

The Canadian labour market added 76K jobs and the unemployment rate ticks down.

The Canadian labour market added 76K jobs (+0.4%) in January with increases in both full-time work (+35K; +0.2%) and part-time work (+41K; +1.1%).

The employment rate—the proportion of the people aged 15+ who are employed—increased 0.1% to 61.1%, marking the third consecutive monthly increase.

The private sector added 57K jobs (+0.4%), while the public sector lost 8.4K jobs (-0.2%). The number of self-employed people rose by 27K (+1.0%).

Employment growth was concentrated among those 25 to 54, with gains for both women (+36K; +0.5%) and men (+28K; +0.4%). Employment was also up for youth aged 15 to 24 (+31K; +1.1%) but fell for men aged 55+ (-20K; -0.8%).

The unemployment rate ticked down 0.1% to 6.6%, marking the second consecutive monthly decline from a recent peak of 6.9% in November 2024.

Average hourly wages were up 3.5%, the slowest pace of growth since April 2022.

Job gains were led by manufacturing (+33K; +1.8%), with a third of those in Ontario, and professional, scientific and technical services (+22K; +1.1%).

Employment rose in Ontario (+39K; +0.5%), British Columbia (+23K; +0.8%), and New Brunswick (+2.9K; +0.7%) and was little changed in the other provinces.

In the spotlight: The Manufacturing Sector

Employment may be particularly susceptible to changes in tariffs and foreign demand; the sector is the fourth largest in Canada with an estimated 39.4% of the 1.9M manufacturing jobs dependent on US demand for Canadian exports.

Automotive manufacturing is highly integrated with US supply chains with an estimated 68.3% of jobs depend on US demand for Canadian exports.

Food manufacturing was the largest subsector and accounted for 16.4% of jobs. This subsector is less reliant on foreign demand, with 28.8% of jobs dependent on US demand for Canadian exports.



EMPLOYMENT

▲ **76,000**

IN JANUARY



AVERAGE HOURLY WAGE

▲ **\$35.99**

3.5% ABOVE JANUARY 2024



UNEMPLOYMENT RATE

▼ **6.6%**

5.7% IN JANUARY 2024

Monthly Job Change and Unemployment Rate

