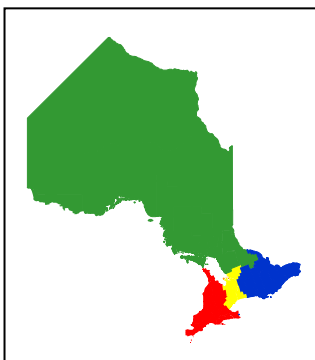


LABOUR MARKET INFORMATION

**Employment Ontario Central Region
2008 Annual Labour Market Report**



Produced by: Labour Market Information and Research Unit
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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, 2008

The Central Region's labour force constituted 51.4% of the province's in 2008, 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.

The unemployment rate rose in 2008, to 6.8%, although it is still below its recent high of 7.3% registered in 2003. Long-term unemployment has been easing since 2004, but changed little in 2008 (32,900) from its 2007 level. Employment in the region grew by a relatively weak 1.7% in 2008, after registering moderate growth of 2.3% in 2007. Part-time employment has held steady for several years at approximately 16% of the Central Region's total employment, but in 2008 this jumped up to 17.1%.

Strong employment gains (absolute terms) in professional, scientific and technical services, public administration and transportation and warehousing buoyed the labour market in 2008, while the manufacturing industry was a drag on the economy, losing 19,000 jobs. By occupational group, trades, transport and equipment operators and related occupations was the fastest growing occupational group, while occupations unique to processing, manufacturing and utilities registered the largest employment loss.

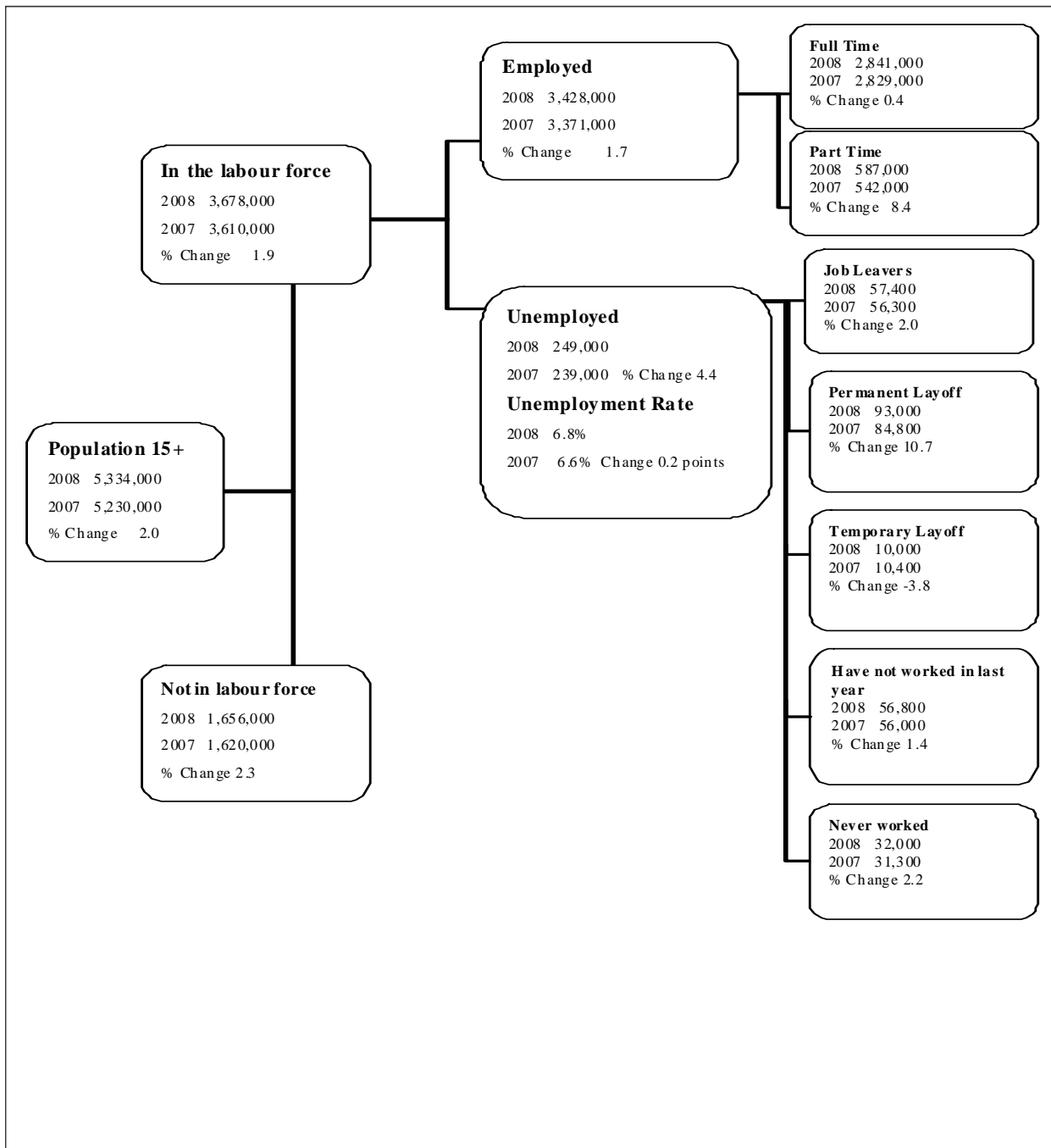
Economic issues and concerns originating in the US have had a profound impact on the Central region's current health and near-term economic prospects. While a high exchange rate, high energy costs and competition from global competitors were obstacles to economic growth only a few months ago, they have now given way to concerns of falling US demand and its impact on exports (particularly auto). Falling domestic consumer and business confidence has negative implications for the entire economy and remedial measures by the authorities provide no assurance of a short or painless downturn.

