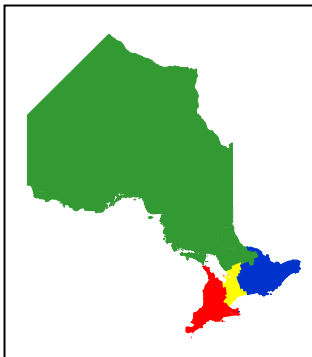


LABOUR MARKET INFORMATION

**Employment Ontario Northern Region
2009 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

Northern Region Highlights – 2009

Employment in the Northern Region fell by 17,000 in 2009, representing a decline of 4.7% from 2008 to a total of 347,500 in 2009. The net loss of 13,500 full-time and 3,500 part-time jobs helped to push the Region's unemployment rate to a 10-year high of 9.0% in 2009, up from 6.6% in 2008. There were 7,000 or 32.0% more unemployed people in the Region in 2009 than in 2008, increasing the total number of people unemployed to about 35,000. The Region's labour force had a net decline of 8,600 or 2.2% in 2009. The labour force participation rate for the Region fell from 62.1% in 2008 to 60.8% in 2009, lessening the rise in unemployment in 2009.

The unemployment rate for women in the Region was 6.7% in 2009, up from 6.0% in 2008, while the rate for men jumped from 7.2% to 11.1% during the period. Males had high representation in industries that experienced high job losses in 2009, including manufacturing and forestry, fishing, mining, oil and gas. In contrast, females had high representation in the industries that grew in 2009, including finance, insurance and real estate, and educational services.

The number of unemployed people in Ontario overall jumped by 182,000 (up 39%) in 2009 to reach 649,000. This increase helped to push Ontario's unemployment rate to 9.0% in 2009, up from 6.5% in 2008.

Approximately 786,000 people or 6.0% of Ontario's 12.2 million population reside in the Northern Region, according to the 2006 Census, with most of the Region's residents living in Greater Sudbury (20.1%), Thunder Bay District (19.0%), Algoma District (14.9%), Nipissing District (10.8%) and Cochrane District (10.5%).

The Region's 627,000 working-age (15 years and over) population, which accounts for 6.0% of Ontario's 10.7 million working-age population, has declined annually by an average of 0.2% over the past decade. The lack of population growth in the Region, out-migration of youth and low levels of in-migration have contributed to this decline. Similarly, the labour force has also declined.

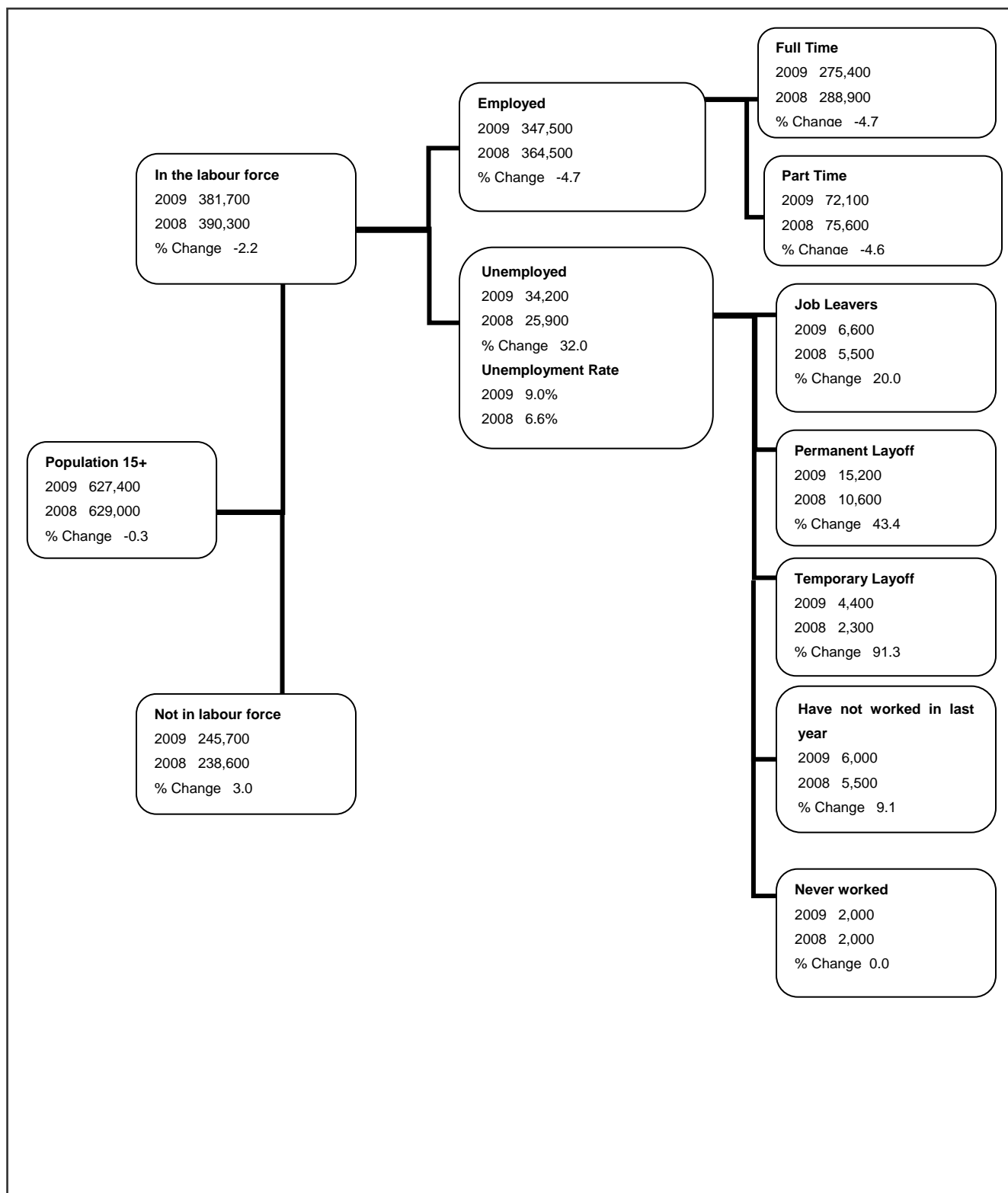
The decline in the Region's population masks the fact that the Aboriginal population grew by more than 20.0% between 2001 and 2006, according to the 2006 census. The Aboriginal population represents 10.0% of the Region's population and over a third of the Aboriginal population in Ontario, according to estimates from the 2006 Census. However, some Aboriginal communities were not enumerated in the census. An estimated 1 in 5 of Region's population is Francophone.

In 2009, the health care and social assistance (15.9%), trade: retail and wholesale (15.3%), educational services (9.6%), construction (7.4%) and manufacturing (7.2%) sectors employed the most people in the Northern Region. Forestry, fishing, mining, oil and gas (5.5%) is also an important part of the Region's economic base. In contrast, this industry accounted for only 0.5% of employment in all of Ontario.

Forestry, fishing, mining, oil and gas (down 4,700 jobs or 19.7%) and manufacturing (down 4,700 jobs or 15.8%) were the industries with the largest absolute declines in employment in the Northern Region in 2009. The weakness in these industries negatively affected economic activities in other industries. The industries with the largest percentage declines in employment in 2009 were agriculture (down 2,000 jobs or 47.6%), and management, administrative and other support services (down 4,500 jobs or 30.8%).

