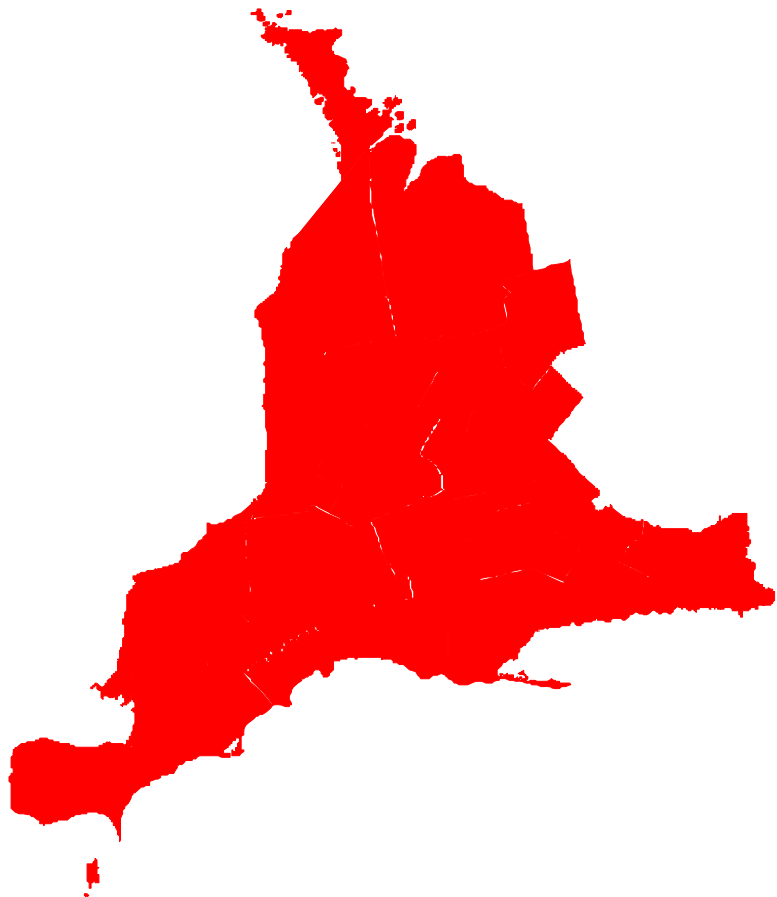
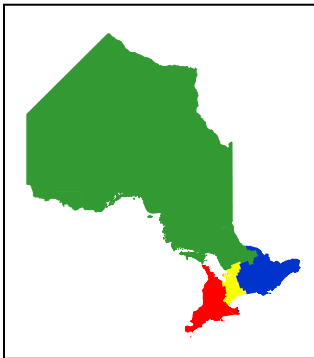


LABOUR MARKET INFORMATION

**Employment Ontario Western Region
2009 Annual Labour Market Report**



Produced by: Labour Market Information and Research Unit
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The Labour Force Survey (LFS) collects monthly information on the labour market activities of Canada's working age population. The data are 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 are 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 http://www.statcan.gc.ca/imdb-bmdi/document/3701_D4_T2_V3-eng.pdf

Cette publication est disponible en français sous le nom de:

Rapport annuel sur le marché du travail 2009 : Emploi Ontario Région de l'Ouest

2009 Western Region Summary

The Western Region's unemployment rate climbed to a recent high of 9.6% in 2009, up from 6.6% in 2008. The number of unemployed people in the Western Region was 188,700, up 57,400 or a dramatic 43.7% from 2008.

Employment in the Western Region has generally expanded more slowly than the Ontario average over the 1999 to 2009 period. Employment growth has slowed significantly since 2003, and the Region's employment level was down considerably between 2008 and 2009, falling by 3.7%.

The Western Region accounted for about 27% of Ontario's 10.7 million working age population (15 years and over) and almost 28% of the province's 7.2 million labour force in 2009. 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 Greater Toronto Area (GTA) and Ottawa. The Region also has several large First Nation communities, including Ontario's largest, the Six Nations Reserve near Brantford.

