

UNIFOR RESEARCH DEPARTMENT

# LABOUR MARKET INSIGHTS

*A monthly review of labour market indicators*  
March 2021



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April 9, 2021

# National Statistics

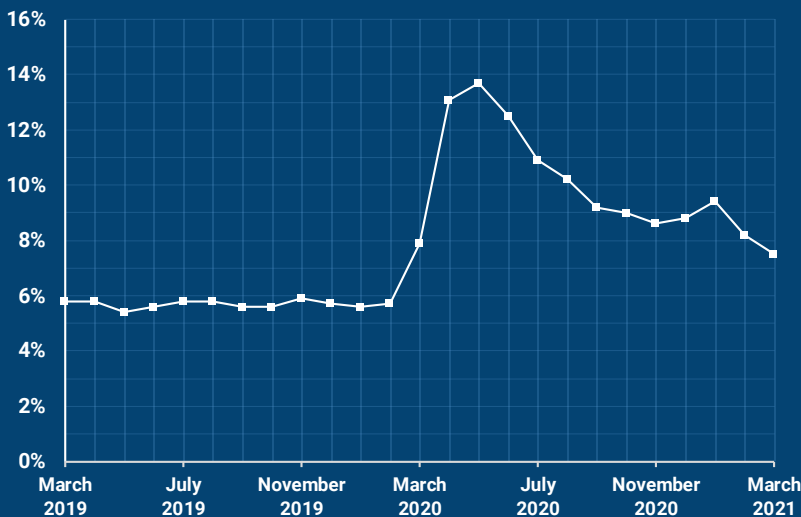
The Canadian economy added 303,100 jobs in the month of March and the unemployment rate fell significantly, from 8.2% to 7.5%. Ontario accounted for the lion's share of jobs added, however, with other regions experiencing lower rates of job growth (see pgs. 4–6). With much of Canada in the grips of a third wave of COVID-19 and renewed lockdown measures, time will tell if these numbers will hold.

As we move into the month of April and beyond, year-over-year comparisons will start to reflect the extent to which the labour market has recovered from the earliest months of the pandemic. At the national level, the labour market is in much better condition, having added more than 700,000 jobs since March 2020. However, the unemployment and participation rates continue to reveal labour market weakness compared to the pre-pandemic period, while real wage growth has slowed.

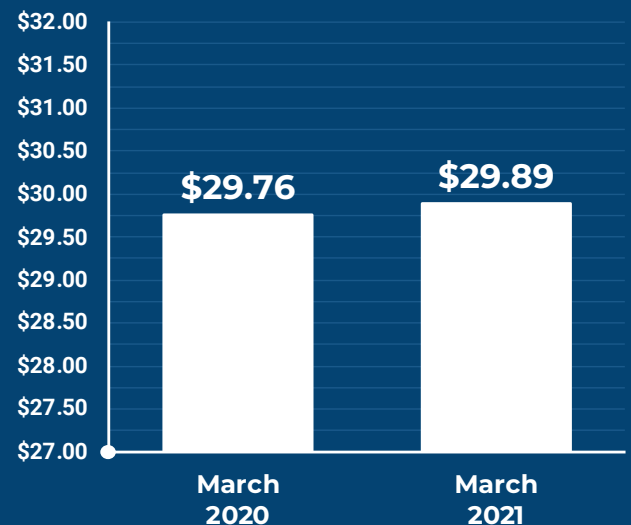
	5-year March avg. 2015–19	March 2020	March 2021	March 2020– 21 Change	February– March 2021 Change
Total employment (#) <sup>1</sup>	18,233,780	18,133,800	18,834,300	700,500 3.9%	303,100 1.6%
Unemployment rate (%) <sup>2</sup>	6.5	7.9	7.5	-0.4 p.p.	-0.7 p.p.
Participation rate (%) <sup>3</sup>	65.6	63.6	65.2	1.6 p.p.	0.5 p.p.
Union coverage (%) <sup>4</sup>	30.6	31.3	31.5	0.3 p.p.	-0.5 p.p.
Average hourly wage (\$) <sup>5</sup>	\$27.64	\$29.76	\$29.89	0.4%	-0.3%
Average weekly hours (hrs.) <sup>6</sup>	34.9	35.6	35.1	-1.4%	0.0%

\*p.p. refers to percentage points.

