

National Issue Summary

Employment in Canada

JANUARY 2026

United Way Centraide Canada (UWCC) has developed National Issue Summaries on key issue areas of national concern that are central to our network's mission. They summarize available data and research to provide an overview of the issue and how the United Way Centraides (UWCs) are investing in community supports and solutions.



What employment and unemployment mean

Employment defines when a person has a job or position working for income, including working for an employer, self-employment, and short-term labour, such as contracts or gig work.¹ Unemployment is when people are without paid work, are available to work, and are actively looking for paid work.²

Who experiences food security challenges

- While employment challenges can happen to anyone, women, youth, and older workers are more likely to experience them.³
- Indigenous peoples, Black and racialized people, racialized immigrant women, veterans, 2SLGBTQIA+ people, those with criminal records, mental health conditions or disabilities, as well as single parents and caregivers encounter disproportionate barriers to employment.
- Rural and northern communities face increased risk of long-term employment due to fewer opportunities, lower wages, and limited job options.^{4,5}

The facts about employment in Canada

- Long-term unemployment is growing. In March 2025, almost 24% of unemployed people have been job hunting for 27 weeks or more, up from 18.3% in March 2024.⁶
- In most communities, full-time employment at minimum wage is insufficient to cover basic needs like housing and food.⁷
- Canada's workforce is aging, yet youth face an unemployment crisis. In 2025, 914,000 youth aged 15-29 were neither working, in school, nor in training - 200,000 more than two years ago.^{8,9}

¹ Government of Canada. June 27, 2025. [Income Tax Act, R.S.C., 1985, c. 1 \(5th Supp.\), s. 248](#).

² Statistics Canada. November 17, 2021. [Dictionary, Census of Population, 2021](#).

³ Employment and Social Development Canada. 2024. [Building a modern 21st century workforce](#).

⁴ Statistics Canada. 2025. [Employment by Industry in Rural Canada](#).

⁵ The Career Accelerators. April 10, 2025. [40+ Canadian Job Market Trends](#).

⁶ Statistics Canada. April 4, 2025. [Labour Force Survey, March 2025](#).

⁷ Living Wage Canada. n.d. [Rates](#).

⁸ King's Trust Canada. November 25, 2024. [Canada's youth unemployment crisis is an \\$18.5 billion opportunity](#).

⁹ Employment and Social Development Canada. June 12, 2025. [Question period note](#).

Addressing the labour market crisis is urgent

- Over 60% of food-insecure households rely mainly on wages, salaries, or self-employment, indicating that people are struggling to meet their basic needs even with employment.¹⁰
- Nearly one-quarter of people work in gig, contract or other non-traditional jobs, with 45% taking on this type of work because they're financially stressed due to the cost of living.^{11,12,13}
- Unemployed people are almost twice as likely to go without vital health care—prescriptions, dental visits, and mental health support—due to cost.^{14,15,16}

What everyone needs to know about employment and unemployment

- Canada's labour market is facing a growing crisis marked by low job security, stalled wages, and widening inequalities.^{17,18,19}
- Living wages build healthier families, fairer workplaces, and stronger communities by reducing poverty and improving income equality, health outcomes, and social inclusion.^{20,21}
- Good jobs build a stronger, more equitable economy. Training and innovation help reduce poverty and increase economic resilience.^{22,23}

UWCs are building communities where no one needs to go hungry

Across Canada, UWCs are addressing the labour market crisis in four ways:

- **Investing** in non-profit and charitable organizations that deliver training, work placements and wraparound services like childcare and language training.
- **Building capacity** by providing education on decent work and inclusive employment practices.
- **Leading collaborative efforts** that foster collective work on sector-wide labour force strategies and create sustainable employment.
- **Driving system change** by advocating for policy change and raising awareness about inclusive employment.

¹⁰ Ashton, L., S. Stern, E. Fraser and P. Cripps. June 18, 2025. [Feeding the crisis: The tariff toll on food insecurity](#).

¹¹ Wellesley Institute, R. Cheff and S. Um. November 24, 2021. [A new normal for health coverage](#).

¹² McKinnon, M. 2025. [2025 statistics and tax tips for Canadian gig workers](#).

¹³ Nay, I. P. 2024. [Nearly a quarter of Canadians work in the gig economy](#).

¹⁴ Wellesley Institute, R. Cheff and S. Um. November 24, 2021. [A new normal for health coverage](#).

¹⁵ Statistics Canada. February 12, 2025. [Cost-related avoidance of oral health services](#).

¹⁶ PolicyMe. June 3, 2025. [Health insurance access & affordability in Canada](#).

¹⁷ Benchetrit, J. 2025. [Gen Z is facing the worst youth unemployment rate in decades](#).

¹⁸ Ivanova, I., and K. Strauss. April 13, 2023. [New survey data shines light on the extent and impacts of precarious employment in BC](#).

¹⁹ Bernard, B. May 6, 2025. [Canadian labour market update Q1 2025](#).

²⁰ Policy Alternatives. n.d. [Canadian living wage framework](#).

²¹ United Way Perth Huron. 2019. [Living wage](#).

²² Government of Canada. 2025. [Goal 8 of the Federal sustainable development strategy](#).

²³ Nova Scotia Community College. 2025. [Goal 8: Decent work and economic growth](#).