In addition to shorter-term concerns, there are numerous structural and long-term challenges which the Central region will also have to contend with. These will become more pronounced in the medium and longer-terms. They include globalization, technological advances, new social concerns (i.e. the environment), and the aging of the population and labour force. 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 in the longer-term they will continue to strain the manufacturing sector, which has already lost 72,000 (13.6%) jobs, from 2000 to 2008. 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. Consequently, the labour force will have to be re-trained and re-deployed to these emerging sectors.

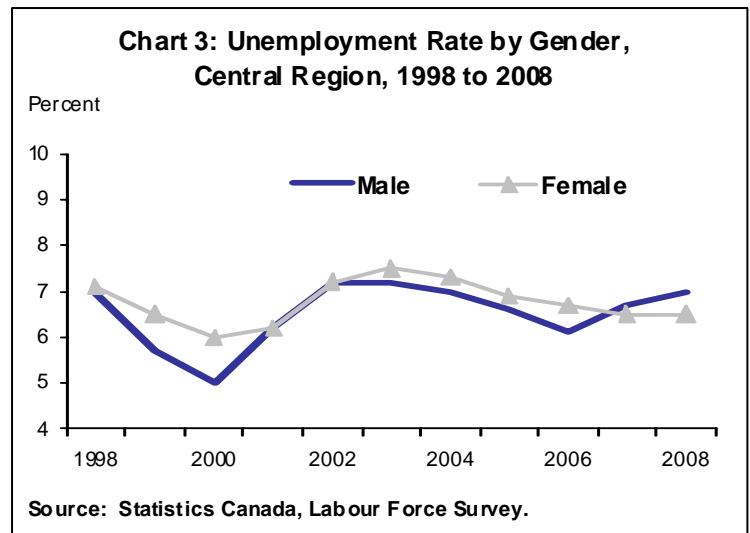
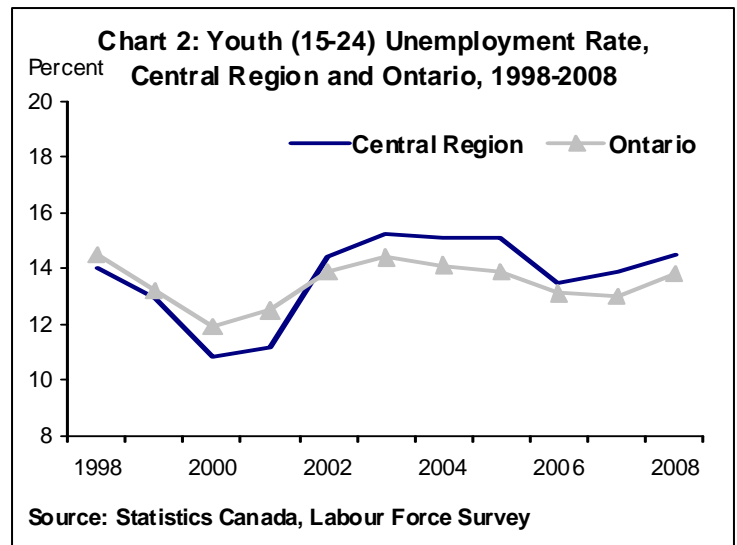
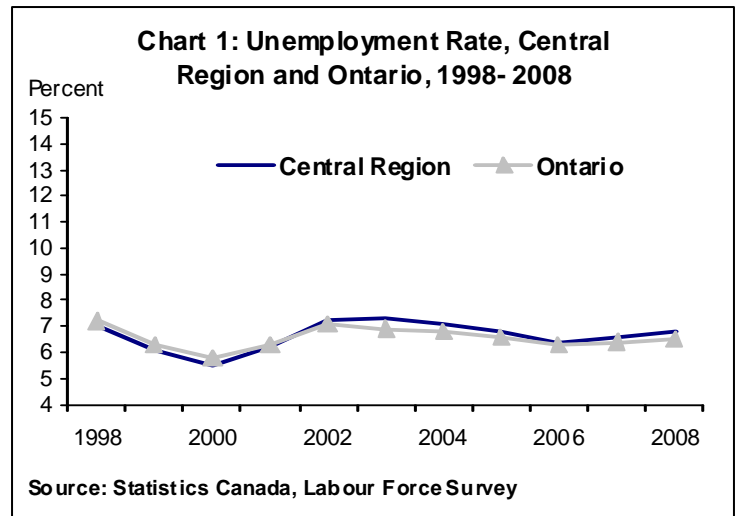
The increasing retirement of our aging labour force will mean the labour force will have to be augmented in a number of non-conventional ways. Increasing immigration, retaining labour market attachment beyond the normal retirement age, retraining, and increasing productivity are all options that will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