## Unemployment Rate



## Average Hourly Wage



# National Precarity Indicators

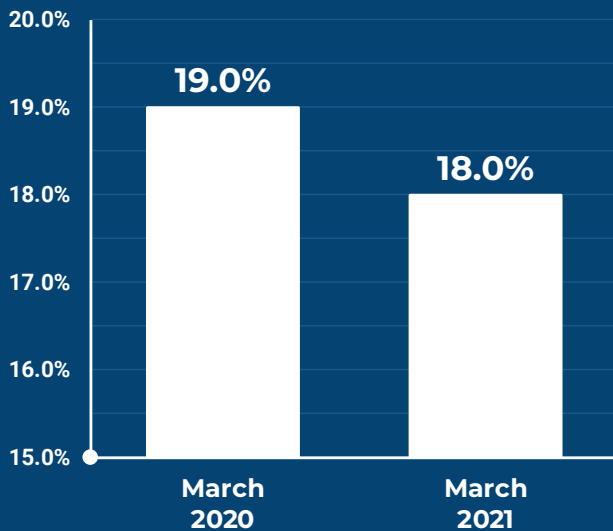
The deterioration of a number of precarity indicators suggests somewhat paradoxically that the labour market is headed towards a pre-pandemic baseline, with low-waged and precarious workers gradually returning to the labour force.

Both on a monthly and annual basis, we see fairly notable increases in the incidence of low wages, multiple and temporary job holders, and a higher part-time rate, suggesting that more precarious forms of employment, particularly in the service sector, have accounted for a significant proportion of the jobs added to the economy in recent months.

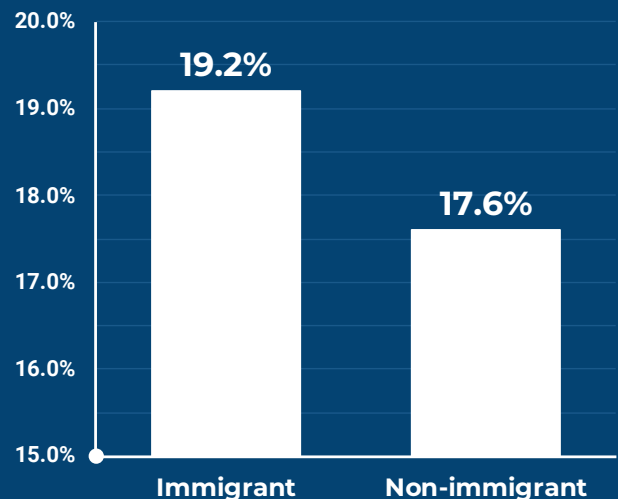
This underscores the K-shaped nature of the nascent economic recovery and divergent employment outcomes depending on where workers are located in an increasingly segmented labour market, with women and racialized workers disproportionately located in the bottom rungs.

	Mar. 2020	Mar. 2021	March 2020–21 Change (p.p.)	Feb.–Mar. 2021 Change (p.p.)
Part-time rate (%) <sup>7</sup>	17.6	19.1	1.5	0.2
Involuntary part-time (%) <sup>8</sup>	45.6	44.9	-0.7	-3.3
Underutilization (R8) rate (%) <sup>9</sup>	11.7	11.4	-0.3	-0.8
Underemployment rate (%) <sup>10</sup>	19.0	18.0	-1.0	-1.4
Multiple job holders (%) <sup>11</sup>	4.6	5.2	0.6	0.5
Temporary job holders (%) <sup>12</sup>	10.8	11.2	0.4	0.3
<i>Casual/other (%)</i>	3.3	3.2	-0.1	0.0
<i>Temporary/contract (%)</i>	6.5	6.9	0.4	0.1
<i>Seasonal (%)</i>	1.0	1.1	0.1	0.2
Low wage incidence (%) <sup>13</sup>	19.5	20.4	0.9	0.4
Gender pay gap <sup>14</sup>	\$3.78	\$3.44	-9.0%	-6.1%
NEETs (x1,000) <sup>15</sup>	1,169.7	804.1	-31.2%	-7.8%

