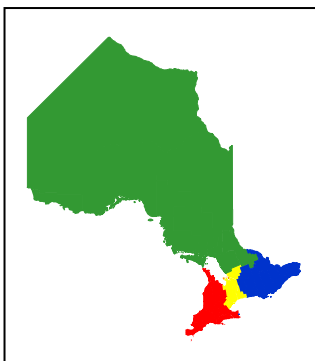


**Employment Ontario Central Region
2007 Annual Labour Market Report**



Produced by: Labour Market Information and Research Unit
Research and Planning Branch
Strategic Policy and Planning Division
Ministry of Training, Colleges and Universities
18th Floor, 900 Bay Street, Mowat Block
Toronto, ON M7A 1L2

Statistics Canada information is used with the permission of the Minister of Industry, as Minister responsible for Statistics Canada. Information on the availability of the wide range of data from Statistics Canada can be obtained from Statistics Canada's Regional Offices, its World Wide Web site at <http://www.statcan.ca>, and its toll-free access number 1-800-263-1136.

The Labour Force Survey collects monthly information on the labour market activities of Canada's working age population. The data is collected from a sample of 53,500 households (15,500 in Ontario) each month. The primary objective of the survey is to provide reliable estimates of employment and unemployment for Canada and the provinces, and to provide descriptive and explanatory data for each group. Data is also available for sub-provincial geographies.

Although the LFS is a valuable source for labour market information, caution should be used in interpreting period to period changes, especially for small geographic areas or for small data cells. All survey data is subject to sampling and non-sampling type errors that may result in misleading estimates. Documentation on LFS data quality is available from Statistics Canada's website at www.statcan.ca/english/sdds/document/3701_D4_T2_V3_E.pdf.

Cette publication est disponible en français sous le nom de:

RAPPORT SUR LE MARCHÉ DU TRAVAIL EN ONTARIO

Central Region Highlights, 2007

The Central Region's labour force constituted 51.3% of the province's in 2007, and is a major contributor to overall provincial economic trends. This region is as vibrant and diversified economically as its people are ethnically and culturally. Consequently, it is a major draw for new immigrants from around the world.

Employment in the region grew by a relatively healthy 2.3% in 2007, after registering a sluggish 1.6% growth in 2005 and 2006. Part-time employment has held steady for several years at approximately 16% of the Central Region's total employment. The unemployment rate increased slightly in 2007, to 6.6%. This rate is still well below its recent high of 7.3% in 2003. Long-term unemployment has been easing since 2004 and numbered 33,000 in 2007.

Strong gains (absolute terms) in professional, scientific and technical services, educational services, and accommodation and food services buoyed the labour market in 2007, while the manufacturing industry was a drag on the economy, losing 21,000 jobs. By occupational group, sales and services occupations were the fastest growing occupational groups. Management occupations lost the most jobs.

In recent years, this region not only has had to deal with traditional economic challenges, it has also had to deal with emerging long-term structural changes, both global and domestic. A slowing US economy, the high exchange rate, and decelerating personal disposable income growth (at the provincial level) have all contributed to slower growth in Ontario and in the Central Region.

