

Canada employment holds steady, unemployment rises.

The Canadian labour market held steady for the second consecutive month with 8.8K jobs added. Analysts polled by Reuters had estimated a loss of 12.5K. Gains in full-time employment (+58K; +0.3%) was offset by a decline in part-time work (-49K-1.3%).

“Overall, there has been virtually no employment growth since January” StatCan said in the release. This follows a gain of 211K (+1.0%) jobs from October through January 2025.

The unemployment rate ticked up to 7.0%, the third consecutive monthly increase and the highest since September 2016 outside of the pandemic.

There were 1.6M unemployed people, an increase of 13.8% (+191K) from a year ago which indicates “people are facing greater difficulties finding work in the current labour market”, it said. The average duration of unemployment has also been rising with people spending an average of 21.8 weeks searching for work, up from 18.4 weeks a year earlier.

Private sector jobs rose by 61K (+0.4%), the first increase since January. The public sector fell by 21K (-0.5%), following an increase in April mostly associated with temporary hiring for the federal election. Self-employment fell by 30K (-1.1%), the first significant drop since May 2023.

Employment among core-aged (25 to 54) women increased by 42K (+0.6%), while it fell among core-aged men by 31K (-0.4%). Employment was little changed for youth and people aged 55+.

Employment grew in wholesale and retail trade (+43K; +1.5%), information, culture and recreation (+19K; +2.3%), finance, insurance, real estate, rental and leasing (+12K; +0.8%) and utilities (+4.9K; +3.1%).

Employment fell in public administration (-32K; -2.5%), accommodation and food services (-16K; -1.4%), transportation and warehousing (-16K; -1.4%) and business, building and other support services (-15K; -2.1%).

Employment increased in British Columbia (+13K; +0.4%), Nova Scotia (+11K; +2.1%), and New Brunswick (+7.6K; +1.9%), while it declined in Quebec (-17K; -0.4%), Manitoba (-5.8K; -0.8%), and Prince Edward Island (-2.7K; -2.9%). There was little change in the other provinces.

Average hourly wages increased 3.4% (+\$1.20) to \$36.14 YOY, the same growth rate as in April.



EMPLOYMENT

▲ 8,800

IN MAY



AVERAGE HOURLY WAGE

▲ \$36.14

3.4% ABOVE MAY 2024



UNEMPLOYMENT RATE

▲ 7.0%

6.3% IN MAY 2024

Monthly Job Change and Unemployment Rate

