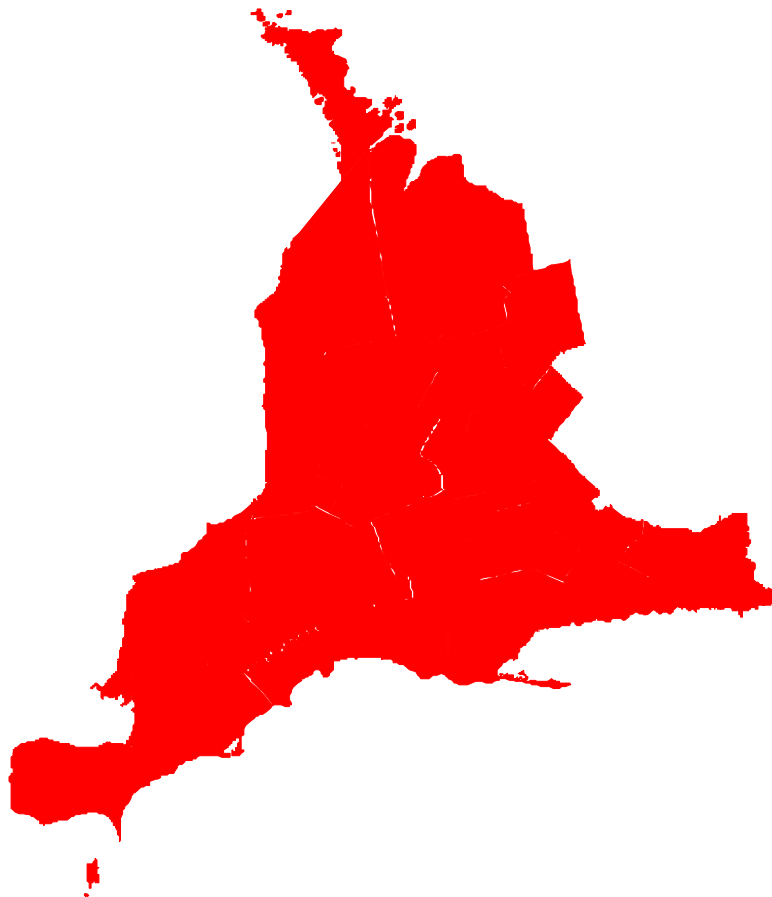
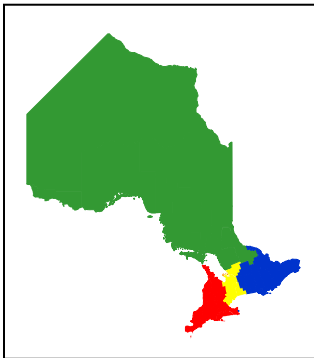


LABOUR MARKET INFORMATION

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



Produced by: Labour Market Information and Research Unit  
Research and Planning Branch  
Strategic Policy and Programs Division  
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*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](http://www.statcan.ca/english/sdds/document/3701_D4_T2_V3_E.pdf).*

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## **2007 Western Region Summary**

The Western Region accounted for about 28% of Ontario's 10.4 million working age population (15 years and over) and almost 28% of the province's 7 million labour force in 2007. While the Western Region has a slightly larger share of youth (aged 15-24) in its labour force than does Ontario overall (17% and 16% respectively), its demographic profile is generally the same. Outside of the Welland and Windsor areas, the Region has a lower than average francophone share in its population. However, it is a location of choice for immigrants within Ontario, with Windsor, Kitchener-Waterloo, and Hamilton having the highest settlement levels and visible minority population shares outside of the GTA and Ottawa. The Region also has several large native reserves, including Ontario's largest, the Six Nations Reserve near Brantford.

Employment in the Western Region has generally expanded at a slower than average rate over the period from 1997-2007. Employment growth has slowed significantly since 2003, and the Region's average employment level was virtually unchanged between 2006 and 2007. Full-time employment fell by about 1% (16,000 workers), but this was offset by an increase within the part-time workforce.