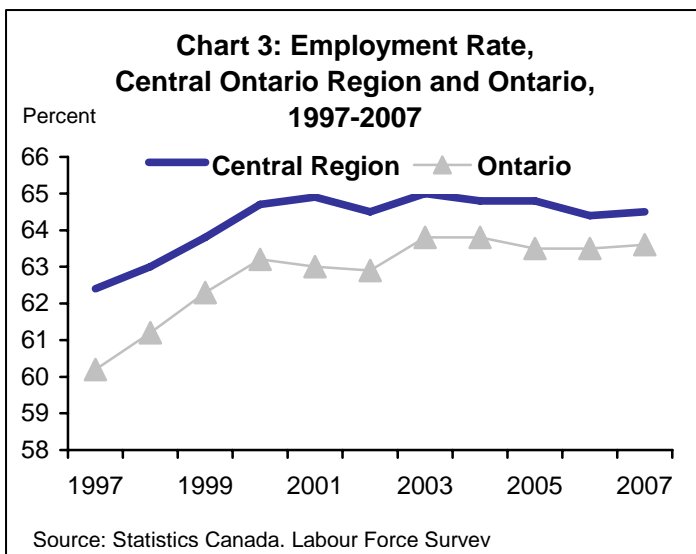
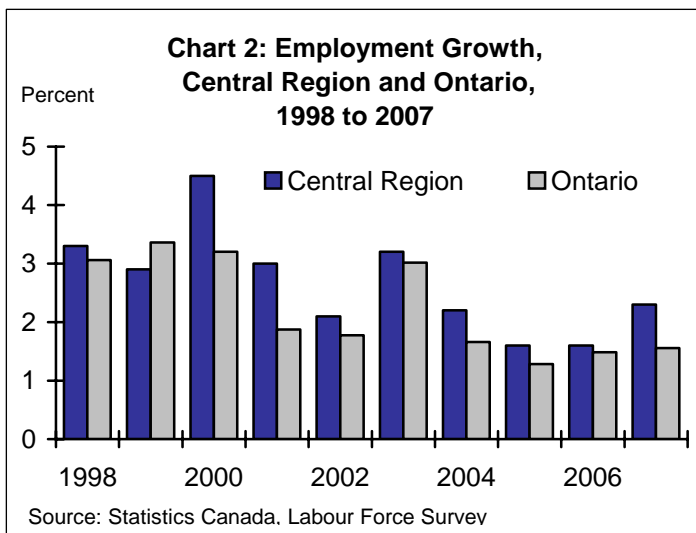
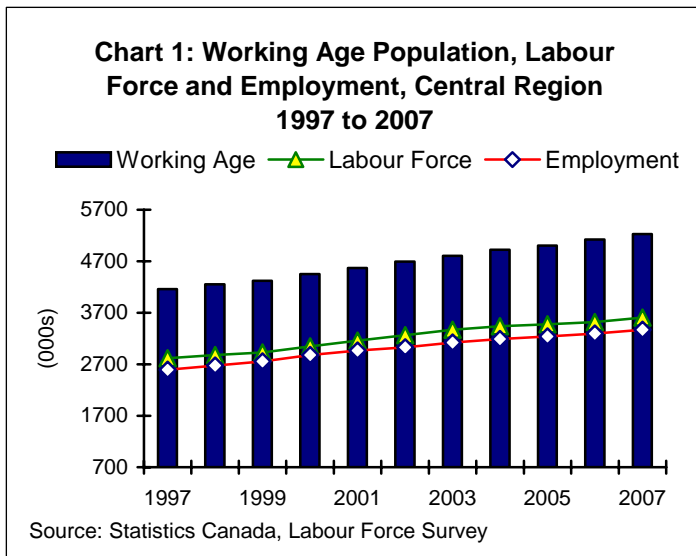
There are numerous structural and long-term trends, though, which will become more pronounced in the future. These include globalization, technological advances, new social concerns (i.e. the environment), and the aging of the population and labour force, among others. These factors are independent of the business cycle and will be a concern for some time to come.

These trends are of particular concern to the Central Region as globalization will affect the demand and therefore cost of production inputs. This combined with increasing competition from off-shore producers will continue to put pressure on the Central Region's manufacturing sector, which has already lost 52,000 (9.9%) jobs, from 2000 to 2007. Opportunities will arise, though, if the Central Region can utilize and further develop its technology base to take advantage of emerging sectors, like renewable energy, efficient transportation technology and ecological friendly products. That would boost employment in these sectors, which has already grown by 38,000 (14.0%), from 2000 to 2007.

The increasing retirement of our aging labour force will mean the labour force will have to be augmented in non-conventional ways. Increasing immigration, retaining labour market attachment beyond the normal retirement age, retraining, and increasing productivity are all options that will be explored.

Working Age Population and Employment

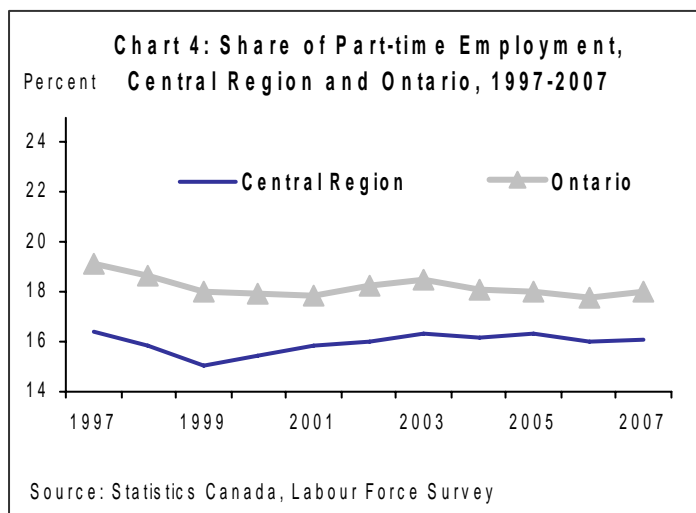
- The Central Region's working age population (15+ years) numbered 5,230,000 in 2007 and accounted for 50.5% of the province's working age population.
- Since 1997, the Central Region's working age population has been growing at an annual average growth rate of 2.3%, considerably higher than the provincial rate of 1.7%.
- In 2007, growth in the Central Region's working age population (2.1%) outpaced that in Ontario (1.3%).
- The Central Ontario Region has experienced fairly steady employment growth over the past 10 years. The average annual rate of employment growth over this period was 2.7%.
- In the past decade the Central Region's employment growth has been stronger than Ontario's in every year, with the exception of 1999. More recently, employment growth was relatively weak in 2005 and 2006 for both the Central Region and the province. In 2007 employment growth for the Central Region spiked up to 2.3%, while that for the province increased only moderately.
- Between 1998 and 2007, the employment level in the Central Region increased by 693,000 (or 26%). Employment growth in the Central Region exceeded that of Ontario's in all years since 1998 except for 1999.
- Historically, employment rates in the Central Region have been higher than Ontario's. In 2007, 64.5% of the Central Region's WAP were employed, compared to 63.6% of the Ontario population.