Ontario Central Region Labour Market, 2008



Unemployment Rate

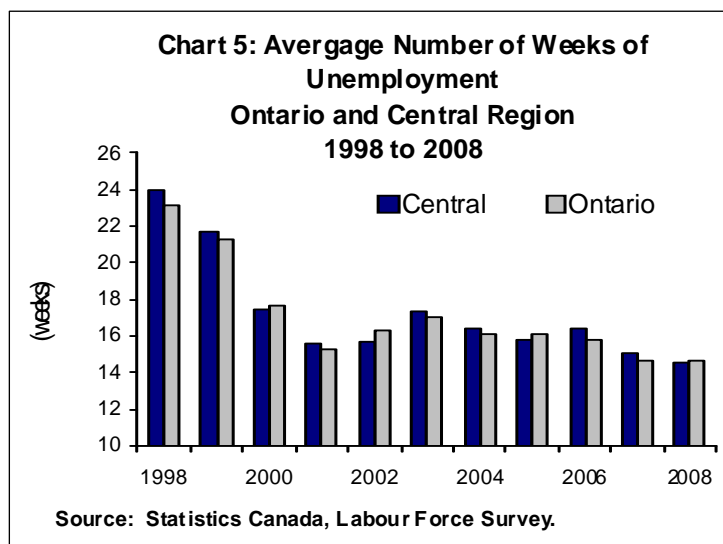
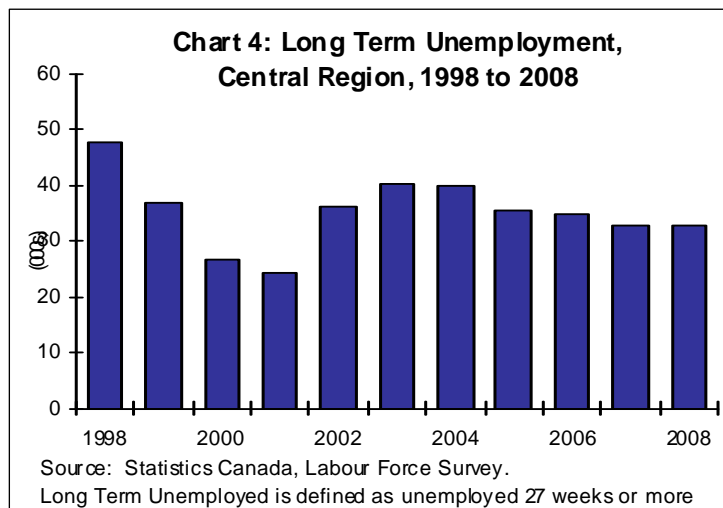
- The unemployment rate for the Central Region has been fairly close to the Ontario unemployment rate since 1998.
- In 2008, the unemployment rate of the Central Region rose to 6.8% from 6.6% in 2007. The Ontario unemployment rate edged up slightly, to 6.5%.
- The unemployment rate for the Central Region has declined since 2003 but increased in 2007 and 2008.
- Annual average growth in the unemployment level has been higher for the Central Region (2.6%) than for Ontario (1.3%) over the past decade. As proportion of Ontario's unemployment, Central Region's unemployment has increased from 48% in 1998 to 53% in 2008.
- While unemployment decreased from 2004 to 2006, it has increased in the Central Region in both 2007 and 2008. In 2008 unemployment registered 249,000, representing an increase of 10,400 (4.4%) from the 2007 level. Ontario unemployment increased by 17,500 (3.9%) in 2008, to 467,000.
- Prior to 2002, youth (15-24 years) 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 2008, the youth unemployment rate in the Central Region edged up to 14.5% from 13.9% in 2007.



- The female unemployment rate for the Central Region has been generally slightly higher than the male unemployment rate since 1998, but an increase in the males' rate in 2008 pushed their unemployment rate to 7.0% as compared to 6.5% for females. This was the second straight year that the men's rate has been higher than women's.

