

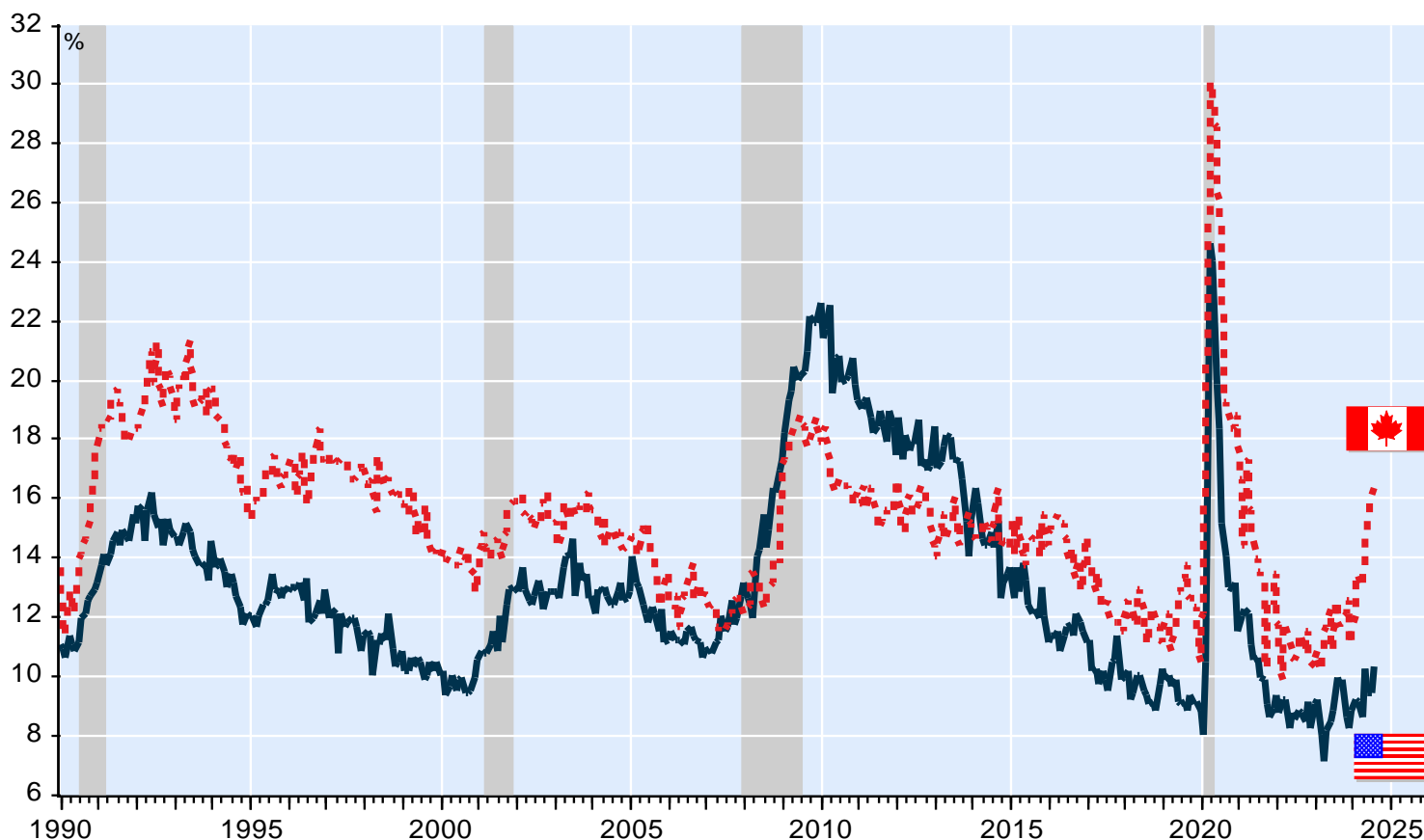
## Canada Watch

By Stéfane Marion

Canada's labor market continued to face challenges in August (see our analysis [here](#)), with one of the most concerning aspects being a sharp rise in the unemployment rate for young men, reaching a multi-year high of 16.3% (excluding the pandemic). This spike is particularly relevant for monetary policy, as a Bank of Canada analytical note from April ([link](#)) highlights the unemployment rate among men aged 15-24 as the top indicator among 32 labour market measures in explaining fluctuations in underlying inflation. As shown in today's Hot Chart, the unemployment gap between Canada and the U.S. for this group of workers is now at its widest point since the 1990s. To draw a comparison, during the 2008 U.S. recession, the film *No Country for Old Men* was released. Fast forward to 2024, and a Canadian version at the ongoing Toronto International Film Festival (TIFF) could aptly be titled *No Country for Young Men*. This troubling trend should also serve as a warning for another "Tiff" — Tiff Macklem — to accelerate the pace of rate cuts.

### Canada: No country for young men

Unemployment rate for men aged 15-24: Canada and the U.S.



NBC Economics and Strategy (data via Refinitiv)



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