The average weekly wage for all workers in the Northern Region was approximately \$811.00 in 2009, up from about \$789.00 in 2008. This compared with an average weekly wage of approximately \$833.00 for workers in all of Ontario, up from about \$816.00 in 2008.

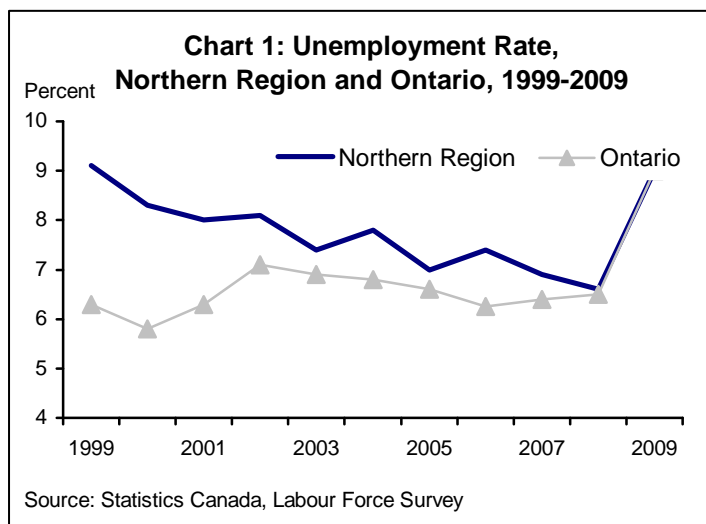
Ontario Northern Region Labour Market – 2009



Unemployment

Unemployment Rate and Unemployment

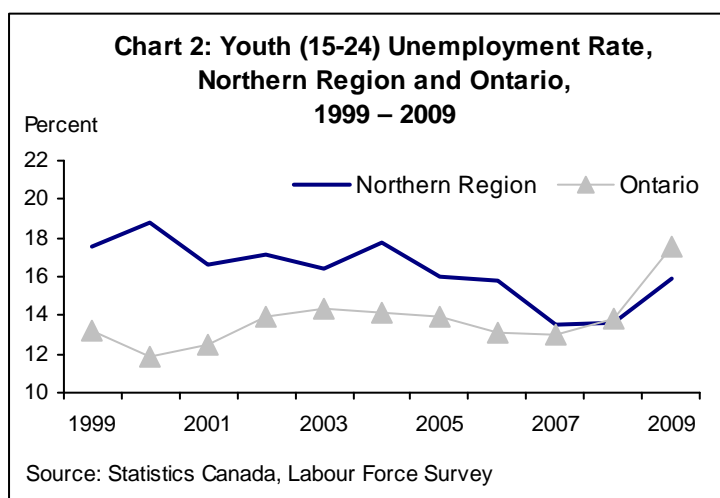
- Historically, the unemployment rate for the Northern Ontario Region has been higher than the average for Ontario, but the gap started to narrow in 1999 and all but disappeared by 2008 due to a decline in the Region's unemployment rate prior to the recent economic downturn and the recent rise in the average unemployment rate for Ontario.



- The Northern Region's unemployment rate rose to a 10-year high of 9.0% in 2009, up 2.4 percentage points from 6.6% in 2008 and matching Ontario's average unemployment rate. Ontario's average unemployment rate was up from 6.5% in 2008. Employment in the Region declined by 17,000 in 2009, the labour force contracted by 8,600 and 8,300 more people were unemployed than in 2008. The Region's labour force participation rate fell from 62.1% in 2008 to 60.8% in 2009, softening the rise in unemployment 2009.

- 2009 marked the second consecutive year in which the unemployment rate for the Northern Region was not highest among the four Employment Ontario regions. The unemployment rate for the Western Region (9.6%) and Central Region (9.4%) exceeded both the unemployment rate for the Northern Region and Ontario's average unemployment rate in 2009. The Eastern Region (6.9%) had the lowest unemployment rate in 2009 and in 2008 (5.5%). The Northern and Western Regions each had an unemployment rate of 6.6% in 2008, while the rate for the Central Region was 6.8%.

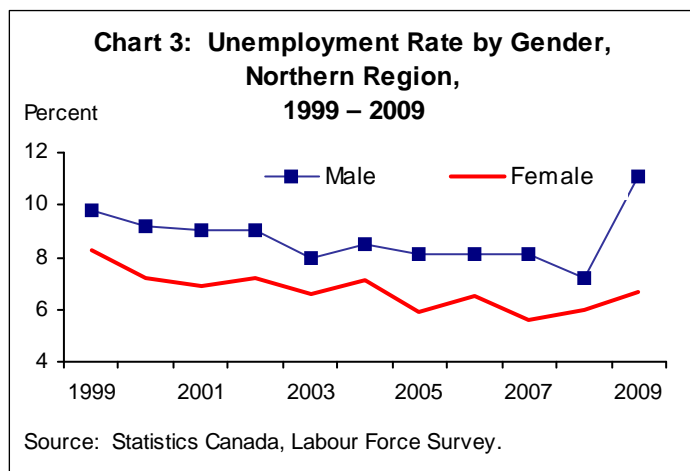
- The number of unemployed people in all of Ontario was up approximately 182,000 (up 39%) from 2008 to a total of 649,000 in 2009. There were approximately 161,000 fewer jobs (down 2.4%) available in all of Ontario in 2009 than in 2008, while about 20,600 more people were added to province's labour force (up 0.3%).



- The unemployment rate for youth (aged 15 to 24) in the Northern Region was

15.9% in 2009, up from 13.6% in 2008 but lower than the overall unemployment rate (17.6%) for youth in all of Ontario. Employment among youths in all of Ontario fell faster (down 7.4%) than for any other age group during the recession in 2009. Employment among workers aged 55 to 64 fell the fastest (down 5.7%) in the Northern Region in 2009, followed closely by job losses (down 5.1%) among youths.

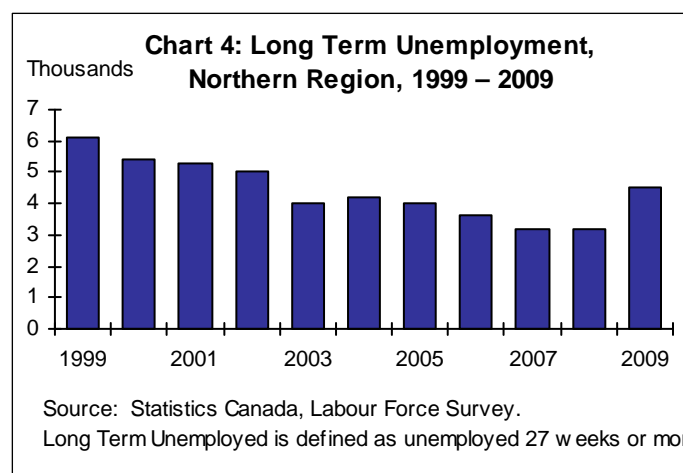
- Historically, the unemployment rate for youth in the Region had been declining, due in part to a smaller youth labour force and an overall decline in youth unemployment.
- Women in the Northern Region have experienced lower unemployment rates than men over the past decade. The same is true for the other three regions, particularly since 2001. However, the gap in the Northern Region has been wider. The gap widened in 2009 as males had high representation in industries that experienced high job losses. Manufacturing and forestry, fishing, mining, oil and gas are notable examples. In contrast, females had high representation in the industries that grew in 2009, including finance, insurance and real estate, and educational services.