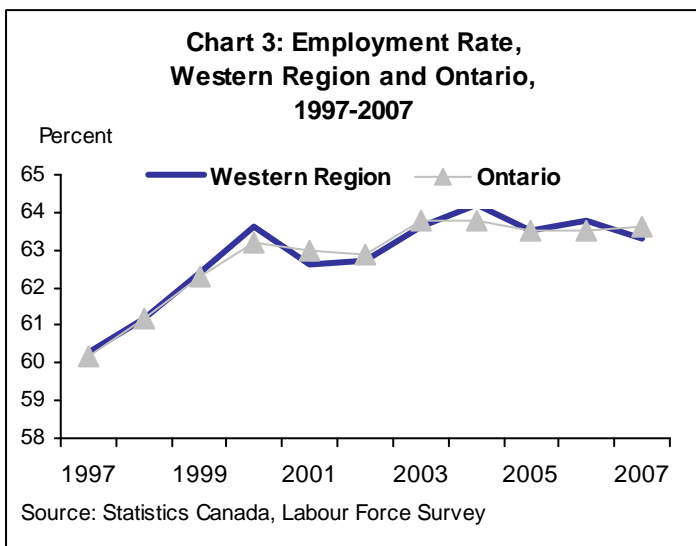
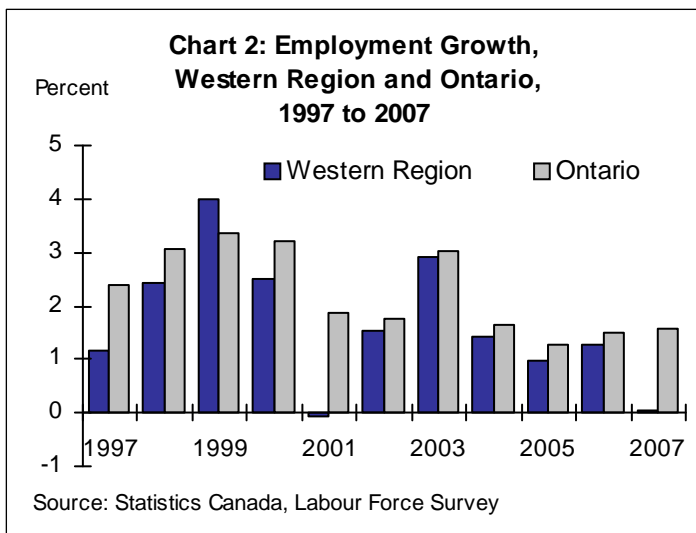
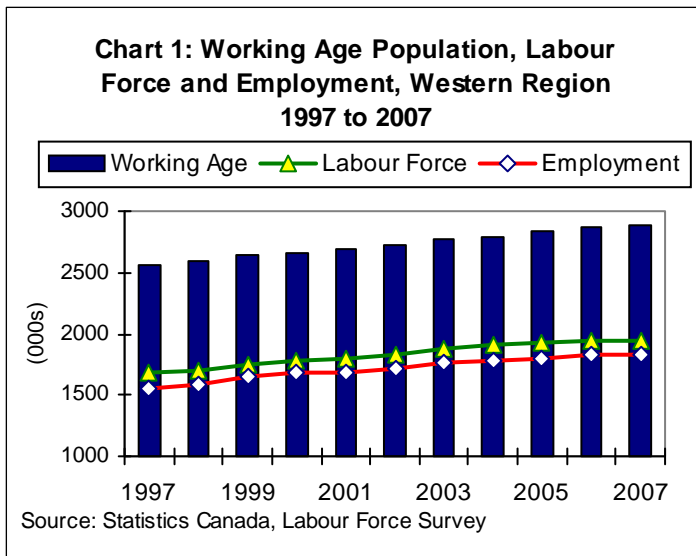
The Western Region is highly dependent on export trade with the United States (US), and this has been adversely affected by the appreciation of the Canadian dollar, and more recently the slowdown in the US economy. The effect has been most pronounced in manufacturing, where the Region has a disproportionate share of Ontario's automotive sector (about 46% in 2007), and in agriculture. The Western Region represents more than 60% of Ontario's agricultural employment, and includes Canada's largest concentration of greenhouse growers, centred in the Leamington and Niagara Peninsula areas. The greenhouse vegetable industry in particular relies heavily on exports to the US. Manufacturing and agriculture experienced a combined loss of 36,000 workers between 2006 and 2007. The Windsor area has been particularly hard hit by the downturn in manufacturing. For the second year in a row, the Windsor Census Metropolitan Area (CMA) had the highest annual unemployment rate of any CMA in Canada (9.3%). In 2007, it also had the second lowest employment rate of any CMA (58.3%), behind Saguenay Quebec.

However, the Region is also experiencing growth in several industries, creating a structural shift in the Region's labour market. There has been a surge in automotive related investment centred around Oxford County and the new Toyota Motor Manufacturing assembly plant in Woodstock. The Region also has Ontario's third largest Information and Communications Technology (ICT) cluster, located in Waterloo Region, important health sciences research clusters in the London and Hamilton areas, and an expanding utilities sector, with investment in nuclear energy at the Bruce Power facility on Lake Huron, wind farm installations along the Lake Erie shoreline and in Grey and Bruce counties, and the province's largest hydro power facility at Niagara Falls. The health care sector added over 11,000 workers between 2006 and 2007, while utilities experienced the fastest growth of any industry during

that period (27%).

## Working Age Population and Employment

- In 2007, the total working age population (15 years and over) for the Western Region was estimated at 2,886,600 people, up marginally from 2006 (0.8%) and 12.6% higher than in 1997. The Western region accounted for almost 28% of Ontario's 10.4 million working age population in 2007.
- Employment in the Western Region grew over most of the period between 1997 and 2007, although the pace has been somewhat erratic. Generally, employment has grown more slowly since the beginning of this millennium than it did at the end of the last one. In 2007, there were approximately 1,827,600 people employed in Western Ontario, an increase of about 18% from 1997. Still, employment in the Western Region grew faster than the working age population, which rose by 12.6% over that period. In 2007, the average employment level was basically unchanged from 2006, compared with an increase of 1.5% for Ontario overall.
- With the exception of 1999, employment in the Western Region expanded more slowly than the Ontario average over the past 10 years. Employment grew by average of 1.6% per year between 1997 and 2007, slower than the 2.2% annual growth rate for Ontario as a whole. Consequently, Western Region's share of Ontario's employment fell from 29.2% in 1997 to 27.7% in 2007. Between 1997 and 2007, total net employment in Western Region and Ontario grew by 282,000 and 1,302,400 respectively.
- Historically, the employment rate in the Western Ontario Region has been close to the Ontario average. The employment



rate is the share of the working age population that is working.