- The gap in employment rates between the Central Region and Ontario narrowed from 1.2 percentage points in 2003 to 0.9 percentage points in 2007.

Part-time Employment

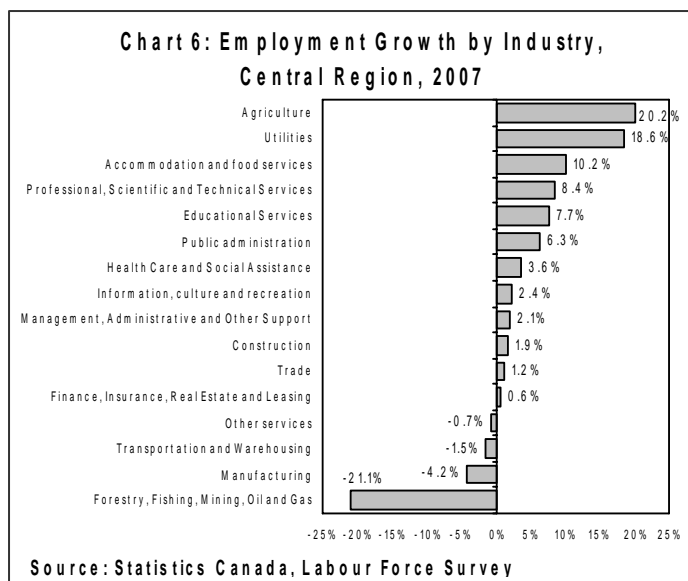
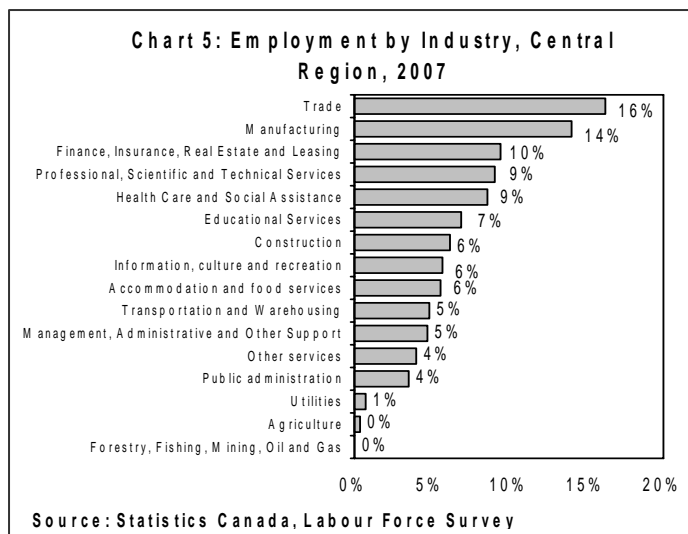
- Historically, part-time employment constitutes a smaller share of employment in the Central Region than in Ontario overall. In 2007, part-time employment represented 16.1% of total employment in the Central Region, compared to 18.0% for Ontario.



- From 1997 to 2007, part-time employment as a share of total employment in the Central Region has fluctuated in response to changing economic conditions. It reached its lowest level (15.1%) in 1999. From 2000 to 2003 it steadily increased to 16.3%, and since 2004 it has trended slightly lower, reaching 16.1% in 2007.

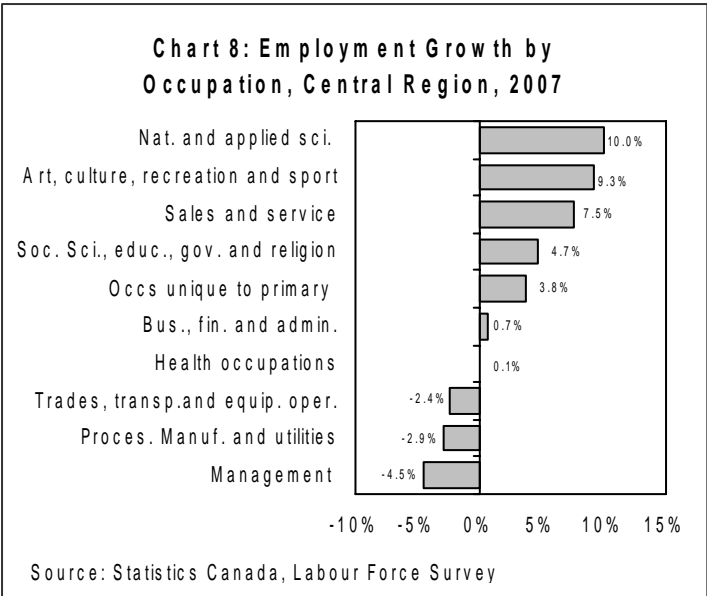
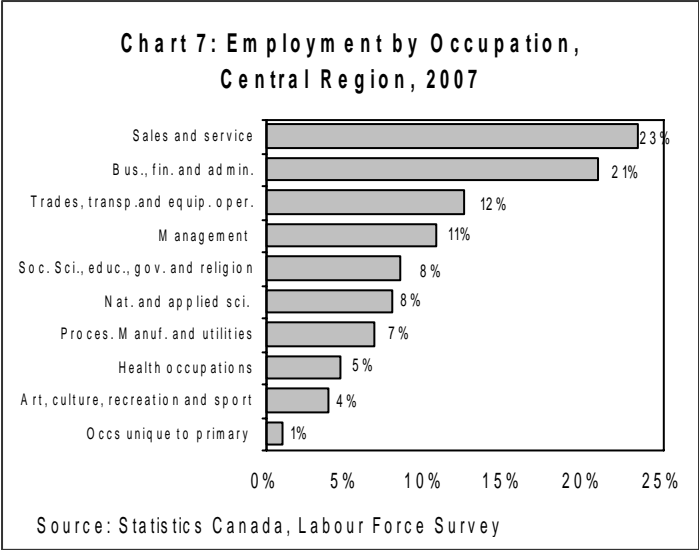
Employment by Industry