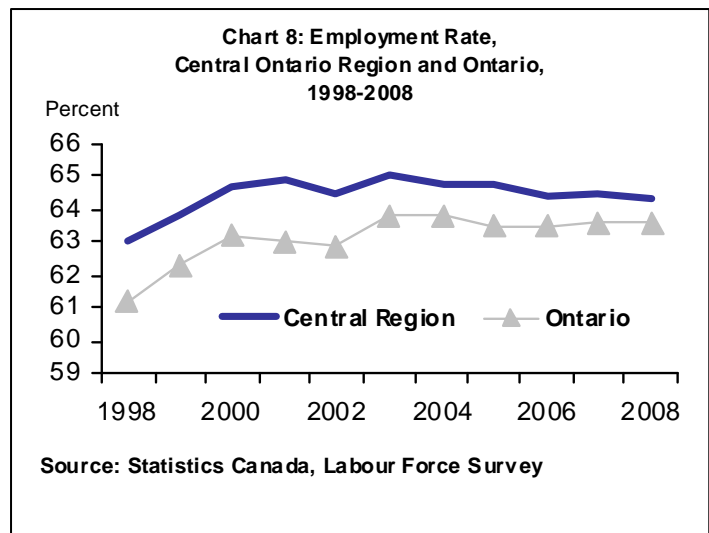
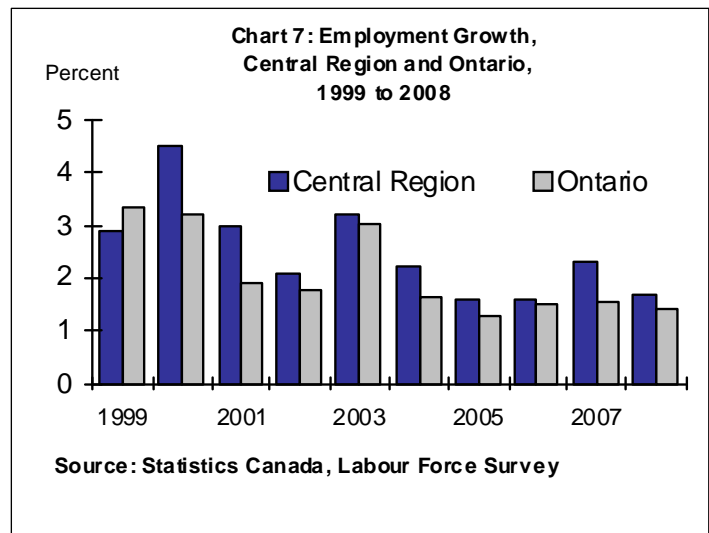
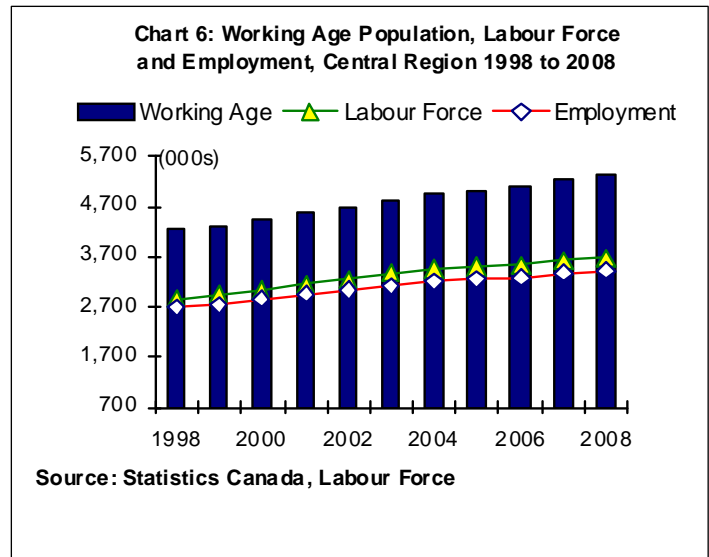
Duration of Unemployment

- 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 trended downward. It increased slightly in 2008, to 32,900.
- In 2008, the average duration of unemployment in the Central Region was about 4 months (14.5 weeks). The average duration of unemployment fell significantly during the late 1990s, and has been gently trending downward since 2004.



Employment

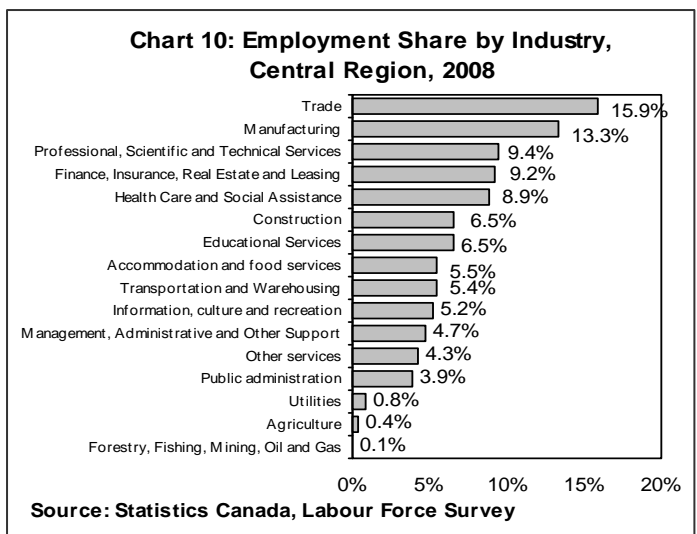
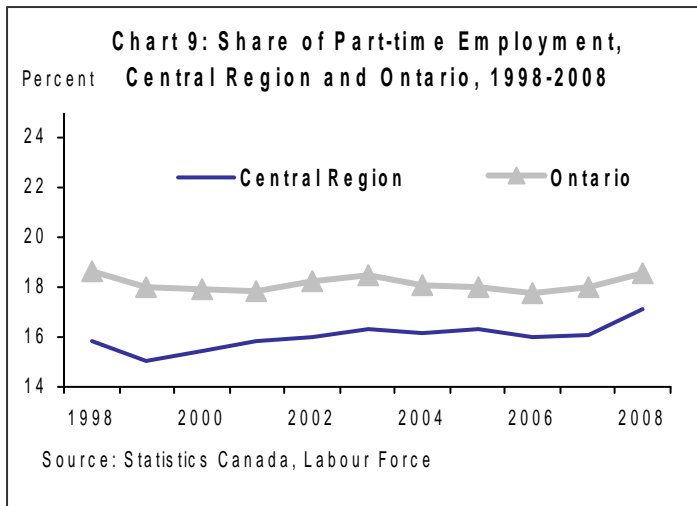
- In 2007 employment growth for the Central Region spiked up to 2.3%, but has fallen to a more moderate 1.7% in 2008, compared to 1.4% for the province. Employment in the Central Region rose by 57,000 to 3,428,000 in 2008.
- The Central Ontario Region has experienced fairly steady employment growth over the past 10 years. The average annual rate of employment growth over this period was 2.5%.
- 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.
- Between 1999 and 2008, the employment level in the Central Region increased by 673,000 (or 24.4%).
- Historically, employment rates in the Central Region have been higher than Ontario's. In 2008, 64.3% of the Central Region's working age population (15 years and over) 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 0.7 percentage points in 2008.
- The Central Region's working age population numbered 5,334,000 in 2008 and accounted for 50.8% of the province's working age population.