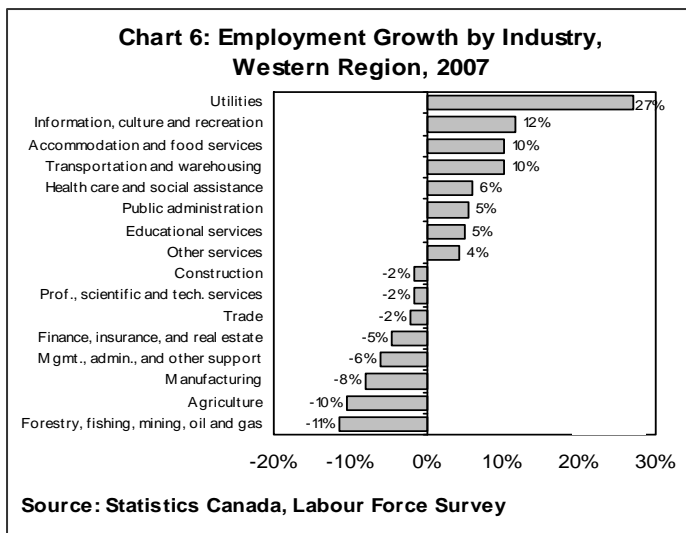
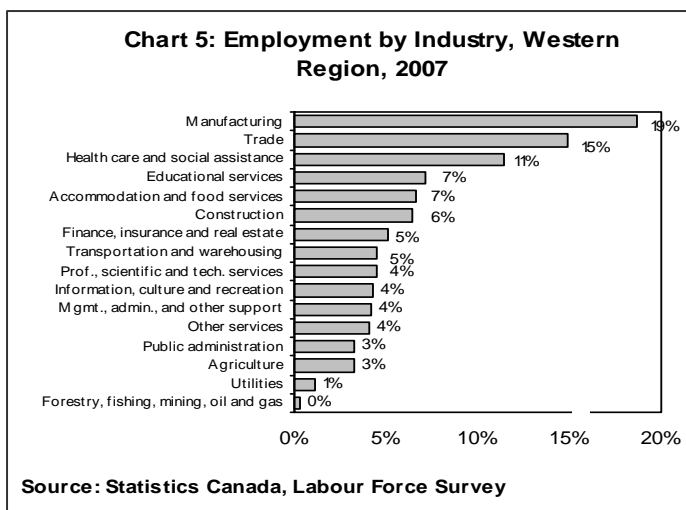
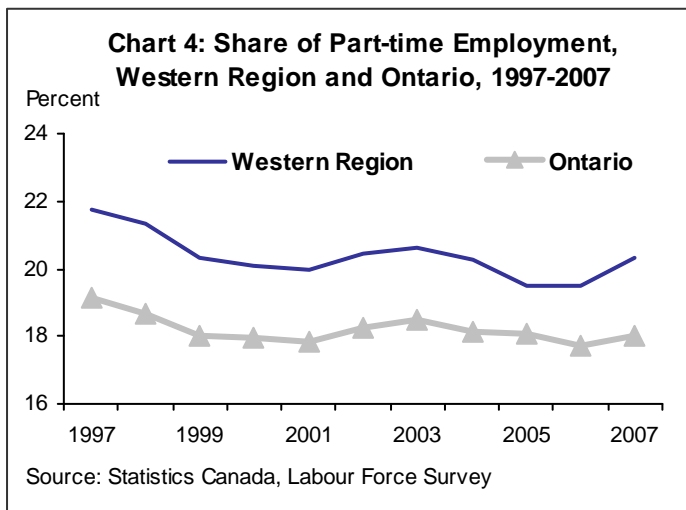
- While both rates have risen since 1997, they have dropped from their peak in 2004.
- In 2007, 63.3% of working age people in the Western Region had jobs, compared to 63.6% in Ontario overall.

**Part-time Employment**

- Historically, part-time workers have represented a larger share of employment in the Western Region than in Ontario as a whole. In 2007, 20% of all employment was part-time in the Western Region, compared with 18% in Ontario.