- In terms of employment, the major industries in Central Ontario are: trade; manufacturing; finance, insurance, real estate and leasing; professional, scientific, and technical services; and health care and social assistance. These five industries employ 57% of the labour force in the Central Region.
- In absolute terms, employment growth was strongest in professional, scientific and technical services and accommodation and food services, with gains of 23,800 and 17,600, respectively, while manufacturing experienced a loss of 20,700 (4.2%). In relative terms, employment growth was highest in agriculture and utilities at 20.2% and 18.6%, although these industries represent a small portion of total employment.



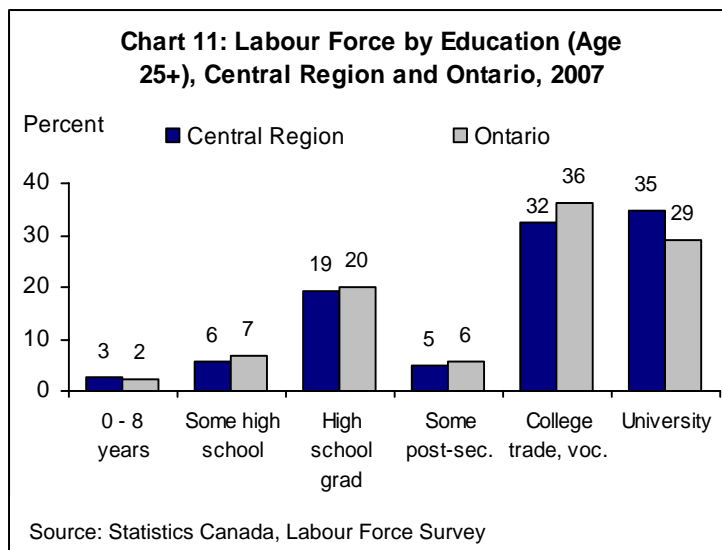
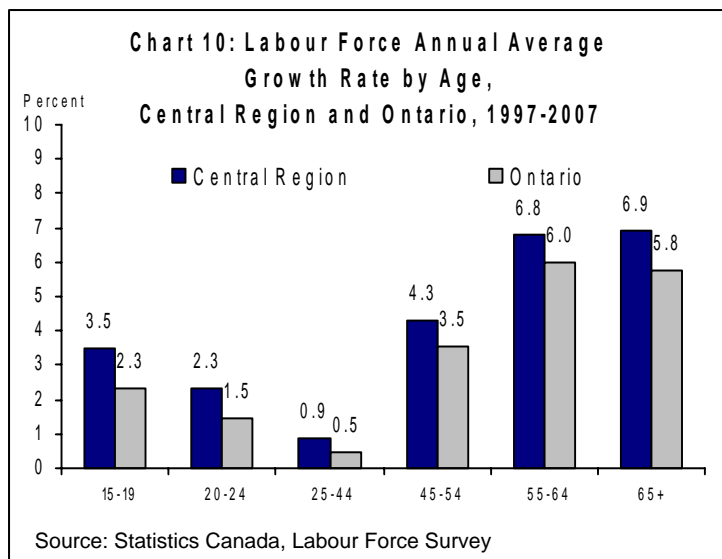
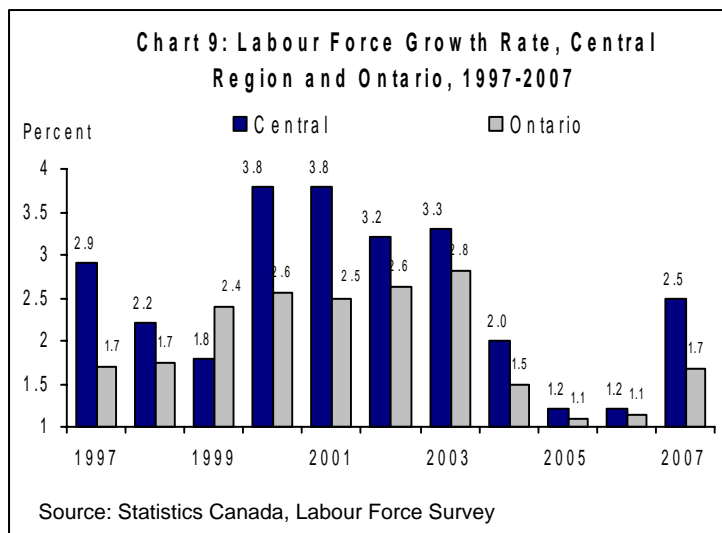
Employment by Occupation