- Since 1998, 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 2008, growth in the Central Region’s working age population (2.0%) outpaced that in Ontario (1.4%).

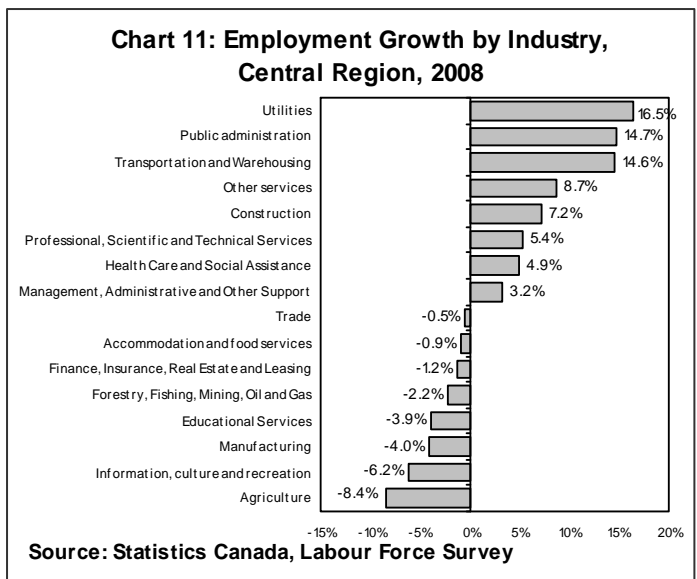
Part-time Employment

- Historically, part-time employment constitutes a smaller share of employment in the Central Region than in Ontario overall. In 2008, part-time employment represented 17.1% of total employment in the Central Region, compared to 18.6% for Ontario. These were the highest levels in the past ten years in both the Region and the province.
- From 1998 to 2008, 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, while from 2004 to 2007 it trended slightly lower.



Employment by Industry

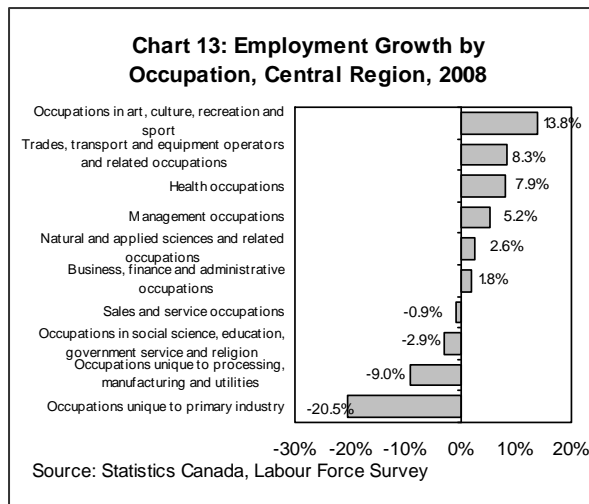
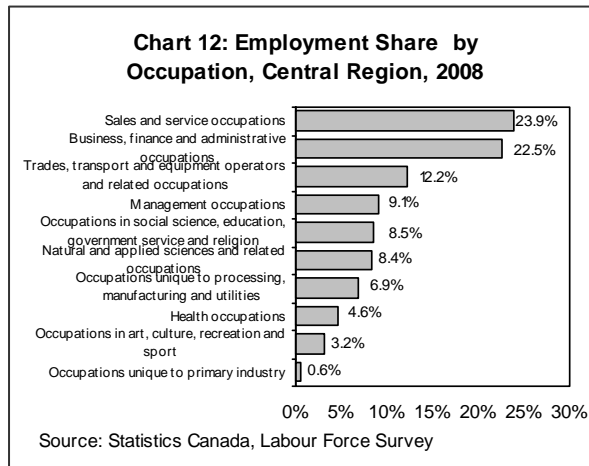
- In terms of employment in 2008, the major industries in Central Ontario were: trade (15.9%); manufacturing (13.3%); finance, insurance, real estate and leasing (9.2%); professional, scientific, and technical services (9.4%); and health care and social assistance (8.9%). These five industries employ 57% of the labour force in the Central Region.
- In absolute terms, employment growth was strongest in transportation and



warehousing and public administration, with gains of 23,400 and 17,200, respectively. Alternately, manufacturing experienced a loss of 19,200 (4.0%). In relative terms, employment growth was highest in utilities (16.5%) and public administration (14.7%), although these industries represent a small portion of total employment.