**Employment by Industry**

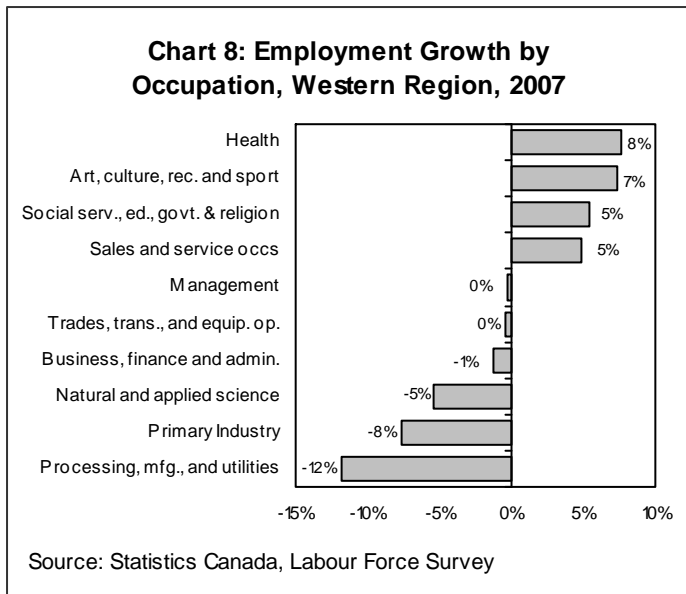
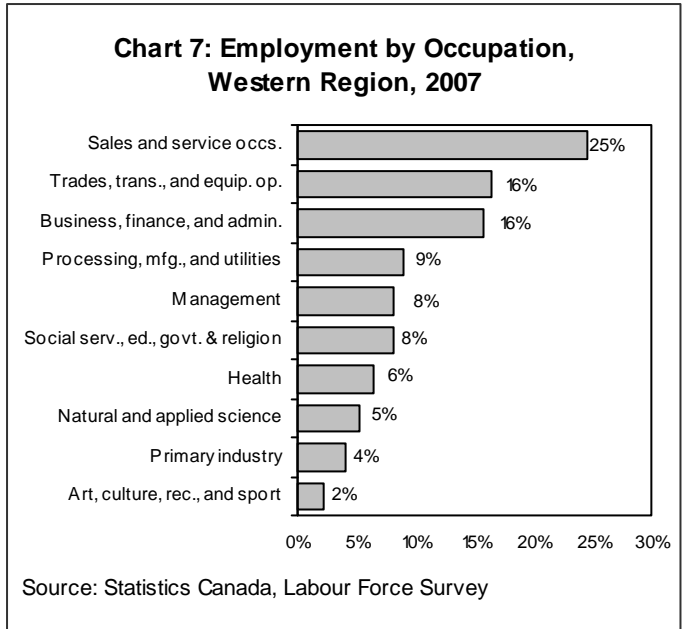
- In 2007, three industries represented about 45% of all employment in the Western Region: manufacturing (19%); wholesale and retail trade (15%); and health care and social assistance (11%). Western Region's share of workers in manufacturing was well above the provincial average (14%) in 2007.
- In 2007, employment grew fastest in the utilities sector, which at 27% had a growth rate two and a half times that of the next closest industry (information, culture and recreation). However, because of its relatively small size, this represented the additional of about 4,000 workers compared with 2006. Employment grew most in health care and social assistance, and accommodation and food services, which added about 11,000 workers each.
- In 2007, Western Region's employment level dropped across half the industry groups compared with 2006. On a



percentage basis, the largest declines occurred in forestry, fishing, mining, oil, and gas (-11%); and in agriculture (-10%). However, in absolute terms, manufacturing showed the largest job loss with employment falling by 29,000 workers, more than four times the number of the next closest industry (agriculture). Manufacturing employment in the Western Region has been falling steadily over the past four years, and is now more than 55,000 workers below its 2003 peak.

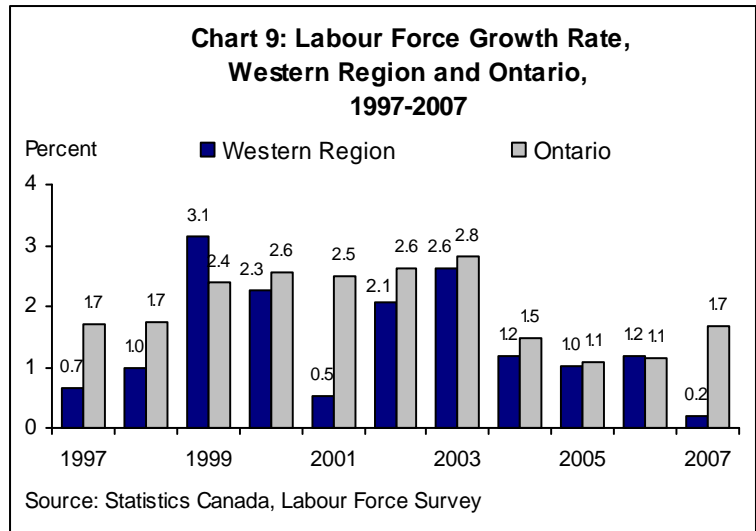
**Employment by Occupation**

- One in four workers in the Western Region was employed in sales and service occupations in 2007. Trades, transport and equipment operators and related occupations, and business, finance and administrative professionals each covered about 16% of the workforce. Together these three groups represented close to six out of every 10 workers in the Western Region in 2007.
- Employment in the Western Region grew fastest in the health (8% or 8,000) and art, culture, recreation and sport occupations (7% or 3,000) between 2006 and 2007. However, the largest increase in workers occurred in the sales and services occupations, where employment rose by almost 21,000 people.
- As expected, occupations unique to processing, manufacturing and utilities experienced the largest employment loss between 2006 and 2007, both in absolute (22,000) and percentage terms (-12%). Workers in this occupational group are concentrated within the manufacturing sector.



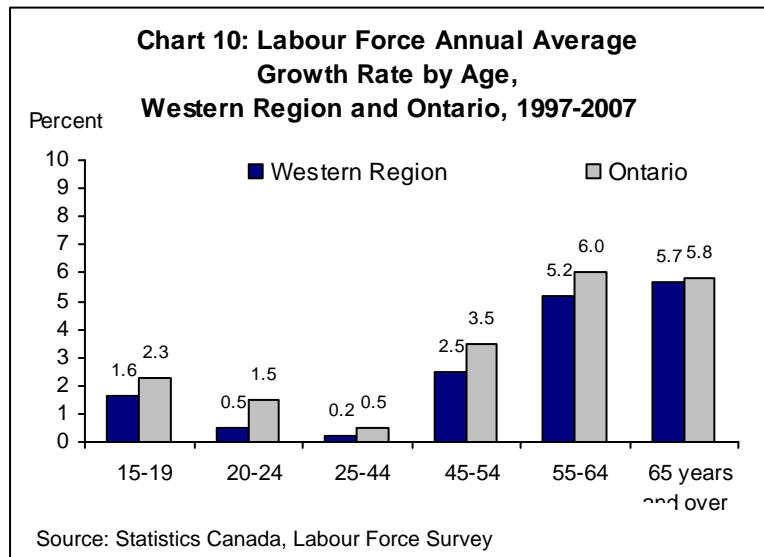
**Labour Force**

- Western Region’s labour force grew more slowly than the Ontario average for most of the period between 1997 and 2007. As might be expected, this growth was slowest when employment growth was weakest. In 2007, the labour force in the Western Region grew by only 0.2% (an estimated 4,000 people), well below the Ontario average of 1.7%, and less than the increase in the Region’s working age population (0.8%).