- In 2007, the major occupational groups in the Central Region were: sales and service (23%); business, finance and administration (21%); and trades, transport and equipment operators (12%).
- These three major occupational groups employed 56% of all the workers in the Central Region.
- Natural and applied sciences occupations registered the strongest employment growth in 2007, at 10.0%. Occupations in art, culture, recreation and sport and sales and services occupations were the next strongest groups, with growth of 9.3% and 7.5%, respectively.
- Employment fell in three occupational groups. The largest decline (4.5%) was posted in management occupations.



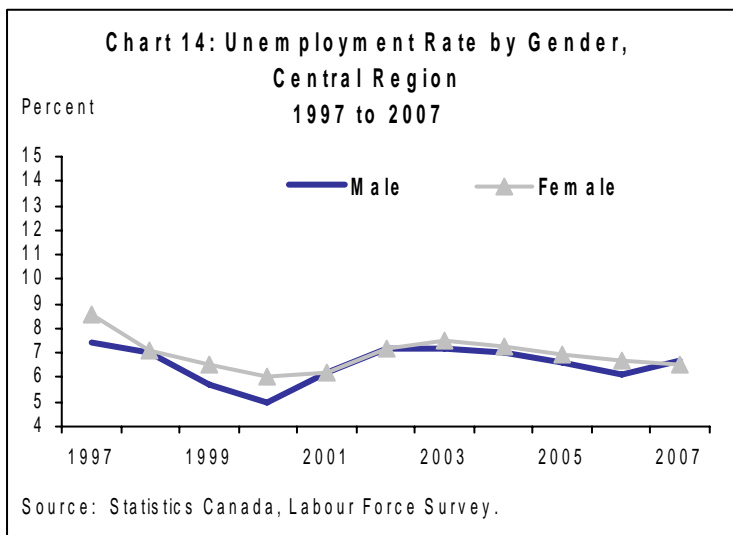
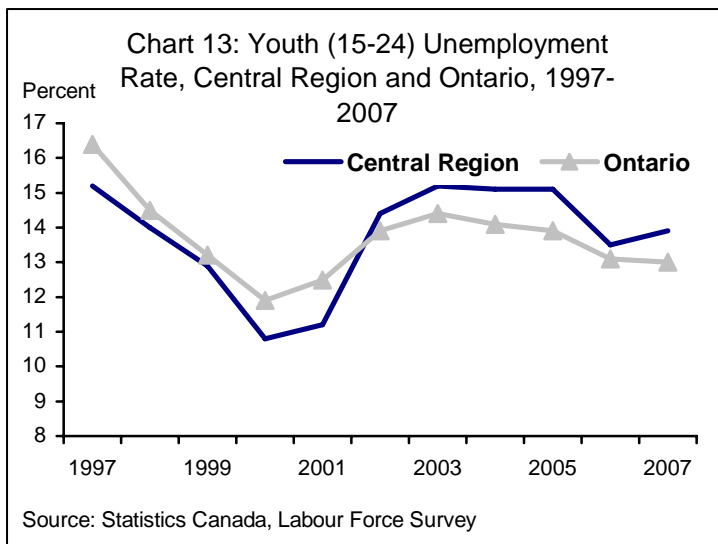
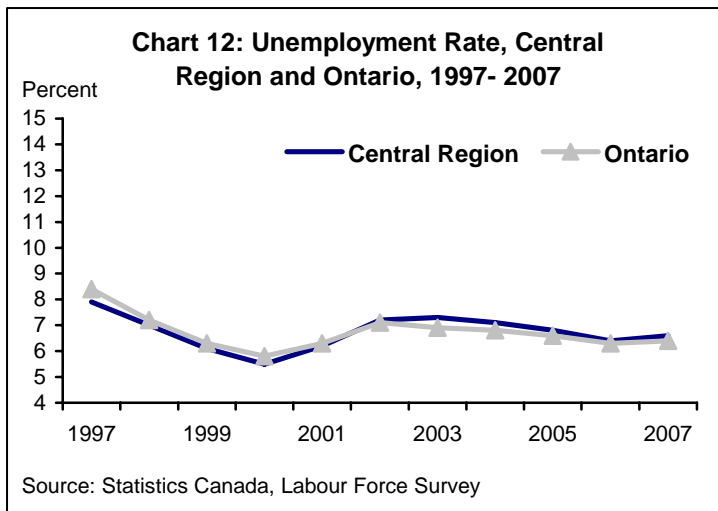
Labour Force

