

Food Banks Canada Brief to the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

Study on Youth Unemployment in Canada

Introduction

The long-standing promise that education and hard work will lead to opportunity, feels increasingly out of reach for young people in Canada. Youth unemployment now stands at 14.7% - the highest levels in a decade¹. For those who can find work, many face precarious employment opportunities, rising cost of living, and limited access to income supports. And in March 2025, youth aged 12 – 30 made up 27% of all food bank clients in Canada². Something is not working – and the implication and costs are mounting.

Research conducted by Food Banks Canada shows that the financial insecurity faced by young people in Canada, is closely tied to unstable employment and gaps in income supports. These barriers are not only limiting young people's participation in the labour market but also contributing to rising levels of material hardship.

Many young adults face low or inconsistent wages, inflexible working hours, and limited access to benefits, which deepens their financial vulnerability and makes it harder to qualify for EI, leaving many without a safety net when they are without work. Among food bank users in this age range, nearly one in four reports having no income at intake, underscoring the challenges young people face when employment is interrupted, and income supports are out of reach.

Our findings point to systemic barriers that must be addressed to reduce economic hardship and recommendations to ensure young people in Canada can gain employment and access a modernized social safety net during periods of unemployment.

Youth Access to Employment Insurance

National data from Employment and Social Development Canada show that young adults under 25 represent a small share, just 6.6%, of EI recipients. In contrast, those

¹ Labour Force Survey, September 2025. Statistics Canada. <https://www150.statcan.gc.ca/n1/daily-quotidien/251010/dq251010a-eng.htm>

² HungerCount 2025. Food Banks Canada.

https://content.foodbankscanada.ca/wordpress/2025/10/FBC_HungerCount_EN_2025.pdf

aged 25 – 34 and 35 – 44 account for 31.0% and 26.2%, respectively.³ Young adults also receive a smaller share of total EI benefits, 5.3 % of all payments, indicating both lower eligibility and smaller average benefit amounts. These trends align with declining eligibility among youth overall: for those aged 15 – 24, only 50.3% of unemployed youth qualified for EI in 2024, down from 57.1 % in 2023 and 64.9 % in 2022⁴.

Eligibility among young people has historically been lower than for older age groups, as many are unable to accumulate sufficient insurable hours or are disqualified due to “invalid” job separations such as voluntarily leaving work or returning to school. Provincial and territorial data show similar disparities, with the proportion of under-25 recipients ranging from about 5.9% in Ontario to 13.4% in Nunavut, reflecting differences in labour markets and entrance requirements⁵. Overall, the data points to structural and programmatic barriers that limit youths’ access to EI, even when they face periods of unemployment.

Income and Food Insecurity Among Youth

Results from Pollara Strategic Insights polling in April 2025, for Food Banks Canada, of 1,500 respondents, show that (N = 1,500, July 2025) among those aged 18 – 24, 50% reported feeling financially worse off than three months prior, compared to 41% among all adults.⁶ In the same period, 28% of young adults said they had skipped a meal due to lack of money, and 20% had accessed food from a community organization at no cost, nearly double the rate for the general population. These indicators point to a heightened level of economic strain among youth, consistent with their increased likelihood of working in jobs that offer inconsistent hours, limited benefits, and low pay.

Food bank intake data further confirms the extent of income vulnerability among young adults. Across Canada, 23.5% of food bank users aged 18 – 30 reported having no income at all at the time of intake, compared to 13.5% among older users⁷. This aligns with evidence that groups often excluded from EI coverage, such as international students and temporary foreign workers, are concentrated among younger age groups and face similar income gaps when employment is interrupted.

³ Employment Insurance (EI) program statistics. Employment and Social Development Canada. <https://www.canada.ca/en/employment-social-development/programs/ei/statistics.html>.

⁴ Employment Insurance Coverage Survey, 2024. Statistics Canada. <https://www150.statcan.gc.ca/n1/daily-quotidien/251029/dq251029a-eng.htm>

⁵ Employment Insurance (EI) program statistics. Employment and Social Development Canada. <https://www.canada.ca/en/employment-social-development/programs/ei/statistics.html>.

⁶ Based on quarterly surveys commissioned by Food Banks Canada and conducted by Pollara Strategic Insights via online survey, from national sample of 1,500 Canadians, from April 2024 to July 2025.