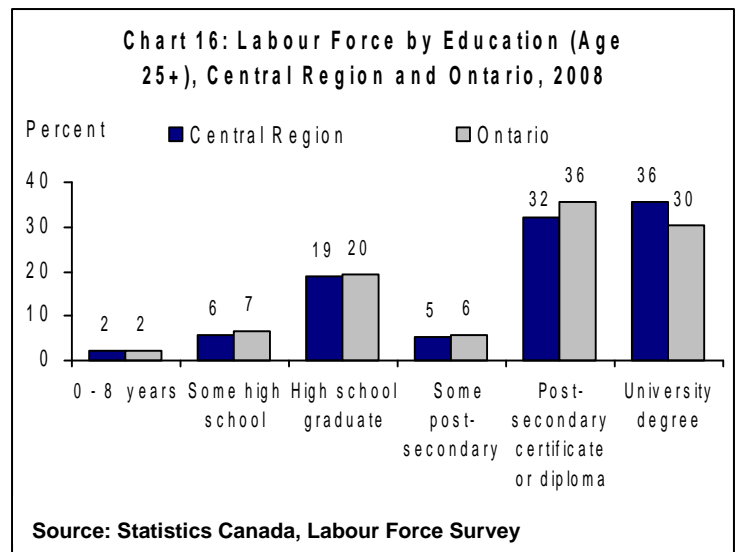
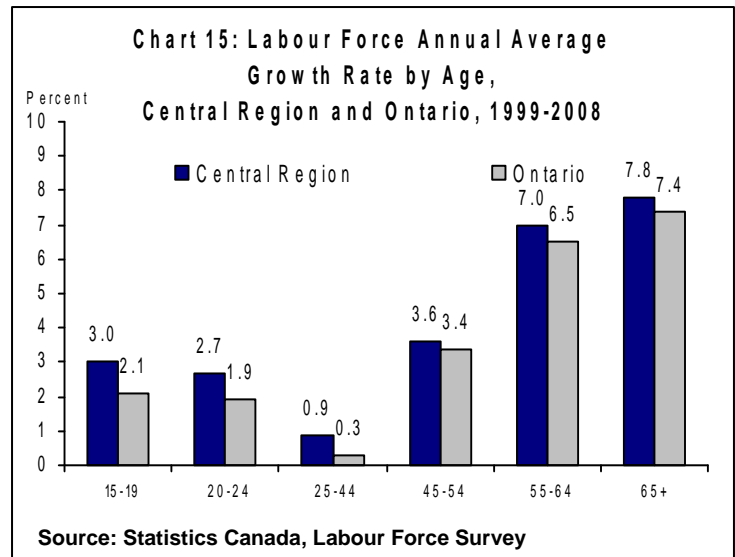
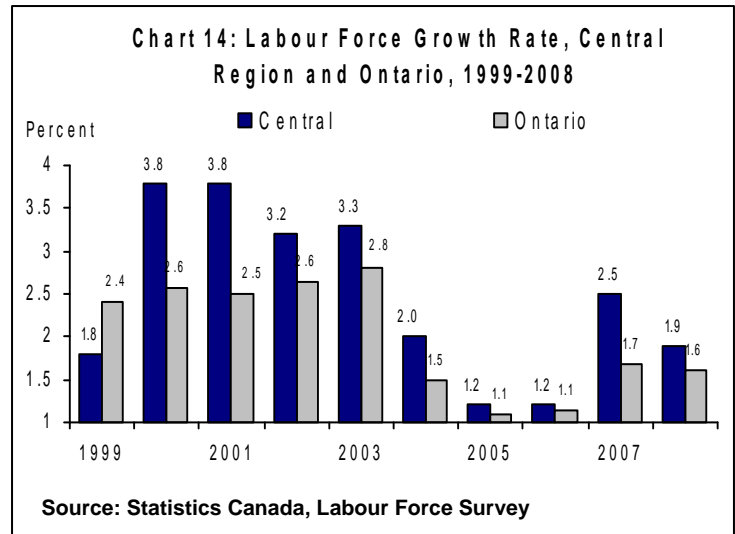
Employment by Occupation

- In 2008, the largest occupational groups in the Central Region were: sales and service (24%); business, finance and administration (23%); and trades, transport and equipment operators (12%).
- These three major occupational groups employed 59% of all the workers in the Central Region.
- Occupations in art, culture, recreation and sports registered the strongest employment growth in 2008 at 14%. Trades, transport and equipment operators and health occupations were the next strongest groups, with growth of about 8% each.
- Employment fell in four occupational groups. The largest decline (21%) was registered in occupations unique to the primary industry.