- The labour force in the Central Region grew faster than Ontario’s labour force in every year over the past decade, except for 1999.
- Labour force growth in the Central Region has slowed considerably since 2003. In 2007 it grew by a robust 2.5%, after growing by only 1.2% in 2005 and 2006.
- The strongest labour force growth in the Central Region in recent years was in 2000 and 2001 when the labour force grew by 3.8% each year.
- Over the past decade, the annual average labour force growth in Central Ontario was higher than the provincial average for all age groups. Those aged 55-64 had the highest average yearly labour force growth rate in Central Ontario (6.7%).
- In 2007, the Central Region’s labour force numbered 3,610,000. Adults aged 25-44 years accounted for 47% of the region’s total labour force.
- In 2007, those aged 65+ years had the highest labour force growth rate (23.6%) of all Central Region age groups, followed by those aged 55-64 (8.8%). The 25-44 years cohort was the only cohort to decline (0.7%). Although the number of those aged 65 and over in the labour force is currently small, the aging of the population and long-term changes to the labour markets are likely to lead to further growth in this cohort over the coming years.
- The educational attainment of the adult labour force of Central Ontario is very similar to that of the province. Nearly three-quarters (72.2%) of Central Region adults in the labour force have beyond a high school graduation education.



Unemployment Rates

- The unemployment rate for the Central Region has been fairly close to the Ontario unemployment rate since 1997.
- The unemployment rate for the Central Region has declined since 2003 and is currently slightly above the Ontario average. In 2007, the unemployment rate of the Central Region rose to 6.6% from 6.4% in 2006. The Ontario unemployment rate edged up slightly, to 6.4%.
- Prior to 2002, youth in the Central Region generally had lower unemployment rates than youth in Ontario. Since then, the youth unemployment rate in the Central Region has risen above the provincial average. In 2007, the youth unemployment rate in the Central Region edged up to 13.9% from 13.5% in 2006.
- The female unemployment rate for the Central Region has been generally slightly higher than the male unemployment rate since 1997, but an increase for males in 2007 pushed their unemployment rate to 6.7% as compared to 6.5% for females.

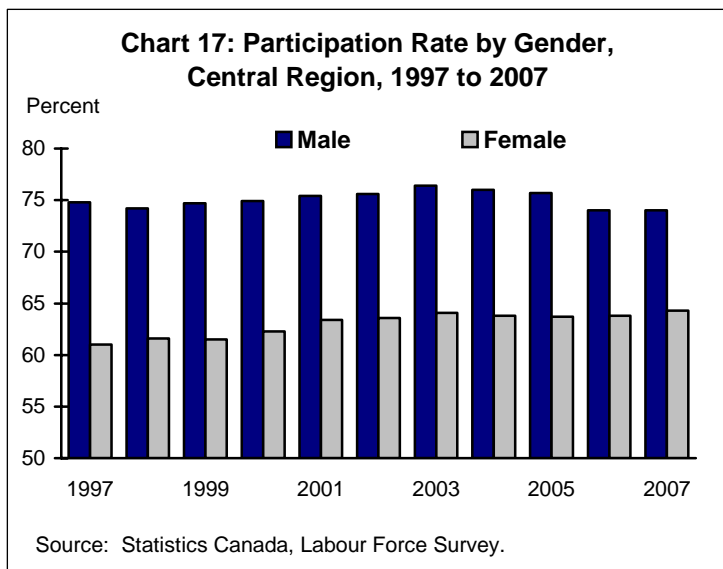
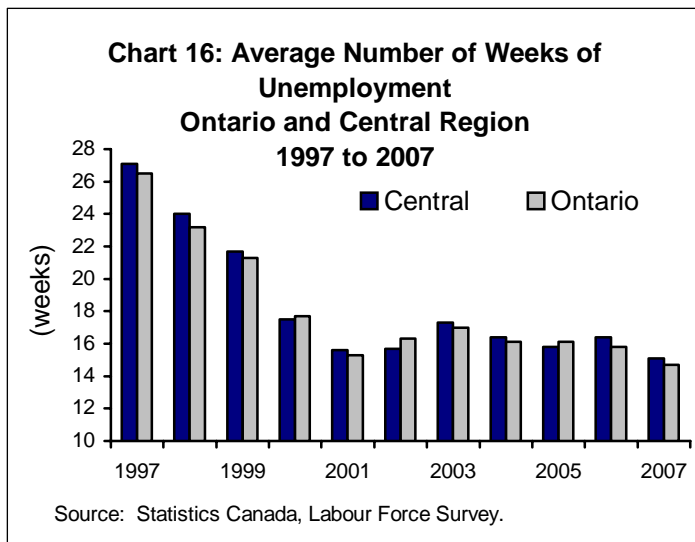
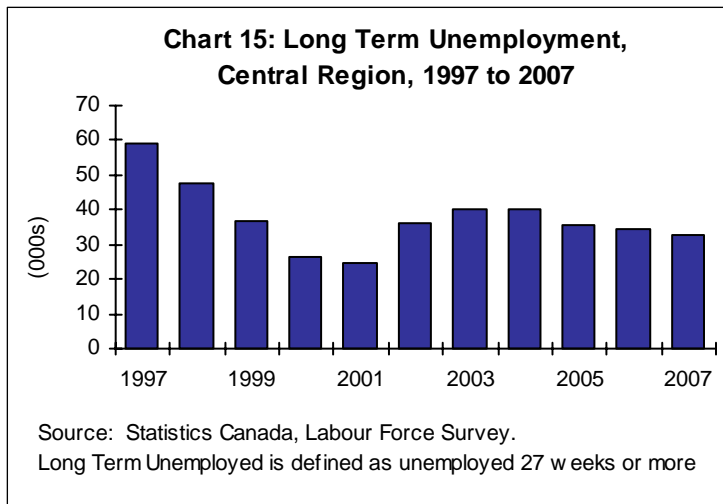


