



May 2024

Canadian Job Market Summary

TalentRise's monthly summary of the employment landscape, staffing updates, and industry trends

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Overview

61.3%

Employment rate held steady

Employment was little changed in May (+27,000; +0.1%) and the employment rate fell 0.1 percentage points to 61.3%.

6.2%

Unemployment rate little changed

The unemployment rate was 6.2% in May, up 0.1 percentage points in the month and 0.9 percentage points on a year-over-year basis.

1.1%

Employment increased most in health care and social assistance

Employment rose in May in health care and social assistance (+30,000; +1.1%), finance, insurance, real estate, rental and leasing (+29,000; +2.0%), business, building and other support services (+19,000; +2.7%), as well as accommodation and food services (+13,000; +1.1%). It declined in construction (-30,000; -1.9%), transportation and warehousing (-21,000; -1.9%) and utilities (-5,400; -3.5%).

5.1%

Average hourly wages increased

Average hourly wages among employees increased 5.1% (+\$1.69 to \$34.94) on a year-over-year basis in May, following growth of 4.7% in April (not seasonally adjusted).

0.6%

Employment increased in Ontario by 0.6%

Employment increased in May in Ontario (+50,000; +0.6%), Manitoba (+7,800; +1.1%), and Saskatchewan (+5,400 +0.9%), while there were declines in Alberta (-20,000; -0.8%), Newfoundland and Labrador (-2,100; -0.9%) and Prince Edward Island (-1,100; -1.2%). There was little change in the remaining provinces.



Overview

Employment among young women aged 15 to 24 rose by 48,000

Employment rose by 48,000 (+3.7%) for young women aged 15 to 24 in May, the first increase in nine months. For male youth, employment declined by 23,000 in May (-1.6%), partly offsetting the increase in April (+39,000).

The youth employment rate was virtually unchanged in May at 55.6% but has generally been on a strong downward trend following a recent high of 59.4% in March 2023. On a year-over-year basis, the youth employment rate was down 2.4 percentage points in May 2024, and was lower than the average rate of 58.2% observed from 2017 to 2019, prior to the COVID-19 pandemic.

The employment rate of returning students aged 20 to 24 was 61.0%

From May to August, the Labour Force Survey (LFS) collects labour market information from students who attended school full time in March and who intend to return to school full time in the fall. The month of May provides the first indicator of the summer job market, especially for students aged 20 to 24, as many younger students are still in school.

In May 2024, the employment rate of returning students aged 20 to 24 was 61.0%, 2.9 percentage points lower than in May 2023 (63.9%). In comparison, the average employment rate for May in 2017, 2018 and 2019 was 62.2% (not seasonally adjusted).

Employment among core-aged women (aged 25 to 54) fell by 40,000 (-0.6%) in May

Employment among core-aged women (aged 25 to 54) fell by 40,000 (-0.6%) in May, the first decline since March 2022. As a result, the employment rate of women in this age group fell 0.8 percentage points to 80.6% in May 2024, the lowest rate since January 2022.

For core-aged men, employment held steady in May 2024 and the employment rate decreased 0.2 percentage points to 87.1%. On a year-over-year basis, the employment rate for core-aged men was down 1.0 percentage points.

Despite trending down in the past year, the employment rates of core-aged women and men in May remained above their respective pre-pandemic annual averages from 2017 to 2019 (79.3% for women and 86.5% for men).



Industry Trends – Diversity & Inclusion

In 2024, diversity and inclusion are set to profoundly influence Canadian recruitment, not solely for attracting and retaining talent, but also for bolstering their employer brand. The rise of diversity and inclusion job boards reflects this shift, offering access to candidates from varied backgrounds, including underrepresented groups. The Canadian Revenue Agency emphasizes the significance of employment equity, diversity, and inclusion, underscoring their role in enhancing policy design, program delivery, and overall organizational success.

- 70% of Canadian employers say they are focused on improving DEI, only 30% of employers have a multiyear DEI strategy
- About half set DEI goals and measures on a regular basis
- 2 in 5 track rates of hiring, promotion, and exits by gender
- 2 in 5 set diversity targets as part of their strategy and reporting
- 1 in 6 track rates of hiring, promotion, and exits by race and ethnicity

Consider these steps to create and implement an effective DEI strategy:

Maintain focus - More than half of all organizations surveyed say they are focused on improving DEI and already have a strategy and action plan in place.

Take responsibility - Many organizations have established internal groups to implement and monitor DEI strategy.

Keep the goal in sight - About half of all organizations set DEI goals and measures on a regular basis.

Track your progress - Most organizations are not tracking their hiring, promotion and exits by gender, race and ethnicity.

Eliminate biases - Many organizations routinely review their talent management processes to remove potential biases.



Industry Trends – Artificial Intelligence

Canadian experts predict increased AI integration in HR, leading to data-driven HR solutions that enhance efficiency, reduce costs, and enable accurate decision-making.

Examples include:

- Automated sourcing and candidate evaluation.
- Onboarding and candidate experience.
- Data-driven decision-making.
- Personalized job recommendations and content.

Canadian HR/talent acquisition leaders surveyed are more likely to believe AI will replace more jobs (55%) than create more jobs (31%) within the foreseeable future.

They also said their team is currently using AI systems and tools to write job descriptions or ads (34%).

8% of Canadian HR and talent acquisition leaders reported that their teams are not currently utilizing AI tools.

The Canadian government announced they are investing more than \$2 billion for an enhanced AI strategy — to boost productivity and build artificial intelligence capacity.

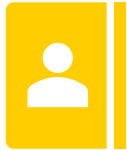
The federal government is ensuring that workers whose jobs may be disrupted by the continuing rise of artificial intelligence will be equipped with the skills they need to be able to adapt. This includes \$50 million for the Sectoral Workforce Solutions Program.

There is a growing demand for candidates with expertise in AI.

The rapid growth of artificial intelligence would expose almost 40% of global employment.

Ontario is investing an additional \$100 million in 2024–25 through the Skills Development Fund Training Stream under its 2024 budget.

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