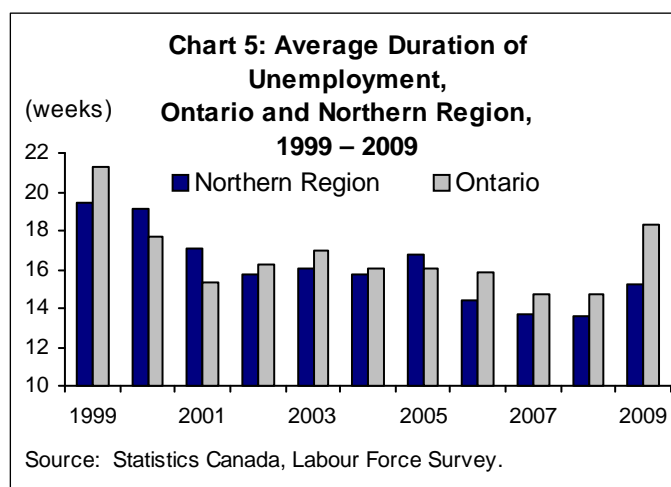
- In 2009, the unemployment rate for women in the Region was 6.7%, up from 6% in 2008, while the rate for men jumped from 7.2% to 11.1% during the same period. In Ontario overall, the unemployment rate was 7.7% for women and 10.3% for men in 2009, up respectively from 6.1% and 6.9% in 2008.

Duration of Unemployment

- An estimated 4,500 people in the Northern Region reported being unemployed for 27 weeks or more (long-term unemployment) in 2009, up 40.6% from 3,200 in 2008. They accounted for 13.0% and 12.0% of unemployed people in 2009 and 2008, respectively.
- The Northern Region had experienced a steady decline in long-term unemployment prior to 2009, with the number of people reporting long-term unemployment falling from 6,100 (17.0% of unemployed people) in 1999 to 3,200 or 12.0% of unemployed people in 2008.

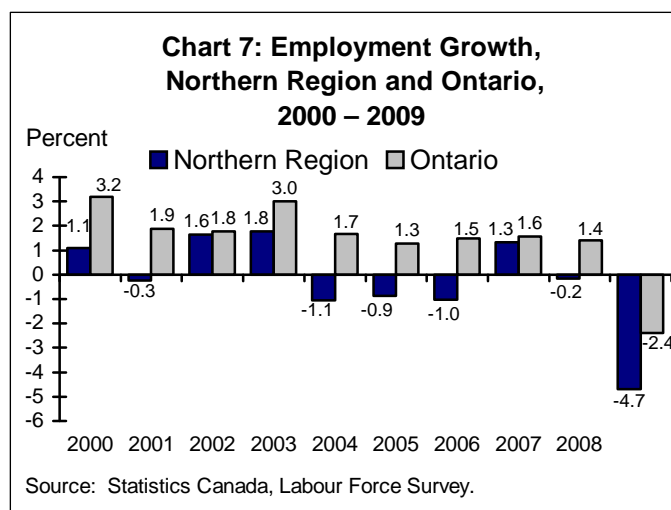
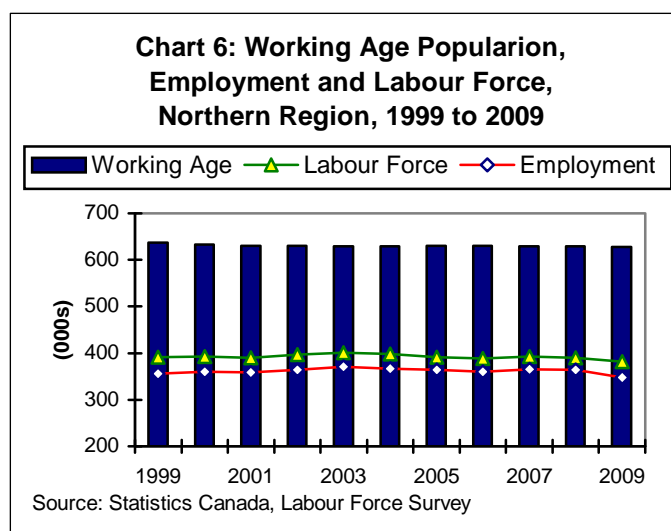


- Approximately 18.0% of unemployed people in all of Ontario reported being in long-term unemployment in 2009, up from 13.4% in 2008.
- In 2009, the average duration of unemployment in the Northern Region was 15.2 weeks, substantially lower than the average of 18.3 weeks for Ontario overall.

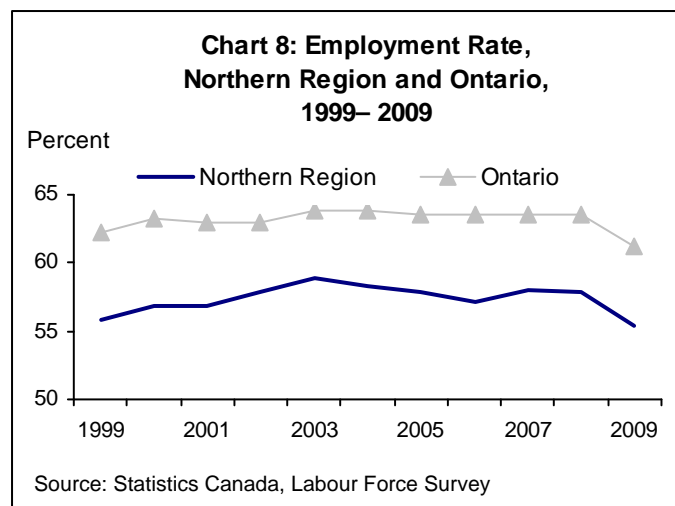


Employment

- Employment in the Northern Region fell by 17,000 (down 4.7%) in 2009 to an average of 347,500. The losses were proportionally split between full-time (down 13,500) and part-time (down 3,500) jobs, reflecting the share of full-time and part-time employment in the Region.
- Employment in all of Ontario decreased by approximately 161,000 (down 2.4%) to an average of 6.5 million in 2009. Full-time jobs accounted for the entire decline.
- Between 1999 and 2009, employment in the Northern Region peaked at 371,000 in 2003 after increasing from a low of 345,300 in 1999. Employment has fluctuated since 2003, with a net loss of 23,600 jobs between 2003 and 2009.
- Employment in the Northern Region fell by an average of 0.2% on an annual basis since 2000, while it grew an average of 1.5% in all of Ontario over the same period.