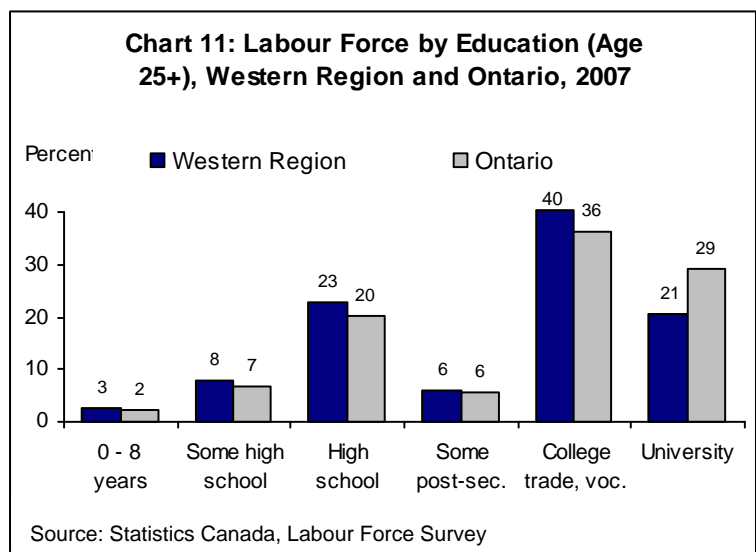
**Labour Force by Age**

- Over the past decade, the demographic forces underlining labour force growth in the Western Region were similar to those affecting Ontario as a whole.
- Between 1997 and 2007, the average rate of growth in the Western Region’s labour force was lower than that for Ontario across all age groups. The difference was greatest for youth in the 20-24 year cohort, and for the older prime aged labour force (45-54), although the growth in each was consistent with their population change. Labour force participation among the youngest (15-19) and oldest cohorts (55-64 and 65+) rose faster than did their populations.



**Labour force by Education**

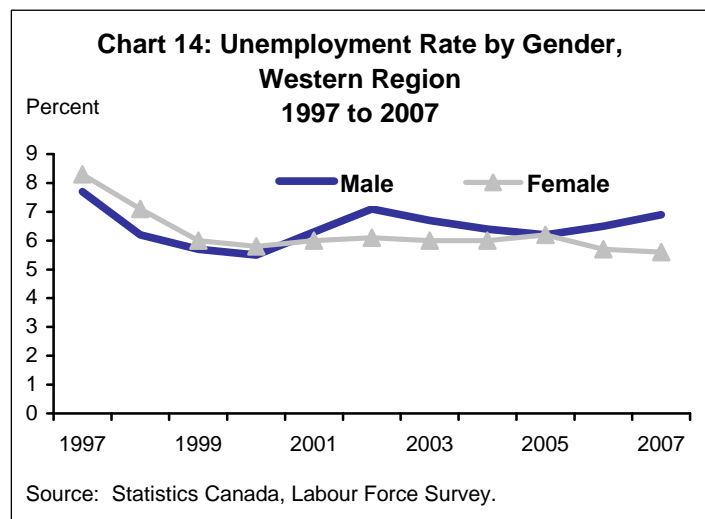
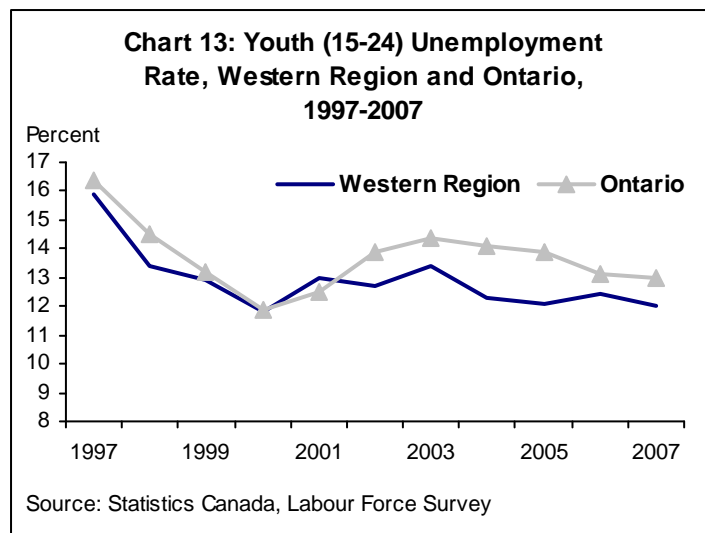
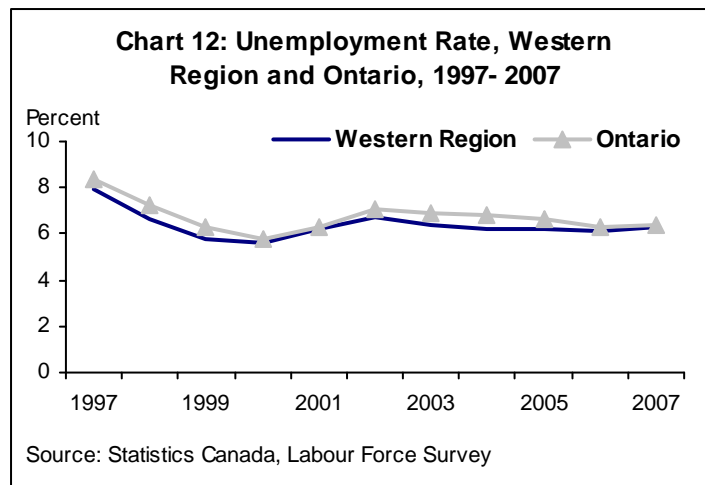
- The educational profile of the Western Region labour force was similar to Ontario’s in 2007 below the postsecondary completion level. However, a higher than