## Underemployment Rate



## Underemployment by Immigration Status



# Regional Statistics

Regionally, the month of March saw labour market improvements across all of Canada, although the extent of job growth varied significantly. Ontario led the way, with 182,300 jobs added last month, accounting for more than 60% of the total employment growth across Canada. However, year-over-year, Ontario's unemployment rate is marginally higher, owing to the greater number of jobseekers that have returned to the labour force.

In Quebec, there was no monthly change in the unemployment rate, although the year-over-year decline of 1.8 percentage points was the largest amongst the regions. Interestingly, the relatively small increase in the participation rate since March 2020 compared to other regions indicates that many workers continued to be attached to the labour force during the early days of the pandemic, rather than exiting the labour market completely. Quebec's high rate of union coverage undoubtedly played a supportive role in maintaining workers' ties to the labour force.

Meanwhile, the Atlantic, Prairies and BC regions continue to see robust monthly job gains, although real wage growth has slowed and even declined in the case of the Prairies. The year-over-year decline in union coverage in these three regions since March 2020 suggests that much of the job growth over the past year has been driven by the return of non-unionized positions.



# Regional Statistics Continued

## Atlantic

	March 2020	March 2021	Mar. 2020–21 Change	Feb.–Mar. 2021 Change
Total employment (#)	1,086,400	1,126,100	39,700 3.7%	16,700 1.5%
Unemployment rate (%)	9.7	9.5	-0.2	-0.3
Participation rate (%)	59.1	60.9	1.8	0.7
Union coverage (%)	32.7	32.1	-0.6	-1.2
Average hourly wage (\$)	\$25.79	\$25.88	0.4%	0.2%
Average weekly hours (hrs.)	36.9	35.9	-2.7%	-0.4%



## Quebec

	March 2020	March 2021	Mar. 2020–21 Change	Feb.–Mar. 2021 Change
Total employment (#)	4,090,400	4,240,600	150,200 3.7%	25,900 0.6%
Unemployment rate (%)	8.2	6.4	-1.8	0.0
Participation rate (%)	63.3	63.9	0.6	0.3
Union coverage (%)	40.0	40.4	0.4	0.4
Average hourly wage (\$)	\$28.37	\$28.56	0.7%	1.1%
Average weekly hours (hrs.)	35.4	34.8	-1.7%	0.7%



## Ontario

	March 2020	March 2021	Mar. 2020–21 Change	Feb.–Mar. 2021 Change
Total employment (#)	7,098,200	7,368,100	269,900 3.8%	182,300 2.5%
Unemployment rate (%)	7.4	7.5	0.1	-1.7
Participation rate (%)	62.9	64.7	1.8	0.4
Union coverage (%)	26.8	27.9	1.1	-1.2
Average hourly wage (\$)	\$30.48	\$30.66	0.6%	-0.9%
Average weekly hours (hrs.)	36.0	35.7	-0.6%	0.8%



# Regional Statistics Continued

## Prairies

	March 2020	March 2021	Mar. 2020-21 Change	Feb.-Mar. 2021 Change
Total employment (#)	3,352,700	3,438,500	85,800 2.6%	43,400 1.3%
Unemployment rate (%)	8.4	8.4	0.0	-0.5
Participation rate (%)	67.4	68.6	1.2	0.4
Union coverage (%)	29.4	28.7	-0.7	0.1
Average hourly wage (\$)	\$31.39	\$30.92	-1.5%	-1.0%
Average weekly hours (hrs.)	36.7	35.8	-2.3%	-0.9%