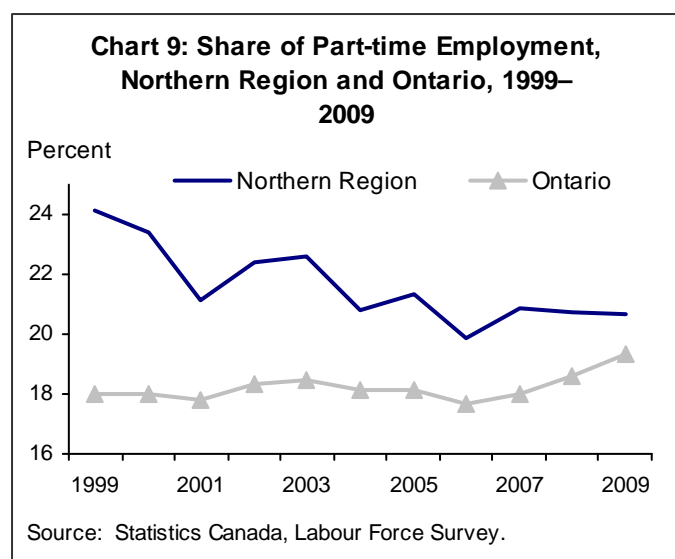
- The Region’s working-age population (15 years and over) has declined an average of 0.2% per year since 2000. Slow population growth in the Region is affecting growth of its working-age population. Ontario’s working-age population experienced average annual growth of 1.7% over the same period.
- An estimated 55.4% of the working-age population in the Northern Region had jobs in 2009, down from 57.9% in 2008 due to employment losses. This compared with an employment rate of 61.2% in all of Ontario in 2009, down from 63.6% in 2008.



- The Region’s employment rate averaged about 57.0% between 1999 and 2009. The corresponding average for all of Ontario was six percentage points higher, or 63%.

Part-time Employment

- Part-time employment represents a larger share of employment in the Northern Region than in the entire province, but the gap is narrowing due to a rise in the share of part-time employment in Ontario overall and a declining share of part-time employment in the Northern Region.
- In 2009, about 21.0% of total employment in the Northern Region was part-time, the same as in 2008 but 2 percentage points higher than the Ontario average.
- There has been a downward trend in share of part-time employment in the Region since 1999, when part-time employment peaked at 24.1%. The share of part-time jobs in the entire province increased from 18.0% in 1999 to 19.3% in 2009.

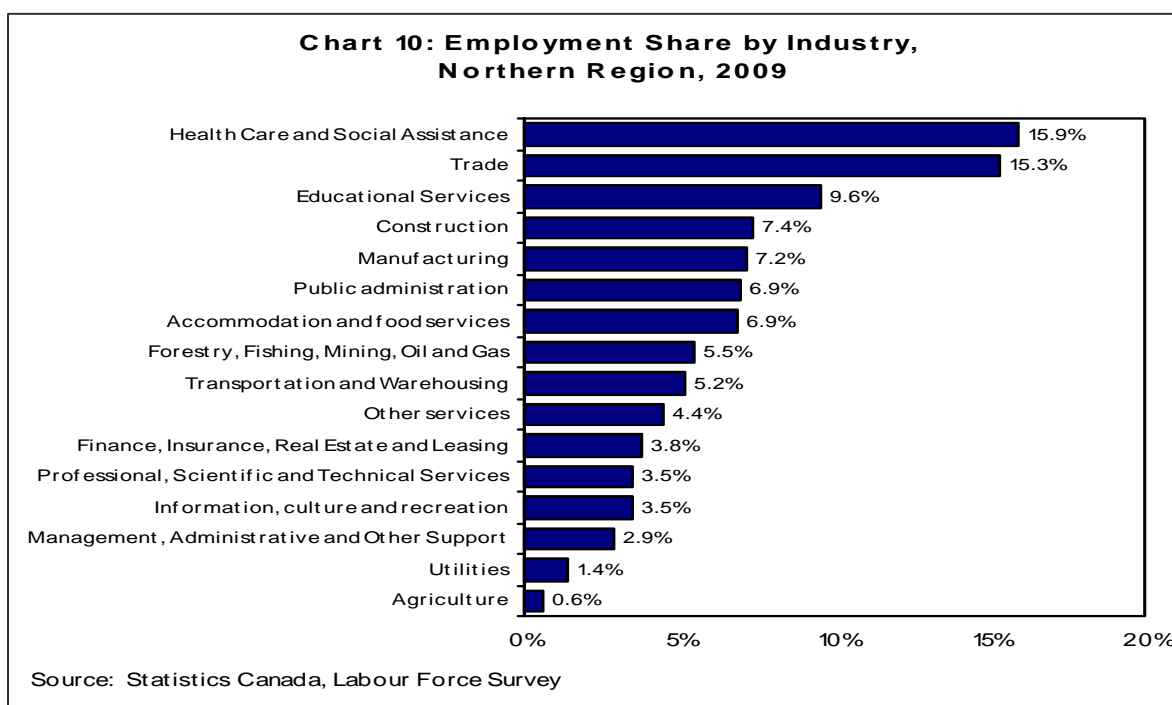


Employment Share and Growth by Industry

- The Northern Region is more reliant on public sector employment than the province overall, including health care and social assistance, educational services and public administration. The forestry, fishing, mining, oil and gas sector is also an important

part of the Northern Region’s economic base. Jobs in this industry in the Region are mostly export based.

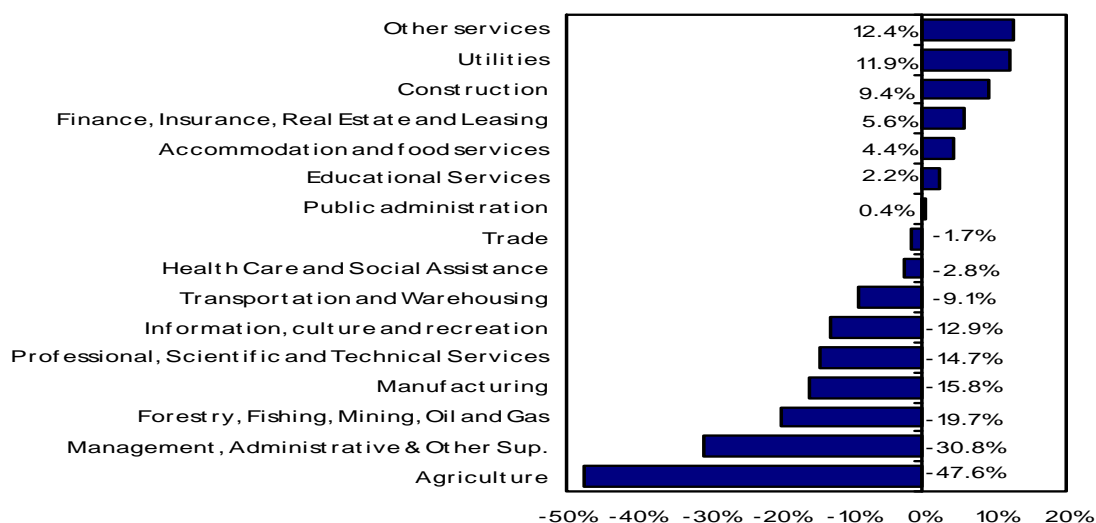
- Health care and social assistance (15.9%), trade: retail and wholesale (15.3%), educational services (9.6%), construction (7.4%) and manufacturing (7.2%) employed the most people in the Northern Region in 2009. The five industries accounted for more than half (55%) of all employment in the Region.
- The forestry, fishing, mining, oil and gas industry accounted for 5.5% of employment in the Northern Region in 2009, compared with only 0.5% in all of Ontario.
- In Ontario in 2009, trade: wholesale and retail (15.3%), manufacturing (12.2%) health care and social assistance (10.9%), professional, scientific and technical services (7.8%) and educational services (7.1%) employed the most people.