⁷ HungerCount 2025. Food Banks Canada.

https://content.foodbankscanada.ca/wordpress/2025/10/FBC_HungerCount_EN_2025.pdf

Employment Barriers and Financial Stress

Employment-related stressors reported by youth aged 18 – 29 further demonstrate how precarious and unstable work contributes to financial hardship. Young respondents were significantly more likely than older adults to cite low wages, inconsistent or inflexible hours, the high cost of commuting, and lack of opportunities or experience as key drivers of financial stress. These conditions not only make it harder for young people to achieve stability in the labour market but also reduce their ability to qualify for EI when work hours are cut or jobs are lost.

Aspects of employment that contribute to financial stress

Q24 What, if any, aspects of your employment situation contribute to your being financially stressed?

N = 10,004	Age					
	18-24	25-29	30-44	45-54	55-64	65+
Low wages	38	37	32	27	18	5
Lack of benefits	18	24	18	15	14	5
Inconsistent hours	21	19	12	9	7	3
Inflexible hours	14	15	10	6	3	1
High cost of gas for the commute	23	28	27	27	18	7
High cost of public transit on the commute	15	17	12	9	5	2
Being forced back to work after working from home	5	8	8	7	2	1
Rising cost of living, but no salary increases	42	51	56	55	40	15
Being unemployed or partner/spouse is unemployed	16	17	14	13	11	4
Cannot afford training or certification	6	9	8	7	4	1
Lack of opportunities	25	26	24	16	9	3
Lack of experience	17	14	8	4	3	0
Lack of accommodation for disability	5	5	5	6	5	2
Lack of accommodation for caregiving	2	3	4	2	2	1
Distance to work	12	10	12	10	6	2
None of these/employment situation not stressful	15	11	19	23	43	77

Source: Pollara survey, March 2025, N = 10,004.⁸

For young adults who are employed, financial stress is a defining feature of their employment experience. The data reveals that nearly half of workers aged 18 – 29 cite the rising cost of living without matching salary increases as their top concern. Many young people feel they are running harder just to stay in place. Their paychecks are not going as far as they once did, especially with rising rent, food, and transportation costs.

⁸ Based on survey commissioned by Food Banks Canada and conducted by Pollara Strategic Insights via online survey, from national sample of 10,004 Canadians, from March 8-24, 2025

Closely tied to this is the issue of low wages, overall. Over a third of young workers report that their income is simply too low to meet basic financial needs.

Youth also express frustration with the lack of opportunities available to them. Many might feel trapped in positions with little room for advancement or face barriers to entering higher-paying or more stable roles. This sense of stagnation feeds broader feelings of economic insecurity and limits their ability to plan for the future.

Barriers to employment

Q25 What are the main barriers preventing you from finding or maintaining quality employment?

N = 10,004	Age					
	18-24	25-29	30-44	45-54	55-64	65+
Lack of childcare	5	10	10	2	0	0
Caregiving dependent adult	5	4	4	2	3	1
Transportation challenges	18	17	12	9	4	2
Insufficient qualifications or training	21	17	17	14	9	2
Disability or health issues	9	13	10	16	18	9
Limited job opportunities	48	40	35	28	21	6
Language barriers	6	9	6	4	2	1
None of these things apply/employment not affected	32	34	45	52	61	84

Source: Pollara survey, March 2025, N = 10,004.⁹

For young adults, finding or keeping quality employment often means navigating a landscape of structural and personal barriers. The most frequently cited obstacle is limited job opportunities — nearly half of respondents aged 18 – 29 report difficulty accessing stable, well-paying positions. Many young workers face a job market characterized by short-term contracts, part-time hours, and few pathways for advancement.

A close second is insufficient qualifications or training. Around one in five young people feel that a lack of credentials or specialized skills keeps them from securing better jobs. This highlights the growing mismatch between what employers demand and what young job seekers can afford to access, especially given the rising cost of postsecondary education and training programs.

Transportation challenges also feature prominently. Nearly one in five young adults struggle with commuting barriers, whether due to inadequate public transit, high costs of gas, or long travel times from where affordable housing is available. These constraints can limit access to job opportunities outside their immediate neighborhoods.

⁹ Based on survey commissioned by Food Banks Canada and conducted by Pollara Strategic Insights via online survey, from national sample of 10,004 Canadians, from March 8-24, 2025

Together, this data shows that youth aged 18 – 29 face significant financial and employment challenges marked by low wages, rising living costs, and limited access to stable, well-paying jobs. Many struggle, with the high cost of commuting, lack of benefits, and few opportunities for advancement, while others face barriers such as insufficient training or transportation difficulties. Together, these factors reveal a generation under financial strain and constrained by structural barriers that make it difficult to achieve stable, quality employment and long-term economic security.

