

Study: Youth employment in Canada

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As a result of the COVID-19 pandemic, unemployment rates for young Canadians increased by about 6 percentage points from 2019 to 2020, roughly twice the increase observed among older Canadians. By 2020, the unemployment rates of young men and young women aged 15 to 30 and not in school full-time stood at 15.5% and 13.7% respectively. These relatively high unemployment rates suggest that young high school and postsecondary graduates who entered the labour market in 2020 or who will do so in 2021 might see lower earnings in the years following graduation than they would have in a more dynamic labour market.

These findings are from the "[Chapter 2: Youth employment in Canada](#)" of *Portrait in Youth in Canada: Data Report*, a publication highlighting what is known about Canadian youth. In the next few months, *Portrait of Youth in Canada* will continue to focus on themes like demographics, education, social engagement and well-being, the environment, and Indigenous youth.

This second chapter also describes how employment rates—the percentage of the population with a job—wages, and the types of jobs held by young Canadians have evolved over the last four decades.

The disruptive impact of COVID-19 on the youth labour market

As the COVID-19 pandemic disrupted the Canadian labour market, the employment rates of young men and women fell substantially from 2019 to 2020, more so than those of older Canadians.

Young women not in school full-time saw their employment rates drop by about 8 percentage points, from 78.8% in 2019 to 71.0% in 2020. The corresponding percentages were 80.5% and 72.1% for young men. In contrast, the employment rates of older workers fell by roughly 4 percentage points from 2019 to 2020.

Because of the job losses the pandemic triggered, the percentage of young men and young women not employed, in education or training (NEET) increased by between 3 and 4 percentage points from 2019 to 2020. As a result, 14.4% of young men and 13.4% of young women ended up being neither in school nor employed during the school months of 2020.

Pay rates for young employees increased during that period, but the overall growth in pay rates was, to a large extent, driven by the disappearance of low-paying jobs, many of which were initially held by young Canadians. In this context of net job loss, median real hourly wages of young male and female full-time employees grew by 9% and 11%, respectively, from 2019 to 2020.

In response to the threat posed by the virus, many young Canadians started working from home and, like older workers, did so to a degree never witnessed before the pandemic. The share of total aggregate hours worked from home by young employees increased from 2.9% in 2016 to 41.8% in April 2020. By February 2021, young employees worked roughly one-third of all their hours from home.

As they experienced a sharper drop in employment and work hours than older Canadians, [young Canadians applied for the Canada Emergency Response Benefit \(CERB\) program and received payments from this program in greater proportions.](#)

Young men and young women have had diverse labour market trajectories over the last four decades

The report also highlights key labour market trends observed among youth from the early 1980s to 2019, prior to the COVID-19 pandemic. It shows that young men and young women have had diverse labour market trajectories over the last four decades.

For example, median real hourly wages of young men employed full-time grew by 2.1% from 1981 to 2019. In contrast, young women saw their median real hourly wages increase by 22.0% during that period. Nevertheless, young women still earned less than young men by 2019.



Employment rates of young women not in school full-time trended upward from the early 1980s to 2019, rising from 65.7% in 1981 to 78.8% in 2019. However, employment rates of young men not in school full-time stood at 80.5% in 2019, compared with 82.9% in 1981.

As young women entered the labour market in growing numbers, the percentage who were neither in school nor employed trended downward from 1981 to 2019. In 2019, 10.5% of young women did not attend school and did not have a job, less than half the rate of the 24.9% observed in 1981. In contrast, the percentage of young men neither in school nor employed did not trend downward during that period. It rose during recessions and fell afterwards, but at 10.4%, was slightly below its level in 1981 (12.0%).

Youth employment has become more precarious since the late 1980s

As the Canadian labour market witnessed technological changes, growth in international trade, fluctuations in real minimum wages, and declines in unionization, the types of jobs held by young Canadians have changed over the last few decades.

Both young male and female workers were less likely to have full-time permanent jobs in 2019 than in the late 1980s. In 1989, 80.8% of men and 77.1% of women aged 15 to 30 had such jobs; these numbers fell to 73.0% and just over 67.3% in 2019, respectively.

The increase in part-time employment that young Canadians have experienced over the last few decades largely reflects their greater difficulty in finding full-time employment in recent years, rather than growing preferences for part-time work.

Lastly, the report shows that, compared with their less-educated counterparts, highly educated young Canadians enjoy a triple advantage in the Canadian labour market since they are more likely to have a job, to be employees holding full-time permanent positions, and to earn higher wages.

The "[Chapter 2: Youth employment in Canada](#)" is now available in the online issue of *Portrait of Youth in Canada: Data Report* ([42280001](#)).

The infographic "[Portrait of youth in Canada: Employment](#)" is now available as part of the series *Statistics Canada — Infographics* ([11-627-M](#)).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).