- Employment in the Northern Region’s goods-producing sector fell by 10.1% to 77,000 in 2009, accounting for about half (8,600) of the 17,000 net decline in employment in the Region in 2009. This is reflected in the decline in the goods-producing sector’s share from 23% of employment in 2008 to 22% in 2009. Employment in the Region’s service-producing sector fell to 271,000 in 2009, down 3.0% from 2008. Across Ontario, employment in the goods-producing sectors was 1.4 million in 2009, down 144,000 or 9.4% from 2008. Employment in the province’s service-producing sector was 5.1 million in 2009, with approximately 17,000 fewer jobs (down 0.3%) than in 2008.

- Agriculture (down 2,000 jobs or 47.6%), management, administrative and other support services (down 4,500 jobs or 30.8%), forestry, fishing, mining, oil and gas (down 4,700 jobs or 19.7%) and manufacturing (down 4,700 jobs or 15.8%) experienced the largest percentage declines in employment in 2009 in the Northern Region. Manufacturing and forestry, fishing, mining, oil and gas were tied for the largest absolute decline in employment in the Region in 2009.
- In 2009, other services (up 1,700 jobs or 12.4%), including equipment and machinery repairing, religious activities and personal care services; utilities (up 500 jobs or 11.9%); construction (up 2,200 jobs or 9.4%); and finance, insurance, real estate and leasing (up 700 jobs or 5.6%) showed the highest percentage gains in employment. Construction had the largest absolute gain in employment.
- In Ontario overall, manufacturing (down 104,000 jobs or 11.6%) and construction (down 30,000 jobs or 6.8%) had the largest absolute declines in employment in 2009, while finance, insurance, real estate and leasing (up 34,000 jobs or 7.2%) and other services (up 26,000 jobs or 9.3%) had the largest absolute gains.

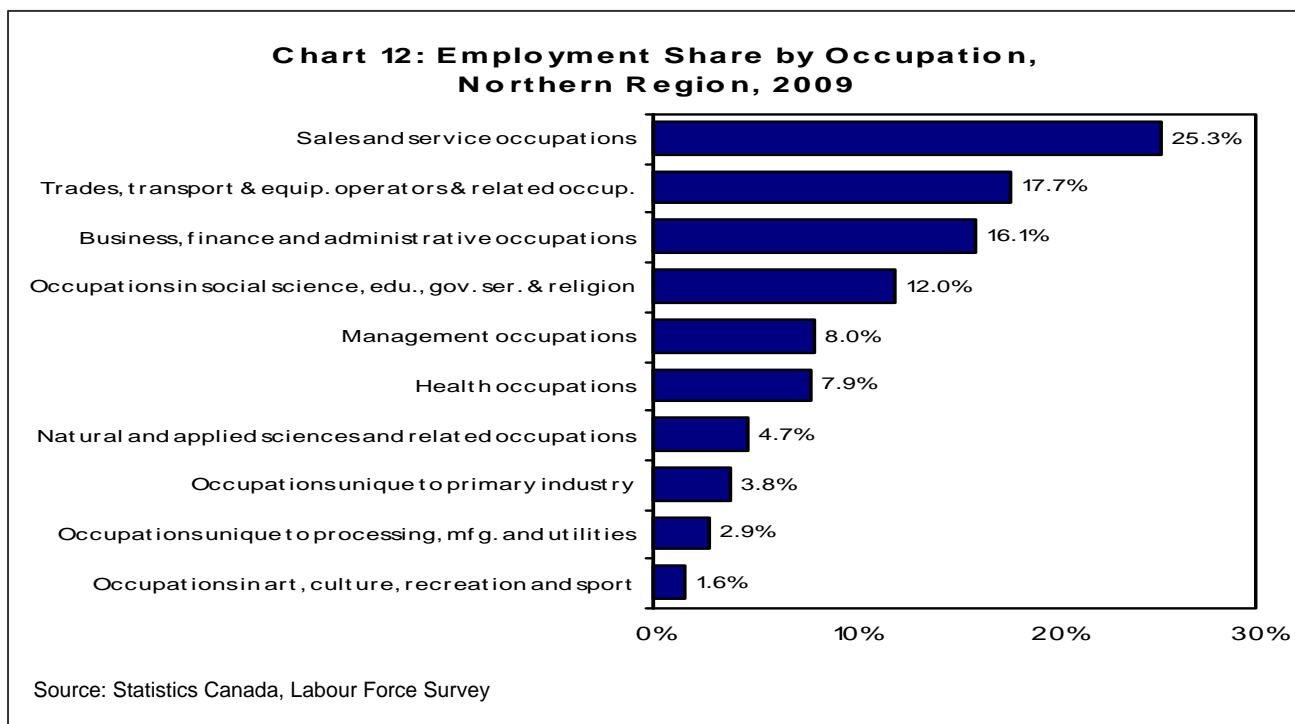
Chart 11: Employment Growth by Industry, Northern Region, 2009



Source: Statistics Canada, Labour Force Survey

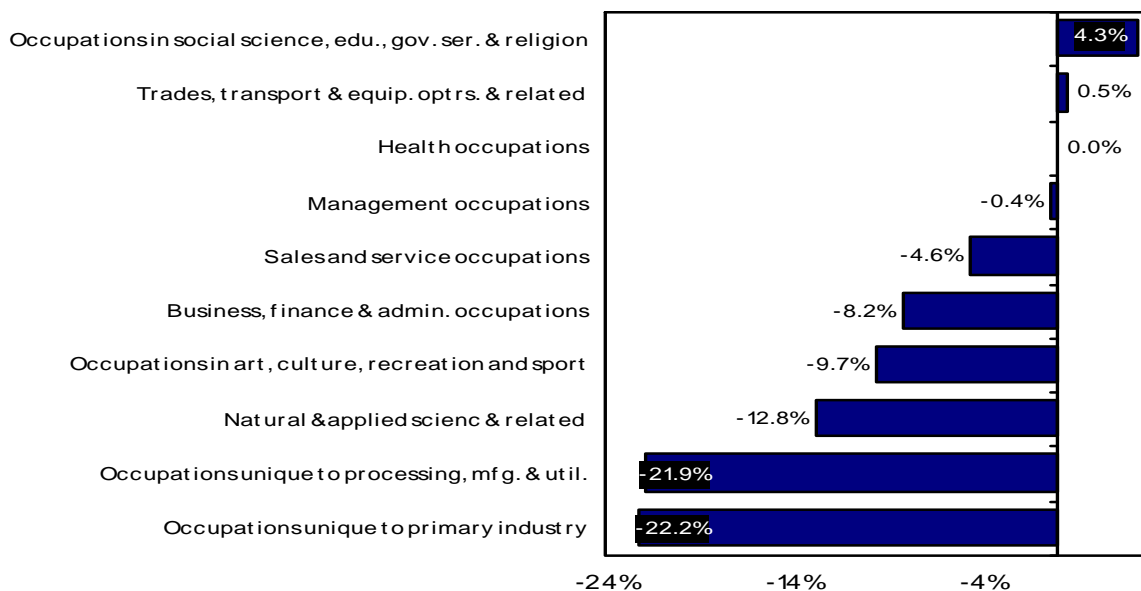
Employment Share and Growth by Occupation

- Three major occupational groups employed more than half (59.1%) of all workers in the Northern Region in 2009: sales and service occupations (25.3%); trades, transportation and equipment operating occupations (17.7%) and business, finance and administrative occupations (16.1%).



