider band of multi-tiered wages such as information, culture and recreation as well as retail trade showed large year-over-year wage gains, but mainly due to the loss of lower waged positions.

Notably, the large employment gains in February were led by retail trade which added over 117,000 jobs last month, as lockdown measures were eased in a number of provinces. However, there are still nearly 130,000 fewer jobs in retail trade compared to February 2020. Significant job gains were also seen in manufacturing and accommodation and food services, although the latter continues to account for the lion's share of year-over-year job losses (-313,334). In contrast to most sectors, finance and insurance (+50,997), professional, scientific and technical services (+60,473) and educational services

(+58,093) are experiencing a job boom, although it remains to be seen whether these gains will be maintained once the pandemic subsides. Ontario, for example, has already indicated there will be widespread teacher and education worker layoffs prior to the upcoming school year.

## Average Hourly Wages by Industry

Industry	February 2021	February 2020-21 Change
Agriculture	\$20.16	-3.7%
Forestry	\$32.35	10.3%
Fishing, hunting, and trapping	\$19.45	-17.9%
Mining, oil, and gas	\$43.60	1.4%
Utilities	\$43.99	0.3%
Construction	\$31.91	2.1%
Manufacturing - durables	\$29.55	0.4%
Manufacturing non-durables	\$27.54	2.2%
Wholesale Trade	\$29.05	3.9%
Retail Trade	\$20.88	4.7%
Transportation and Warehousing	\$28.60	1.1%
Finance and Insurance	\$36.66	1.5%
Real Estate and rental and leasing	\$27.52	2.5%
Professional, Scientific and Technical Services	\$37.08	1.6%
Business, building and other support	\$23.22	7.0%
Educational Services	\$35.41	1.0%
Health Care and Social Assistance	\$29.37	2.6%
Information, Culture and Recreation	\$30.92	12.7%
Accommodation and Food Services	\$17.30	2.1%
Other Services	\$26.68	4.9%
Public Administration	\$39.49	-0.2%

# Average Wages and Employment Gains/Losses by Industry Continued

Employment Change by Industry, February 2020 to February 2021

Agriculture	-33,089	
Forestry	-317	
Fishing, hunting, and trapping		1,464
Mining, oil, and gas	-1,294	
Utilities		4,272
Construction	-56,361	
Manufacturing - durables		20
Manufacturing non-durables		13,197
Wholesale Trade	-6,676	
Retail Trade	-128,195	
Transportation and Warehousing	-54,108	
Finance and Insurance		50,997
Real Estate and rental and leasing	-20,802	
Professional, Scientific and Technical Services		60,473
Business, building and other support	-66,882	
Educational Services		58,093
Health Care and Social Assistance	-21,077	
Information, Culture and Recreation	-113,916	
Accommodation and Food Services	-313,334	
Other Services	-56,769	
Public Administration		18,834



# 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 all 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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