Duration of Unemployment

- The Central Region has experienced a modest decline in the number of long-term unemployed (those unemployed for 27 weeks plus). After a recent peak of 40,300 in 2003, the number of long-term unemployed has fallen by 1,900 to 32,800 in 2007.
- In 2007, the average duration of unemployment in the Central Region was about 4 months (15.1 weeks). The average duration of unemployment fell significantly during the late 1990s, but has been relatively stable since 2001.

Labour Force Participation Rates

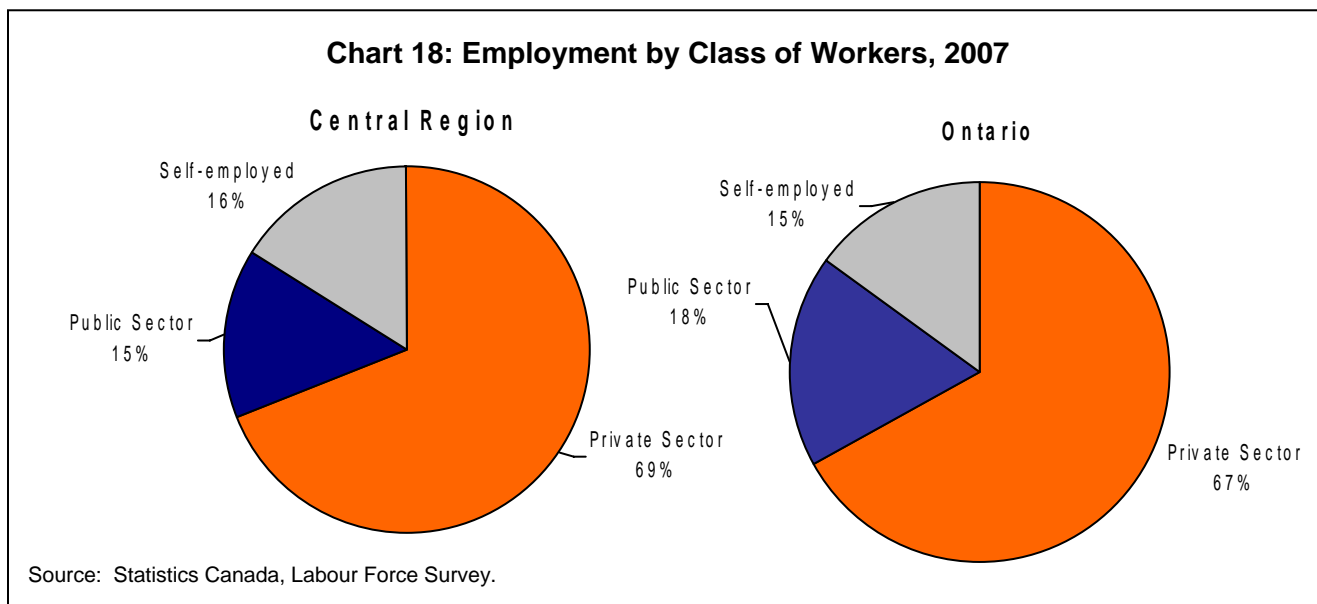
- Compared to Ontario as a whole, the labour force participation rate in the Central Region is generally higher. In 2007, the labour force participation rate of the working age population was 69.0% in Central Ontario, compared to 68.0% in Ontario.
- Historically, the labour force participation rate of males in Central Ontario has been much higher than that of females. The gap was about 10 percentage points in 2007.
- In the past decade, the labour force participation rate in the Central Region peaked in 2003 at 76.4% for men and 64.1% for women. However, the labour force participation rate of males declined to its lowest 10-year level, 74.0%, in 2006 and 2007. The labour force participation rate of females in the Central Region has hovered around the 64% mark since 2002.
- Adult labour force participation rates tend to decline with age. In 2007, the 25-54 years group had the highest



participation rate (87.3%), while the 65+ years group had the lowest (10.1%). The youth cohort had a rate of 60.8%.