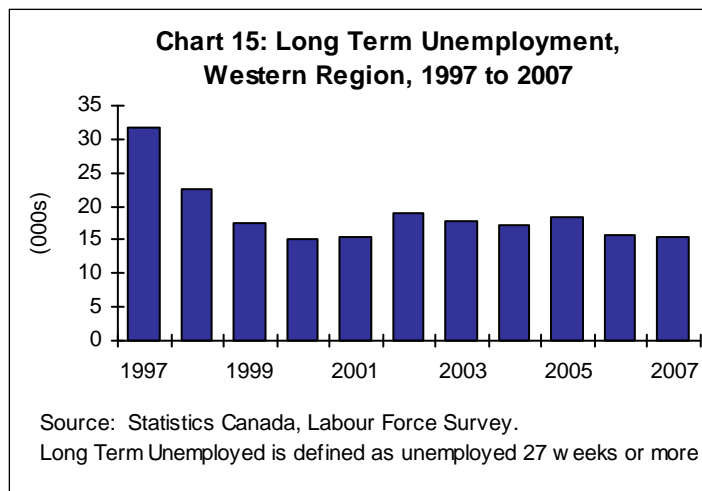
average share of the Region's labour force had college, trade or vocational qualifications (40% versus 36%), while a lower than average share had university level attainment (21% versus 29%).

## Unemployment Rates

- Western Region's unemployment rate edged up to a four year high of 6.3% in 2007, from 6.1% in 2006. However, it stayed below the Ontario average of 6.4%.
- The unemployment rate for the Western Region remained below the Ontario average throughout the period from 1997 to 2007. However, the gap narrowed noticeably in the 2000-2001 and 2006-2007 periods, when economic activity slowed in the Region.
- The unemployment rate for youth (aged 15-24) in the Western Region stayed relatively close to the Ontario average until 2001. For most of the period since then, it remained at least one percentage point below the provincial average.
- In 2007, the youth unemployment rate in the Western Region dropped to 12% from 12.4% in 2006. This was its lowest rate since 2000. Ontario's youth unemployment rate was 13% in 2007.
- The unemployment rate for females has generally remained below that for males since 2001, after exceeding it between 1997 and 2000. Most significantly, it has declined for the past two years at a time when the male unemployment rate has risen.
- In 2007, the female unemployment

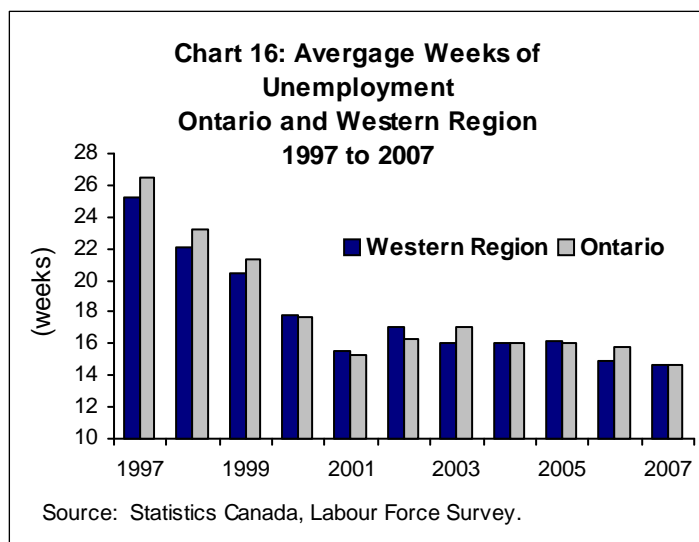


rate in the Western region dropped to 5.6%, its lowest level during the period of review, from 5.7% in 2006. This was 1.3 percentage points below the unemployment rate for males in the Western Region (6.9%), the widest gap in 1997-2007 period. This difference was also larger than the Ontario average, with unemployment rates of 6% for females and 6.8% for males in 2007.