## British Columbia

	March 2020	March 2021	Mar. 2020-21 Change	Feb.-Mar. 2021 Change
Total employment (#)	2,506,100	2,661,200	155,100 6.2%	35,000 1.3%
Unemployment rate (%)	7.2	6.9	-0.3	0.0
Participation rate (%)	63.0	66.1	3.1	0.8
Union coverage (%)	30.6	30.4	-0.2	-0.1
Average hourly wage (\$)	\$30.10	\$30.37	0.9%	0.4%
Average weekly hours (hrs.)	35.3	34.4	-2.6%	-0.5%



# Average Wages and Employment Gains/Losses by Industry

In contrast to previous months, which compared wage growth to the pre-pandemic period, March 2021 saw significant year-over-year reductions in average real wages across a number of sectors. Fairly significant declines are found in private sector industries with higher rates of union coverage such as manufacturing, construction, and mining, oil and gas, suggesting that the pandemic-induced recession may have potentially led to a retrenchment of workers' bargaining power as layoffs mounted.

The chart depicting the change in employment numbers by industry (pg. 8) continues to use February 2020 as a baseline month to gauge the progress of sectoral recovery since the start of the pandemic. These figures show that the accommodation and food services industry still bears the brunt of job losses during the pandemic, while retail trade has recovered somewhat in recent months. Meanwhile, manufacturing has roared back to life, with both durables and non-durables manufacturing showing a net increase in jobs since February 2020. Finally, the educational services industry now leads the way in terms of post-pandemic job growth, although it remains unclear how many of these jobs will be maintained for the upcoming school year.

## Average Hourly Wages by Industry

Industry	March 2021	March 2020-21 Change
Agriculture	\$20.56	-0.9%
Forestry	\$31.65	4.4%
Fishing, hunting, and trapping	\$21.51	-21.9%
Mining, oil, and gas	\$42.89	-3.1%
Utilities	\$45.71	-3.0%
Construction	\$32.10	-0.2%
Manufacturing - durables	\$29.43	-1.9%
Manufacturing non-durables	\$27.08	-2.0%
Wholesale Trade	\$29.11	0.4%
Retail Trade	\$20.63	-0.6%
Transportation and Warehousing	\$29.62	5.6%
Finance and Insurance	\$36.43	2.0%
Real Estate and rental and leasing	\$28.72	-1.5%
Professional, Scientific and Technical Services	\$36.40	-2.4%
Business, building and other support	\$22.80	2.1%
Educational Services	\$35.53	-1.3%
Health Care and Social Assistance	\$29.49	1.1%
Information, Culture and Recreation	\$31.17	4.4%
Accommodation and Food Services	\$17.49	2.0%
Other Services	\$26.75	3.2%
Public Administration	\$39.95	-0.8%

# Average Wages and Employment Gains/Losses by Industry Continued

Employment Change by Industry, February 2020 to March 2021

Agriculture	-25,880	
Forestry	-1,743	
Fishing, hunting, and trapping		1,685
Mining, oil, and gas		3,589
Utilities		3,392
Construction	-29,144	
Manufacturing - durables		4,610
Manufacturing non-durables		11,294
Wholesale Trade	-9,173	
Retail Trade	-30,569	
Transportation and Warehousing	-67,436	
Finance and Insurance		38,606
Real Estate and rental and leasing	-9,252	
Professional, Scientific and Technical Services		68,381
Business, building and other support	-63,757	
Educational Services		70,996
Health Care and Social Assistance		18,776
Information, Culture and Recreation	-62,785	
Accommodation and Food Services	-295,430	
Other Services	-58,509	
Public Administration		16,337





# 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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