Class of Worker

- The Central Region's distribution of employment differs from that of the province. While self-employment accounts for approximately the same share of the Central Region's employment as Ontario's (16% vs. 15%), the difference is more noticeable in public sector (15% vs. 18%) and private sector employment (69% vs. 67%).
- Self-employment in the Central Ontario Region grew by 31.2% over the past decade, increasing from 402,500 in 1997 to its highest level, 531,300, in 2007. After declining by 1.6% in 2006, self-employment grew by 9.2% in 2007.
- Paid employment (public and private) also enjoyed strong growth, increasing by 29.6% since 1997.
 - After declining over several years during the late 1990s and early 2000s, public sector employment in Central Ontario grew at a relatively strong pace since 2002. This positive trend ended in 2007 when growth fell to only 1.9%.
 - Employment growth in the private sector was strong during the late 1990s, but has been relatively weak since 2002. In 2007, private sector employment in Central Ontario grew by only 0.9%, its weakest growth of the decade.



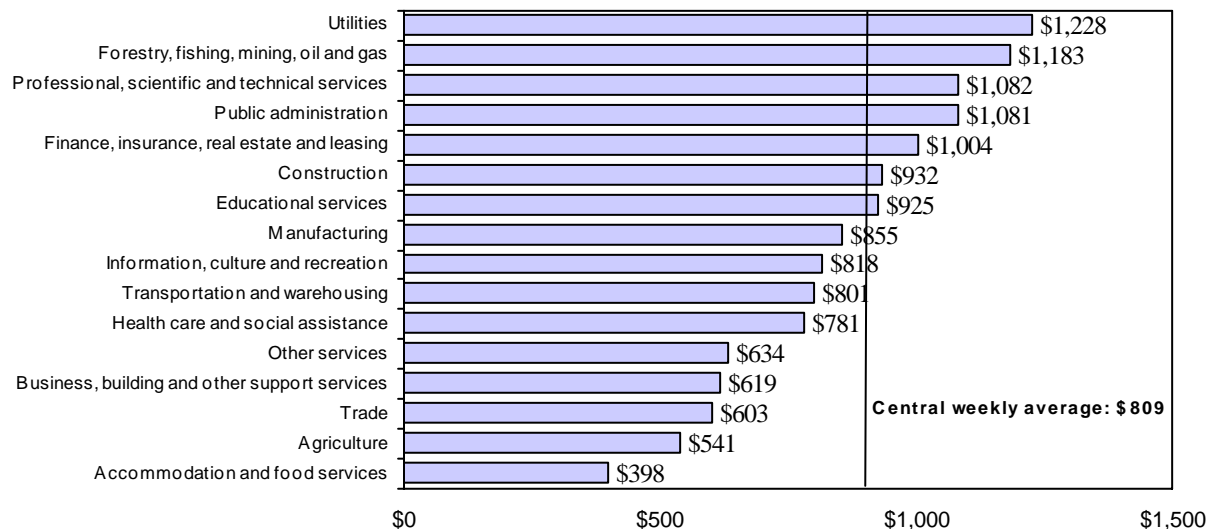
Wages by Industry

- In 2007, the average weekly wage for all workers in the Central Region was \$809, which was slightly higher than the average of \$786 for workers in Ontario as a whole. These wages represented gains of 2.1% and 2.5% respectively, compared to 2006.
- Since 1997, weekly wages increased by 28.0% in the Central Region, compared to 30.0% for the province.
- Five industries in the Central Region had average weekly earnings that were lower than the same industries in Ontario: manufacturing, utilities, other services, transportation and warehousing and public administration.

| | Average Weekly Wage, Central Region (\$), 2007 | Average Weekly Wage, Ontario (\$), 2007 |
|--------------------------------|---|--|
| Utilities | 1,228 | 1,257 |
| Manufacturing | 855 | 889 |
| Transportation and warehousing | 801 | 809 |
| Other services | 634 | 639 |
| Public administration | 1,081 | 1,089 |
| Total employees | 809 | 786 |

- The highest paying jobs in the Central Region were in utilities, which had an average weekly wage rate of \$1,228 in 2007. The lowest paying jobs were in the accommodation and food services sector, which had an average weekly wage rate of \$398.
- There was also a relatively large earnings gap (\$830) in 2007 between the highest paying industry (utilities) and the lowest paying jobs (accommodation and food services) in Central Ontario.

Chart 19: Average Weekly Wage Rate by Industry, Central Region, 2007



Source: Statistics Canada, Labour Force Survey.

Wages by Occupation

- The highest paying jobs in the Central Region were in management occupations (\$1,414 per week) and in natural and applied sciences occupations (\$1,152 per week). The lowest paying jobs in Central Ontario were in sales and service occupations (\$478 per week).
- Only three occupational groups in the Central Region had average weekly earnings that were lower than those at the Ontario level in 2007: occupations unique to processing, manufacturing and utilities; natural and applied sciences; and trades, transportation and equipment operators.

| | Average Weekly Wage, Central Region (\$), 2007 | Average Weekly Wage, Ontario (\$), 2007 |
|----------------------------------|---|--|
| Natural and applied sciences | 1,152 | 1,153 |
| Trades, transport and equipment | 834 | 842 |
| Occs unique to proc., manuf. and | 666 | 718 |
| Total employees | 809 | 786 |

- In 2007, there was a relatively large earnings gap (\$936) between the high paying management occupations and the lower paying sales and service occupations in the

Central Region.