### Duration of Unemployment

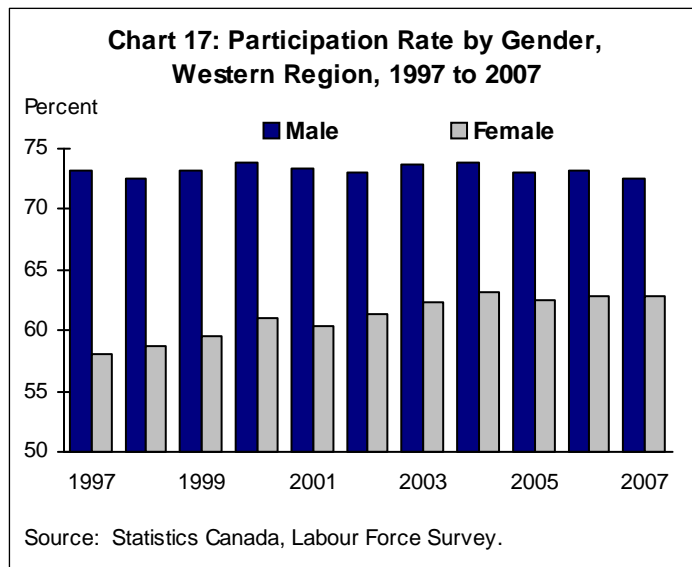
- In 2007, long term unemployment (i.e. the number of people who have been unemployed for 27 weeks or more) in the Western Region dropped to its lowest level since 2001.
- There were an estimated 15,000 people in the Western Region unemployed for 27 weeks or more, roughly half the number of long term unemployed in 1997.
- The long term unemployed represented about 12.6% of total unemployment in the Western Region in 2007, slightly lower than the provincial average of 13%.



- Over the past decade, the average duration of unemployment has declined in both the Western Region and in Ontario.
- Between 2006 and 2007, there was little change in the average number of weeks people were unemployed in the Western Region. It dropped from 14.9 weeks to 14.7 weeks. By comparison, the average duration of unemployment in Ontario dropped from 15.8 weeks in 2006 to 14.7 weeks in 2007.

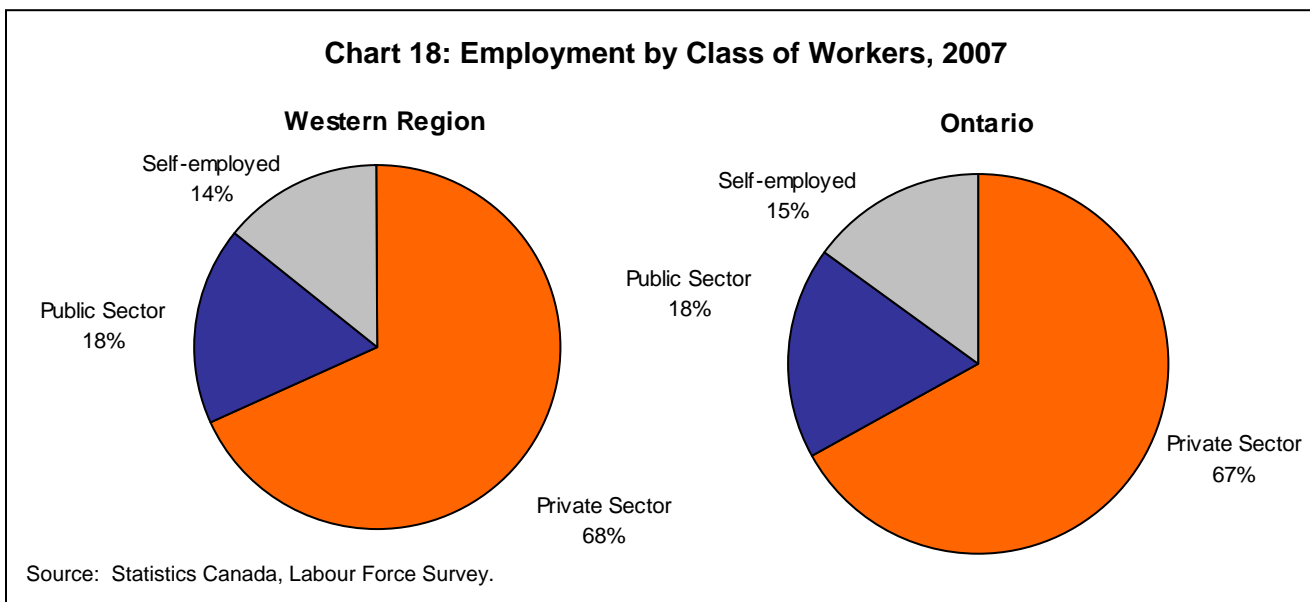
## Labour Force Participation Rates

- The labour force participation rate is the share of people age 15 years and over (working age population) who are employed or looking for work.
- Historically, the participation rate of males has been much higher than that of females. Over the past decade, the participation rate of males in the Western Region has ranged between 72% and 74%. By comparison, the female participation rate has trended upwards over this period. While it was down from its 2004 peak, the rate in 2007 was almost five percentage points higher than in 1997 (62.8% versus 58.1%).



## Class of Worker

- The class of worker profile for the Western Region mirrors that of Ontario overall. Roughly two-thirds of workers were employed in the private sector in 2007.
- Public sector employment in the Western Region showed the fastest growth between 1997 and 2007. It rose by 29%, compared to an increase of 20% for private sector employment. Self-employment in 2007 remained near its 1997 level, while it grew by 16.8% in Ontario over the decade.



