

Disaggregating wage growth: Trends and considerations

Released at 8:30 a.m. Eastern time in *The Daily*, Friday, June 3, 2022

A new presentation, "[Disaggregating wage growth: Trends and considerations](#)," looks below the surface of trends in wage growth, highlights important factors to consider when interpreting recent findings, and illustrates the value of using a wide range of indicators to paint a comprehensive picture of current labour market conditions.

Interpretation of wage trends must take into consideration a significant shift in employment from lower-wage to higher-wage industries which has occurred over the past three years, due in part to the COVID-19 pandemic. From April 2019 to April 2022, for example, employment decreased by 13.7% in accommodation and food services and increased by 16.8% in professional, scientific and technical services (Chart 3 in the presentation).

While average hourly wages are often the focus of commentary, a range of additional indicators from multiple sources, and consideration of differences across industries, are required to fully interpret wage growth and broader labour market conditions (Chart 4). In the accommodation and food services industry, for example, growth in average hourly wages from March 2019 to March 2022 lagged behind CPI growth. Over the same period, for this industry, both the wages of recently-hired workers and the offered wages of job vacancies matched the rate of consumer inflation, pointing to pressures on employers to raise wages in response to labour shortages (Chart 5).

In professional, scientific and technical services, growth in average wages, offered wages and weekly earnings each exceeded consumer inflation over the period from March 2019 to March 2022. Wages of recently-hired employees lagged behind, suggesting compositional differences between new hires and the overall industry workforce over this period (Chart 5).

Together, the Labour Force Survey (LFS), the Survey of Employment, Payrolls and Hours (SEPH) and the Job Vacancy and Wage Survey (JVWS) paint a comprehensive and accurate portrait of current labour market conditions. Statistics Canada is committed to continuing to inform Canadians on the economic and social impacts of inflations, including whether the paycheques of workers are keeping pace with the costs of goods and services.

Definitions, data sources and methods: survey numbers [2301](#) and [3701](#).

The product "[Disaggregating wage growth: Trends and considerations](#)" is now available as part of *A Presentation Series from Statistics Canada About the Economy, Environment and Society (11-631-X)*.

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; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).