

## Still struggling: Racialized Workers in the Post-Pandemic Labour Market in Canada

Katherine Scott, Canadian Centre for Policy Alternatives (CCPA), 2025. Link to full text of report:  
<https://www.policyalternatives.ca/wp-content/uploads/2025/06/still-struggling-1.pdf>

In 2020, many feared the pandemic would **worsen existing inequalities**. Those fears were justified: Custom data from Statistics Canada on employment, wages and industrial sector (workers ages 25–54 years) reveal a **two-tier recovery**.

### Growing Numbers of Racialized Workers

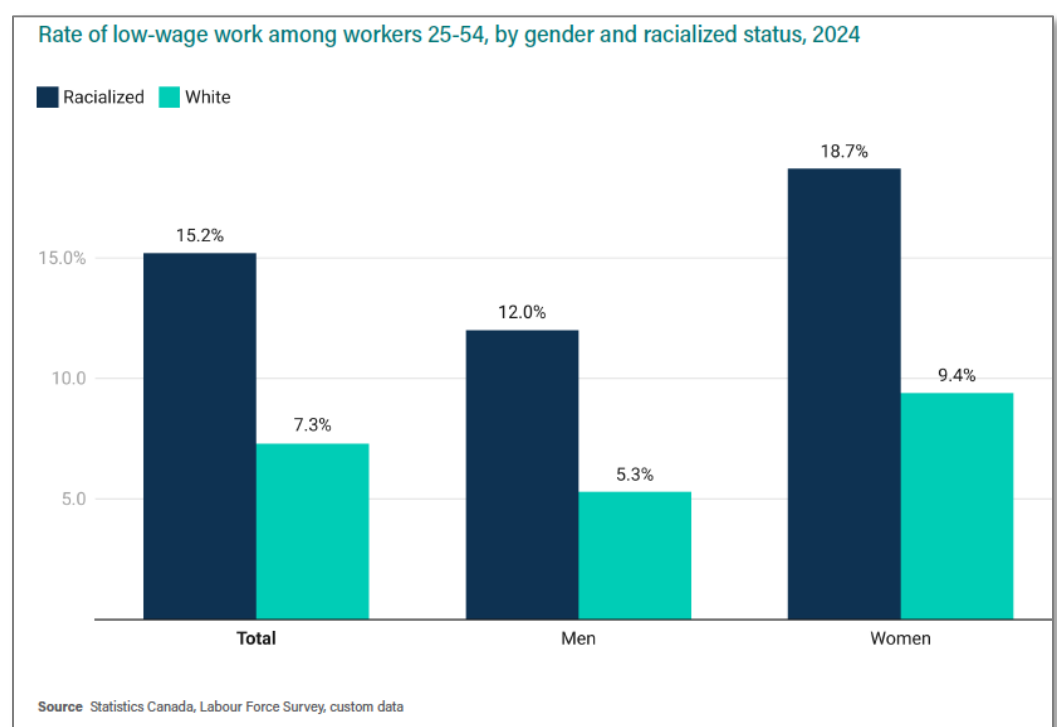
- The number of racialized worker in Canada’s labour market **grew by by 19.1%** between 2022 and 2024, while the number of white workers declined -0.2%.
- Racialized workers now represent **over one-third of workers ages 25-54 years** (36.3%), driven by rising immigration and non-permanent residency.

### Employment Gains

- Employment among racialized workers reached a historic high (81.5%) in 2023, **narrowing the employment gap** with white workers (86.1%).
- Racialized workers are **moving into both high-wage and low-wage sectors** (e.g., professional services, public administration vs. hospitality, retail).
- Racialized workers **led employment growth** in all industry categories.

### Persistent Wage Gap & Disparities

- Rate of **low-wage work two times higher** among racialized vs. white workers (15.2% vs. 7.3%)
- Rates are especially high among **racialized women**.
- The **wage gap** between racialized and white workers persists: In 2024, median wages for racialized workers were **84.6 %** of median wages for white workers (\$29.63/hour vs. \$35.02/hour)
- The gap is worse for racialized women, who earn only **74.1 %** of that is earned by white men.



### Government Inaction

With an economic recession on the horizon, low waged workers, currently struggling with the very high cost of living, risk falling even further behind.

- The federal government has not addressed the shortcomings of our EI system that were so graphically revealed during the pandemic.
- There remain gaping holes in our employment standards and regulations.
- Our health and social services systems have not recovered—drained and strained by years of austerity.



The post-pandemic two-tier recovery has left racialized workers vulnerable to future economic shocks (e.g., trade wars). Canada is not prepared.

## Recommendations for a more resilient and inclusive Canadian labour market

### Disaggregated Data

Racialized groups are not all socioeconomically equal: It is essential to compare data for the different racial groups in the labour market to identify who is being left behind.

### Increased Protections

The pandemic exposed the need for EI reform and the need for stronger employment standards and their enforcement, as well as protections for temporary workers.

### Targeted Support

Policy alternatives are needed to advance the economic security of racialized women, especially those engaged in low-wage and precarious work.

### Proactive Investment

A trade downturn could hit racialized workers hard: A comprehensive approach is needed to elevate marginalized groups as Canada moves forward to bolster its economy and position its workers for the future.