- Employment fell across most occupational groups in the Northern Region in 2009. The largest percentage declines were in occupations unique to the primary industry (down 3,800 jobs or 22.2%), occupations unique to processing, manufacturing and utilities (down 2,800 jobs or 21.9%) and natural and applied sciences and related occupations (down 2,400 jobs or 12.8%). Sales and service occupations (down 4,200 jobs or 4.6%) had the largest absolute decline.
- Occupations in social science, education, government service and religion gained employment in 2009 (up 1,700 jobs or 4.3%). There was also a notable gain in trades, transport and equipment operators and related occupations.

Chart 13: Employment Growth by Occupation, Northern Region, 2009



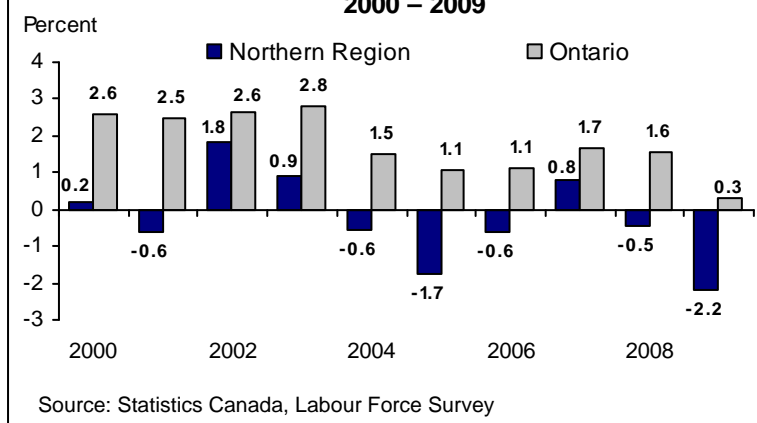
Source: Statistics Canada, Labour Force Survey

Labour Force

Labour Force Growth

- In 2009, the labour force in the Northern Region totalled approximately 381,700, a decline of 8,600 or 2.2% from 2008. There were labour force declines most years since 2004. The exception was in 2007, when the labour force in the Region increased by 0.8%.
- The Northern Region has had negative labour force growth in six of the past 10 years and only reported growth higher than one percent in 2002, (up 1.8% or 7,000 individuals). In contrast, Ontario has experienced labour force growth of between 1.1% and 2.8% each year, with the exception of 2009 (up 0.3% or 20,600 individuals).

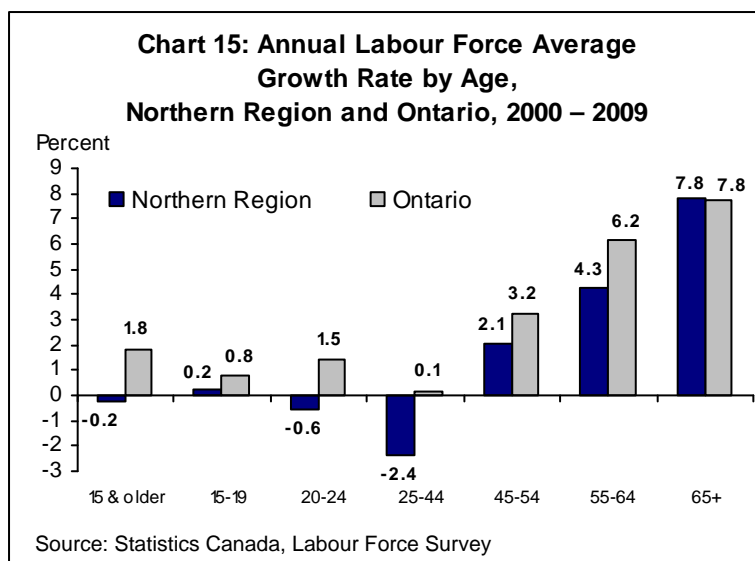
Chart 14: Labour Force Growth Rate, Northern Region and Ontario, 2000 – 2009



Source: Statistics Canada, Labour Force Survey

Labour Force by Age

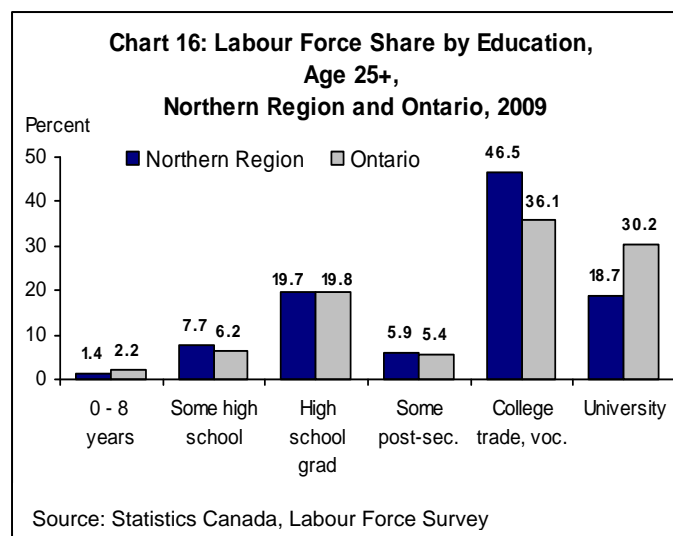
- The Northern Region’s labour force for workers under 45 years of age is shrinking while this cohort in Ontario overall is growing slowly. Combined with growth in the older age cohorts, this trend will mean that the region’s workforce will have an older profile that the rest of Ontario.
- Between 2000 and 2009, there were annual labour force declines in the Region among workers aged 20 to 24 (down 0.6%) and aged 25 to 44 (down 2.4%). This compared with annual labour force growth of 1.5% and 0.1% respectively for their provincial counterparts. The difference can be attributed to a shrinking working-age population among workers under 45 years of age and slightly lower labour force participation rates in the Region compared with Ontario overall.



- The growth in the labour force among people aged 45 and older combined with the lack of labour force growth among the younger workers suggest a major challenge in terms of managing a shrinking labour force in the Region.

Labour Force by Education

- Employment growth in the Northern Region has been largely driven by knowledge-based occupational groups such as social science, education, government service and religion, which generally require a highly skilled and educated labour force.
- In 2009, the proportion of the adult labour force aged 25 and older in the Northern Regions with post-secondary education (65.2%) was 1.1 percentage points lower than in all of Ontario (66.3%).



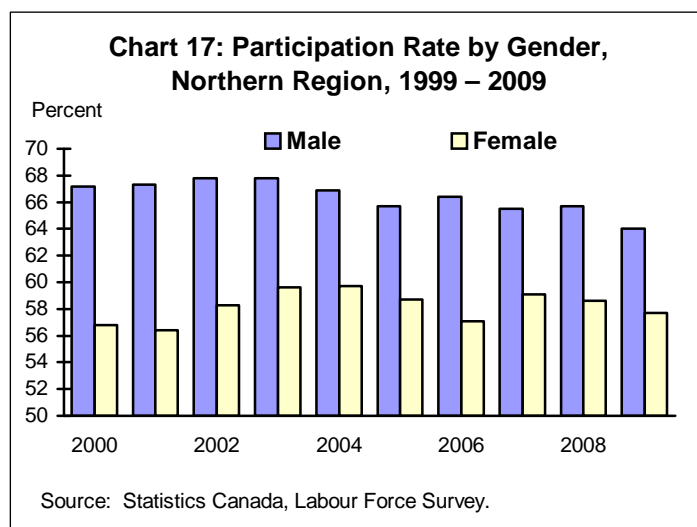
- The educational attainment of the adult population is lower than that of the adult labour force in both the Northern Region and Ontario overall. For example, about 54.0% and 58.0% of adults aged 25 and older in the Northern Region and all of Ontario had post-secondary education in 2009, respectively. Post-secondary educational attainment for

the population aged 25 to 64 was 60.4% in the Northern Region and 63.0% in all of Ontario in 2009.