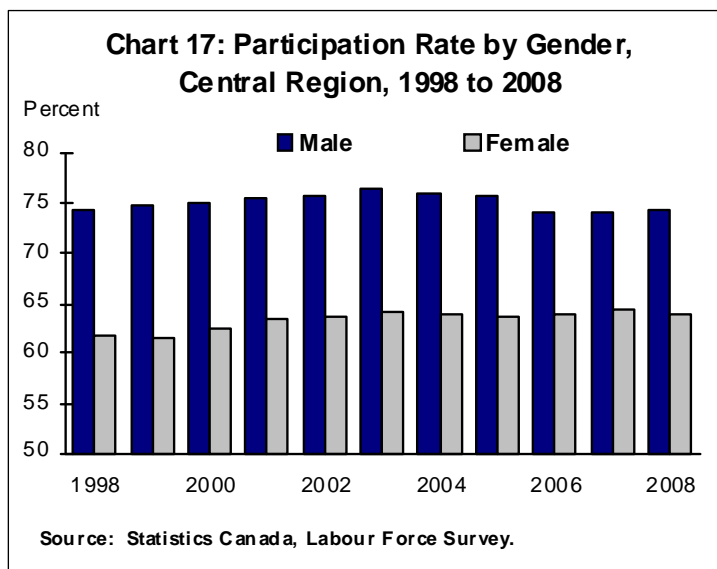
Labour Force

- 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 2008 it grew by 1.9%, after growing by 2.5% in 2007.
- 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 65+ had the highest average yearly labour force growth rate in Central Ontario (7.8%).
- In 2008, the Central Region’s labour force numbered 3,678,000. Adults aged 25-44 years accounted for 47% of the region’s total labour force.
- In 2008, those aged 65+ years had the highest labour force growth rate (17.1%) of all Central Region age groups, followed by those aged 45-54 (3.6%). The 15-19 years cohort was the only cohort to decline (1.9%). 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 continued 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 (73%) of Central Region adults in the labour force have some post-secondary education or higher.



Labour Force Participation Rates

- Compared to Ontario as a whole, the labour force participation rate in the Central Region is generally higher. In 2008, the labour force participation rate of the working age population was 68.9% in Central Ontario, compared to 68.1% in Ontario.
- Historically, the labour force participation rate of males in Central Ontario has been much higher than that of females. In 2008 men registered a rate of 74.2%, compared to 63.9% for women.

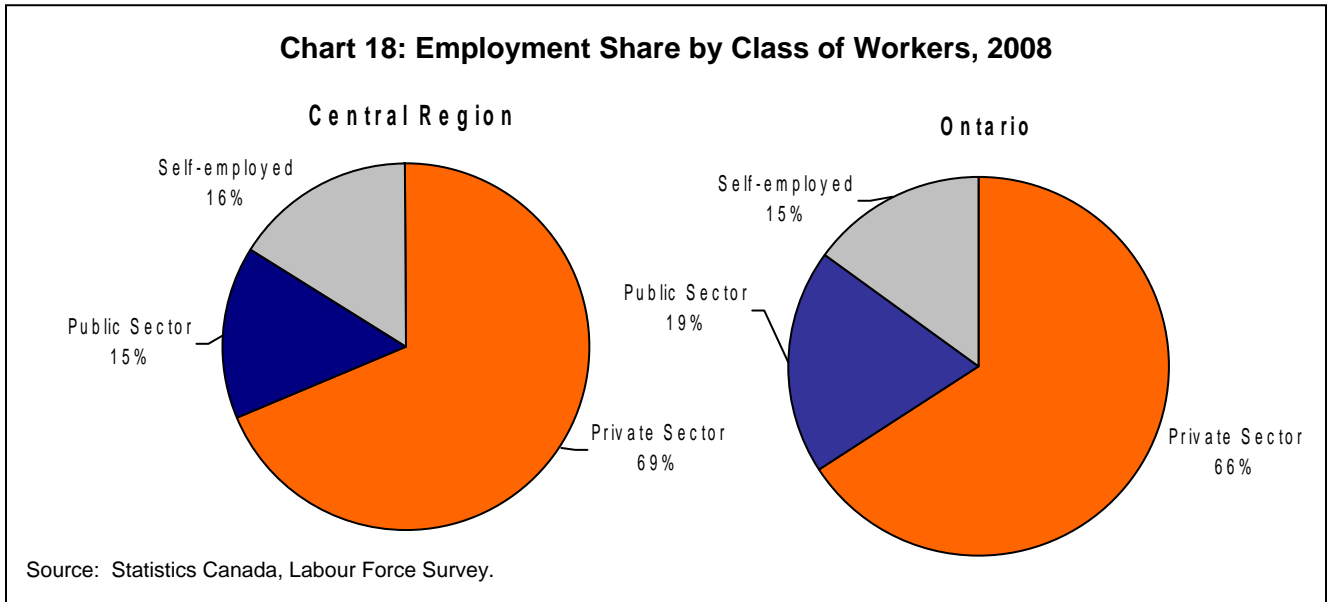


- In the past decade, the labour force participation rate in the Central Region peaked in 2003 at 76.4% for men and 64.1% for women. However, the labour force participation rate of males declined to its lowest 10-year level, about 74%, from 2006 to 2008. The labour force participation rate of females in the Central Region has hovered around the 64% mark since 2002.
- Adult labour force participation rates tend to decline with age. In 2008, the 25-54 years group had the highest participation rate (86.6%), while the 55+ years group had a rate of 38.1%. The youth cohort had a rate of 61.0%.

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. 19%) and private sector employment (69% vs. 66%).
- Self-employment in the Central Ontario Region grew by 31.2% over the past decade, increasing from 402,500 in 1998 to its highest level, 548,200, in 2008. It grew by 3.2% in 2008.
- Paid employment (public and private) also enjoyed strong growth, increasing by 26.5% since 1998.

