



Canada Talent Market Monthly

September 5, 2025

Canada loses 66,000 jobs as unemployment rate climbs to 7.1%

The Canadian economy lost 66K jobs (-0.3%) in August, adding to the decline of 41K in July. The loss was mostly in part-time work (-60K; -1.5%), full-time employment was little changed (-6K; -0.0%).

The employment rate—the proportion of the working-age population—fell 0.2% to 60.5%, the second consecutive monthly decline. The employment rate has been trending down, falling 0.6% from January to August.

The number of those self-employed fell by 43K (-1.6%); self-employment has recently trended down, offsetting gains in the second half of 2024 and early 2025. There was little change in the private and public sectors.

Employment fell for both core-aged men (-58K; -0.8%) and core-aged women (-35K; -0.5%). There was little change among youth aged 15 to 24 and those aged 55 and older.

The unemployment rate ticked up 0.2% to 7.1% and was the highest since May 2016 (excluding the pandemic). The rate has been consistently rising this year, up from 6.6% in January. For comparison, it averaged 6.0% from 2017 to 2019, just prior to the pandemic.

Employment fell across several industries, including professional, scientific and technical services (-26K; -1.3%), transportation and warehousing (-23K; -2.1%), and manufacturing (-19K; -1.0%). On the other hand, the construction sector gained 17K jobs (+1.1%).

Several provinces recorded declines, the largest were Ontario (-26K, -0.3%), British Columbia (-16K; -0.5%) and Alberta (-14K; -0.6%). Employment also declined in New Brunswick (-6.5K; -1.6%), Manitoba (-5.2K; -0.7%), and Newfoundland and Labrador (-3.2K; -1.3%). Prince Edward Island had an employment gain (+1.1K; +1.2%) and Quebec held steady for a second consecutive month.

Average hourly wages increased 3.2% (+\$1.12) to \$36.31 year-over-year.

A poll of economists expected a gain of 10K jobs and the unemployment rate to rise to 7%, according to LSEG Data & Analytics.



EMPLOYMENT

▼ 66,000

IN AUGUST



AVERAGE HOURLY WAGE

▲ \$36.31

3.2% ABOVE AUGUST 2024



UNEMPLOYMENT RATE

▲ 7.1%

IN AUGUST

Monthly Job Change and Unemployment Rate