Pathways to Job Attainment and Growth

While much of what young people face today reflects current global economic realities, effort must be made to ensure that younger people today and tomorrow have access to early work experiences. Research from the Work Research Institute at the Oslo Metropolitan University, found that early work experience had a positive impact in youth transitioning from school to the world of work, and potentially protects against youth becoming neither in employment, education, or training (NEET)¹⁰. Youth who obtain early employment, either as a first-time job, coop, apprenticeship, or summer job, learn workplace culture, norms, and expectations, grow professional networks, and gain soft skills that are helpful for future job attainment and growth.

Recommendations

To address the rising rates of food insecurity among working-age Canadians, in particular young people in low-wage and unstable jobs, the federal government must invest in skills development and training opportunities, opportunities for first-time employment, and strengthen income protections.

- The Government of Canada must invest in programs that emphasize skills development, employer mentorship, and formal work experiences. This can be done through the continued investment of the Youth Employment and Skills Strategy (YESS) and the Canada Summer Jobs program.
- The Government of Canada should ensure that YESS funding prioritizes youth facing systemic barriers – Indigenous youth, youth with disabilities, racialized youth, and those in rural and remote communities.
- The Government of Canada must further invest in affordable skills training and certification by increasing funding for apprenticeships and short-term credentialing designed to help young workers upskill quickly and move into higher-quality jobs.

¹⁰ Ballo, J. G., Heglum, M. A., Nilsen, W., & Bernstrøm, V. H. (2022). Can adolescent work experience protect vulnerable youth? A population wide longitudinal study of young adults not in education, employment or training (NEET). *Journal of Education and Work*, 35(5), 502–520.
<https://www.tandfonline.com/doi/epdf/10.1080/13639080.2022.2099534?needAccess=true>

- The Government of Canada should incentivize employers to convert temporary job placements (internships, apprenticeships, etc.) into permanent, good-quality jobs for youth, particularly in sectors of national interest including infrastructure development, AI, and green technology.
- The Government of Canada should modernize the EI system to better support youth, those in precarious work and those in the gig economy. The temporary EI measures announced in April 2025, for those workers impacted the threat of tariffs, should be extended indefinitely. Additionally, the government should:
 - Broaden the definition of *employment* to permanently include self-employed and gig.
 - Review and reduce the number of qualifying hours (currently 420–700) to reflect the realities of part-time and seasonal employment common among youth.
 - Expand the *Working While on Claim* provisions to let workers keep more of their earnings from temporary or part-time jobs without losing benefits.
 - Extend the maximum duration of EI benefits from 45 to 52 weeks, followed by a gradual reduction in cash benefits while maintaining access to non-cash supports such as training and education.
 - Collaborate with provinces and territories to reduce benefit clawbacks and better align EI with social assistance programs, ensuring smoother transitions for young workers facing income gaps.
 - Collaborate with online learning companies, to create and offer, training and skills development programs to youth who qualify for EI and need support to re-entering the world of work, with limited employment history.

Conclusion

Youth unemployment in Canada reflects a growing crisis of economic insecurity among young adults. The evidence shows that many young people face unstable, low-wage work, rising living costs, and limited access to benefits or income supports like Employment Insurance. These conditions leave youth highly vulnerable to financial hardship and food insecurity, as seen in the rising number of young food bank clients with no income at intake. Structural barriers, including limited job opportunities, high costs of education and transportation, and insufficient access to training, further constrain their ability to achieve stable, quality employment. To ensure that young Canadians can build sustainable livelihoods, coordinated action is needed to expand access to skills development, early work experiences, and modernized income protections. Without such interventions, Canada risks entrenching a generation of workers excluded from the promise of economic stability and opportunity.

About Food Banks Canada

Food Banks Canada is the leader in addressing food insecurity in Canada. Our mission is to provide national leadership to relieve hunger today and prevent hunger tomorrow in collaboration with the food bank network. For over 40 years, Food Banks Canada has been dedicated to helping people living in Canada with food insecurity. Over 5,500 food banks and community organizations come together to serve our most vulnerable neighbours, who – this year – made almost 2.2 million visits to these organizations in one month alone, according to our 2025 HungerCount report.

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