- Just 18.7% of adults aged 25 and older in the Region's labour force had attained a university degree compared with 30.2% of Ontario's adult labour force. In contrast, more adults aged 25 and older (46.5%) in the Region's labour force had a college, trade or vocational-level education, including apprenticeship, compared with adults aged 25 and older in Ontario's labour force (36.1%).

Labour Force Participation Rates

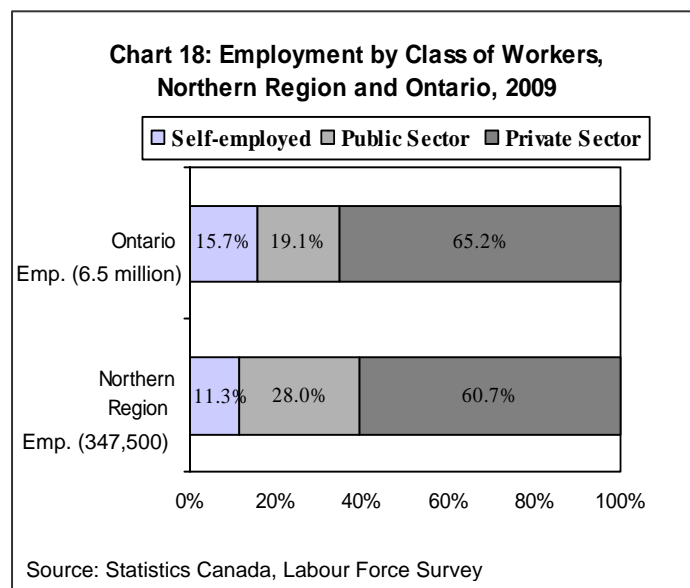
- The labour force participation rate is the share of people age 15 years and over (working-age population) who are employed or looking for work.
- An estimated 381,700 (60.8%) of the 627,400 people of working-age were in the Northern Region's labour force in 2009. This compared with 390,300 people of working-age who were in the labour force in 2008, or a labour force participation rate of 62.1%. The labour force participation rate in all of Ontario was 67.1% in 2009, down from 68.2% in 2008. The gap in the labour force participation rate between the Northern Region and Ontario overall has increased from 5 to 6.5 percentage points between 2000 and 2009.
- The labour force participation rate for males in the Region is much higher than that of females. The gap has narrowed from 11 to 6.3 percentage points between 1999 and 2009 due to a rise in the participation rate for females and a decline in the rate for males.
- For most of the past decade, the labour force participation rate of males in the Northern Region stood at between 66% and 68%. In 2009, the labour force participation rate of males in the Region was 64%, down from 65.7% in 2008 due to an increase (up 1.0%) in the male working-age population and a decrease (down 1.0%) in its labour force.
- The labour force participation rate for females in the Northern Region followed an upward trend from 56.4% in 2001 to 59.7% in 2004. However, it declined in 2005 and again in 2006, followed by an increase in 2007. In 2009, the labour force participation rate for females in the Northern Region was 57.7%, down from 58.6% in 2008.



- Although the labour force participation rate for those aged 55 and older in the Region is rising, their participation is substantially lower compared with younger groups.
- In 2009, only 50.4% of people aged 55-64 in the Northern Region were in the labour force. This rate, however, was 11 percentage points higher than in 2000 as their labour force grew faster than for any other working-age group. The overall Ontario labour force participation rate for people aged 55-64 was 58.8% in 2009, up 8.2 percentage points from 50.6% in 2000.

Class of Worker

- The Northern Region is more reliant on public sector employment¹ than the province as a whole. In 2009, an estimated 28% of workers in the Region were employed in the public sector, compared with 19.1% in Ontario overall.
- Public sector employment in the Region fell from 103,000 in 2008 to 97,200 in 2009, a decrease of 5,800 or 5.6%. The decrease followed an average annual increase in public sector employment of about 3.0% from 1999 to 2008.
- Private sector employment in the Northern Region was 210,900 in 2009, a decrease of 9,900 or 4.5% from 2008. Employment in the private sector peaked at 239,800 in 2003. From 2000 to 2009, private sector employment in the Northern Region declined slightly by an annual average rate of 0.03%.
- In 2009, self-employment was less common in the Northern Region (11.3%) than in Ontario overall (15.7%).
- Self-employment in the Region has declined over the past decade from a peak of 49,500 in 2000 to 39,000 in 2009, representing an average annual decline of 2.4%.