- 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. In 2008 public sector employment grew by 4.2%, to 527,100.
- Employment growth in the private sector was strong during the late 1990s, but has been relatively weak since 2002. In 2008, private sector employment in Central Ontario grew by only 0.8%, its weakest growth of the decade.

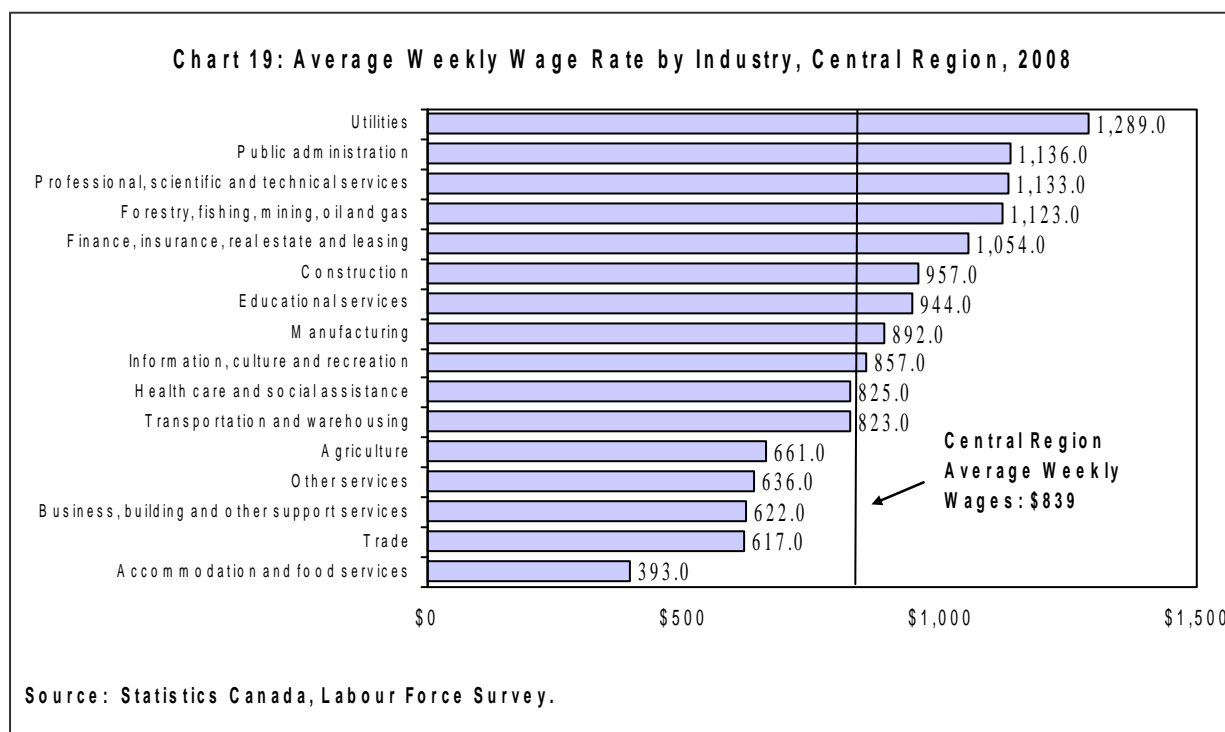


Wages by Industry

- In 2008, the average weekly wage for all workers in the Central Region was \$839, which was slightly higher than the average of \$816 for workers in Ontario as a whole. These wages represented gains of 3.7% and 3.8% respectively, compared to 2007.
- Since 1998, weekly wages increased by 33% in the Central Region, compared to 34% for the province.
- Four industries in the Central Region had average weekly earnings that were lower than the same industries in Ontario: manufacturing, utilities, educational services, and forestry, fishing, mining, oil and gas. Central region wages in agriculture, finance, insurance real estate and leasing, and information, culture and recreation were considerably higher than comparable wages for Ontario.

	Average Weekly Wage, Central Region (\$), 2008	Average Weekly Wage, Ontario (\$), 2008
Utilities	1,289	1,301
Manufacturing	892	923
Forestry, fishing, oil and gas	1,123	1,131
Education	944	948
Total employees	839	816

- The highest paying jobs in the Central Region were in utilities, which had an average weekly wage rate of \$1,289 in 2008. The lowest paying jobs were in the accommodation and food services sector, which had an average weekly wage rate of \$393.
- There was a large earnings gap of \$896 in 2008 between jobs in the highest paying industry (utilities) and the lowest paying industry (accommodation and food services) in Central Ontario.



Wages by Occupation

- The highest paying jobs in the Central Region were in management occupations (\$1,432 per week) and in natural and applied sciences occupations (\$1,198 per week). The lowest paying jobs in Central Ontario were in sales and service occupations (\$490 per week).
- Only two occupational groups the Central Region had average weekly earnings that were lower than those at the Ontario level in 2008: occupations unique to processing, and trades, transportation and equipment operators.

	Average Weekly Wage, Central Region (\$), 2008	Average Weekly Wage, Ontario (\$), 2008
Trades, transport and equipment operators	852	855
Occupations unique to processing, manufacturing and utilities	695	743
Total employees	839	816

- In 2008, there was a relatively large earnings gap (\$942) between the high paying management occupations and the lower paying sales and service occupations in the Central Region.