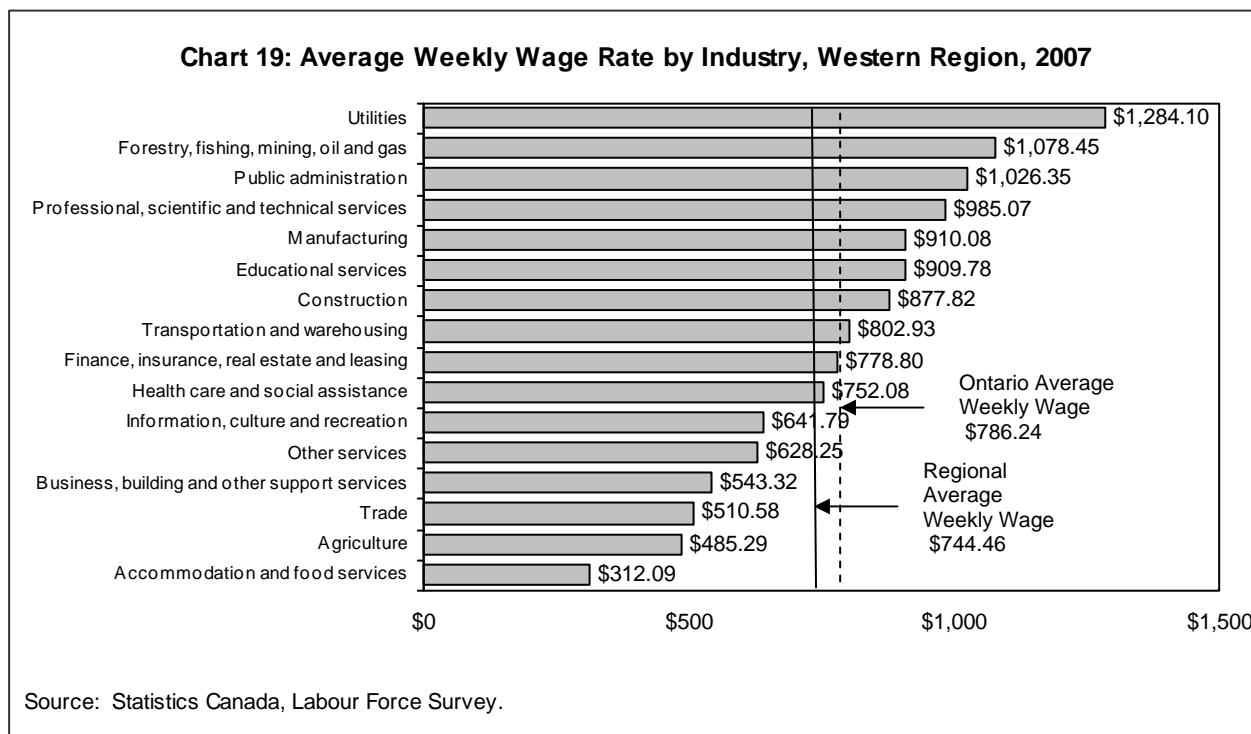
## **Wages by Industry**

- Over the past decade, the average weekly wage for all workers in the Western Region grew by about 32%, slightly more than the increase for Ontario as a whole (30%). However, it remained below the provincial average throughout this period. In 2007, the average weekly wage in the Western Region increased to \$744.46, about 5% lower than the Ontario average of \$786.24.
- Most industries in the Western Region had wages below their provincial average in 2007. The main exceptions were manufacturing, with average weekly earnings that were 2.4% (\$21.05) higher than the Ontario average, and the top paying utilities sector, with an average that was 2.2% (\$27.47) above the Ontario average.
- The largest wage differences between the Western Region and Ontario in 2007, in both actual and percentage terms, were in the finance, insurance, real estate and leasing sector (17% or \$156 per week); and information, culture and recreation (15% or \$113 per week).

**Table 1:**

	<b>Average Weekly Wage, Western Ontario (\$), 2007</b>	<b>Average Weekly Wage, Ontario (\$), 2007</b>
Finance, insurance, real estate, and leasing	778.80	934.9
Information, culture and recreation	641.79	754.66
All employees	744.46	786.24

- The utilities industry employed the highest paid workers in the Western Region in 2007, with an average weekly wage of \$1,256.63.
- Wages were lowest within the accommodation and food services industry, at an average of \$312.09 per week in 2007. This was less than half (42%) of the average weekly wage for all workers in the Western Region. Workers in the accommodation and food services industry also had the lowest average wage for Ontario as a whole, earning 45% of the average weekly wage for all workers in 2007.



## Wages by Occupation

- Most major occupational groups in the Western Region had average wages below their provincial norm (average). Occupations in art, culture, recreation and sport had the largest difference, both in absolute and percentage terms. Their average weekly wage was 16%, or \$117.49, below the Ontario average for that group. The only notable exception was for the occupations unique to processing, manufacturing, and utilities, which had an average weekly wage that was 6% (\$40.44) higher than the provincial norm in 2007.

**Table 2:**

	Average Weekly Wage, Western Ontario (\$), 2007	Average Weekly Wage, Ontario (\$), 2007
<b>Occupations unique to processing, manufacturing and utilities</b>	<b>777.36</b>	<b>718.40</b>
Occupations in art, culture, recreation and sport	599.02	716.51
Total employees	744.46	786.24

- Among all occupational groups in the Western Region, management was the highest paid with an average weekly wage rate of \$1,262.69. Sales and service occupations were the lowest paid at an average of \$442.22 per week in 2007. Average weekly earnings rose in all but one of the major occupational groups between 2006 and 2007. Workers in the social science, education, government service and religion group saw their average earnings drop by 1.7%, compared with an average 2.9% increase in earnings for all workers.