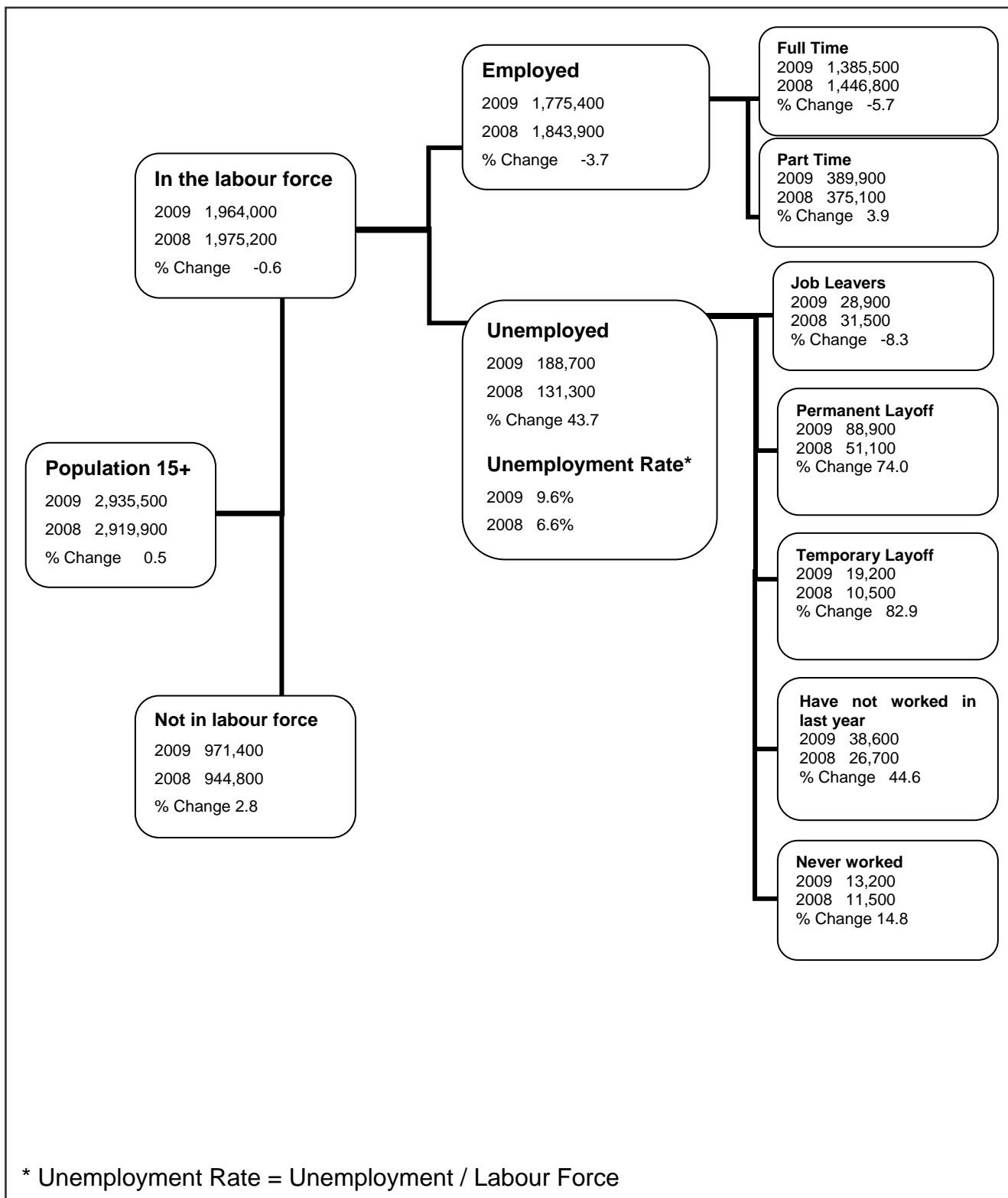
Due to the Western Region's high concentration in manufacturing employment (16.1% in 2009, compared to 8.3% for the Eastern Region, 11.9% in the Central Region and 7.2% in the Northern Region) the sharp downturn in manufacturing disproportionately impacted the Western Region. The Western Region experienced employment losses of 35,300 in manufacturing, about 34% of the provincial manufacturing employment losses (104,400) and well in excess of its provincial labour force share (about 28%). Most notable was the downturn in the automotive sector which was hit hard by the global recession and credit tightening.

Urban areas in the Western Region faced very challenging labour markets in 2009. In fact, the four Census Metropolitan Areas (CMAs) with the highest unemployment rates in all of Canada were located in the Western Region: Windsor at 13.8%; St. Catharines-Niagara at 10.4%; London at 9.9%; and Kitchener at 9.5%. These unemployment rates were high compared to an average of 7.6% for Canadian CMAs and 9.1% for Ontario CMAs.