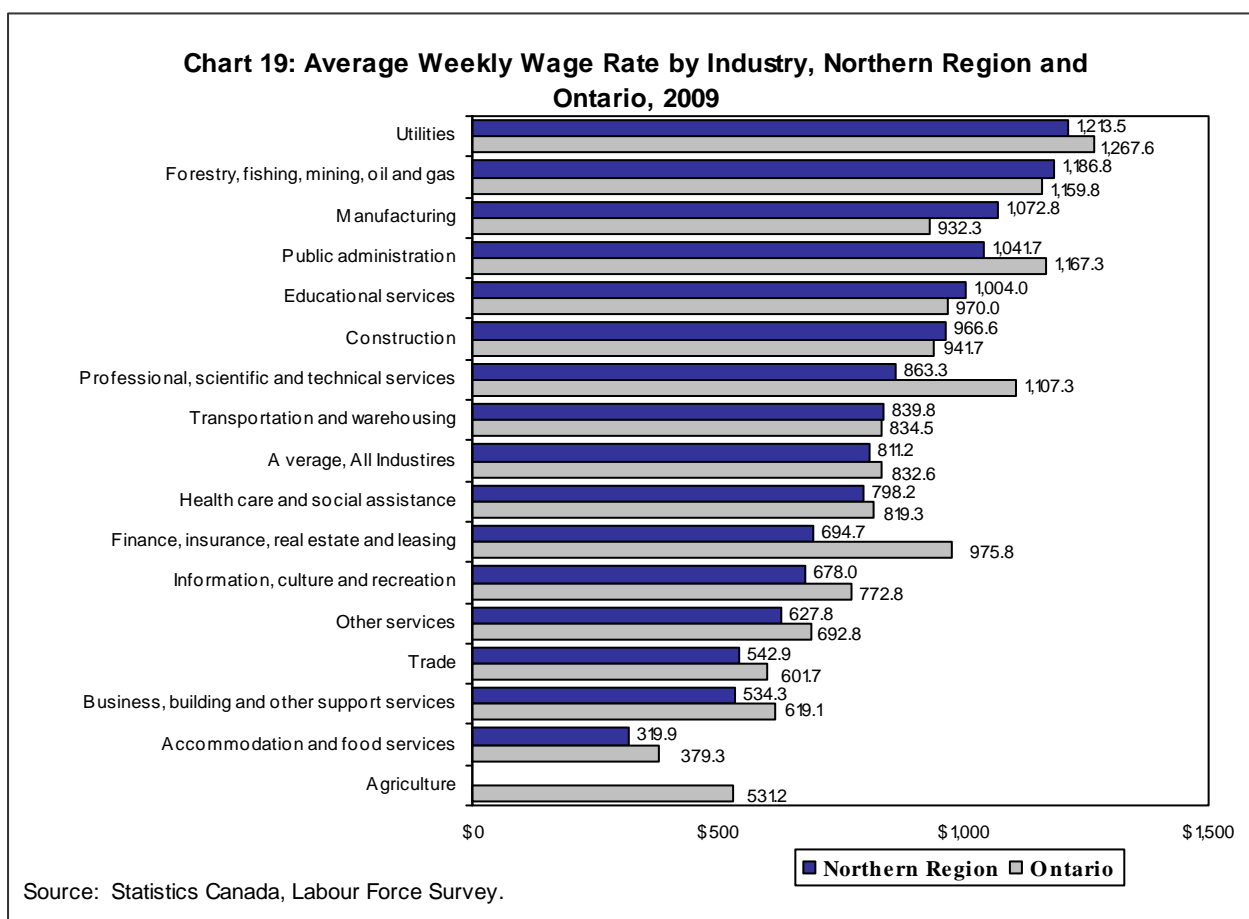


Wages by Industry

- The average weekly wage for all workers in the Northern Region was approximately \$811.00 in 2009, up from \$789.00 in 2008. This compared with an average weekly wage of approximately \$833.00 for workers in Ontario overall, up from about \$816.00 in 2008.

¹ Public sector employment includes local, provincial and federal governments, government services or agencies, crown corporations, and government funded establishments such as universities and hospitals.

- Utilities (\$1,213.50), forestry, fishing, mining, oil and gas (\$1,188.80) and manufacturing (\$1,072.80) were the industries that had the highest average weekly wage rates in the Northern Region in 2009. These three industries also had the highest average weekly wages in the Region in 2008.
- Average weekly earnings in most industries were much lower in the Northern Region compared with Ontario overall, with the largest wage gaps found in finance, insurance, real estate and leasing (\$281.10, or 28.8% less per week), professional, scientific and technical services (\$244.00, or 22.0% less per week) and public administration (\$125.60, or 10.8% less per week).

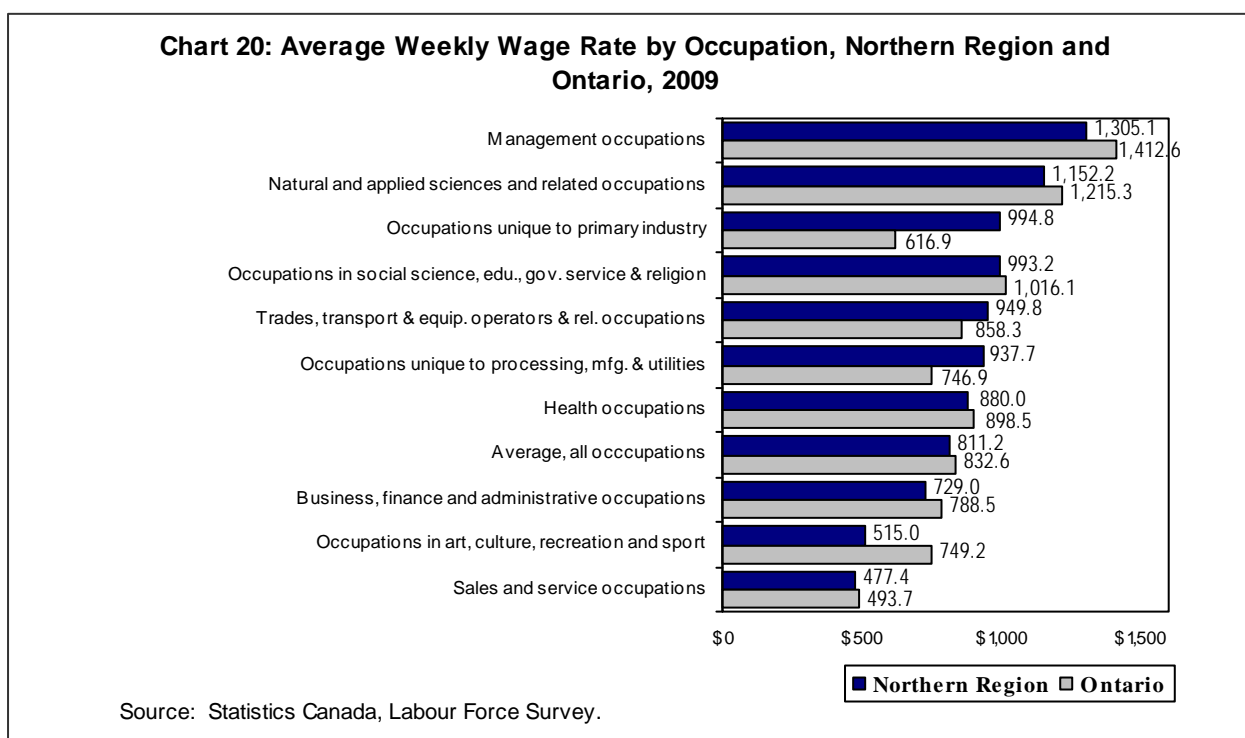


- Manufacturing (\$140.50, or 13.1% more per week) and educational services (\$34, or 3.4% more per week) were among the few industries in the Northern Region in 2009 that had average weekly earnings that were higher than their Ontario counterparts. The manufacturing sector accounted for a smaller employment share in the Northern Region (7%) than in the rest of Ontario (12%). A narrower range of manufacturing industries (e.g. wood product and primary metal) in the Northern Region generated higher manufacturing wages in the Northern Region compared with the rest of Ontario.

- Trade (\$542.90), business, building and other support services (\$534.30), and accommodation and food services (\$319.90) had the lowest reported average weekly wage rates in the Northern Region in 2009. Females accounted for more than two-thirds of the employment in accommodation and food services.

Wages by Occupation

- Three occupational groups in the Northern Region had average weekly earnings that were higher than the Ontario average in 2009: occupations unique to primary industries (\$377.90, or 38.0% more per week); occupations unique to processing manufacturing and utilities (\$190.80, or 20.3% more per week); and trades, transportation and equipment operators and related occupations (91.50, or 9.6% more per week).



- Average weekly earnings for most occupations were much lower in the Northern Region than in Ontario overall, including management occupations (\$107.50, or 7.6% less per week); natural and applied sciences and related occupations (\$63.10, or 5.2% less per week); and business, finance and administrative occupations (\$59.50, or 7.5% less per week). There was a relatively large earnings gap favouring Ontario in occupations in art, culture, recreation and sport (\$232.20, or 31% less per week).

- Management occupations (\$1,305.10), natural and applied sciences occupations (\$1,152.20); and occupations unique to primary industries (\$994.80) were the highest average weekly paying jobs in the Northern Region in 2009. Sales and service occupations (\$477.40) were the lowest average weekly paying jobs.