On an optimistic note, however, the worst appears to be over for most carmakers, and, according to the Conference Board, Windsor's manufacturing output is forecast to rise fairly strongly in 2010 and thereafter. Additional welcomed news is the recent announcement of future increases to employment and investment at the Ford Essex engine plant. Strong fourth quarter real gross domestic product growth in the United States (annualized at 5.9%) also suggests that Ontario's export performance may have bottomed in 2009.

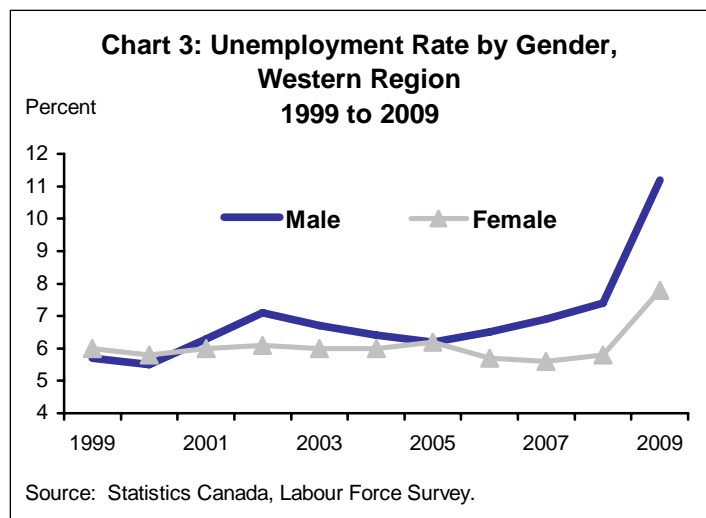
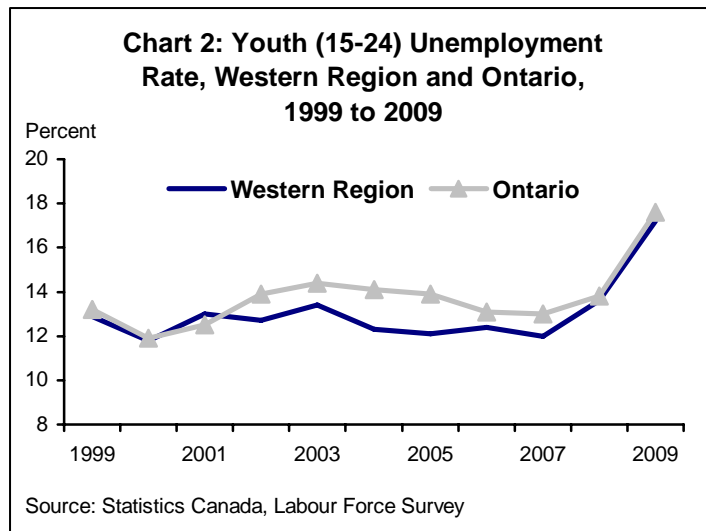
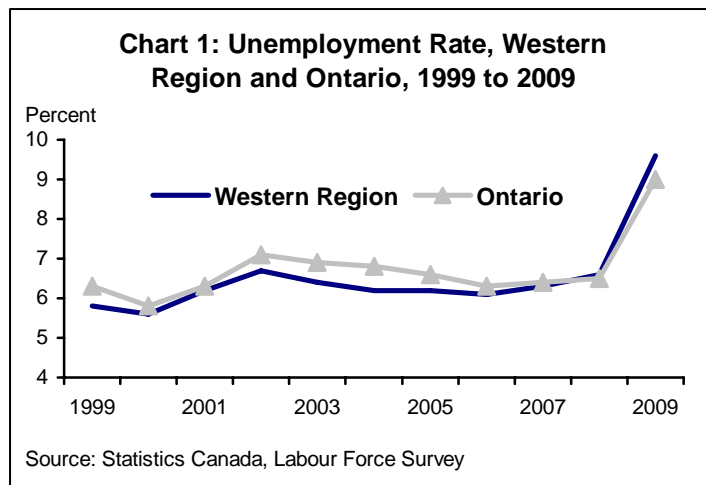
In addition to shorter-term concerns, there are numerous structural and long-term challenges which the Western Region will also have to contend with. These will become more pronounced in the medium and long-terms and include globalization, technological advances, new social concerns (i.e. the environment), 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.

Ontario Western Region Labour Market 2009



Unemployment

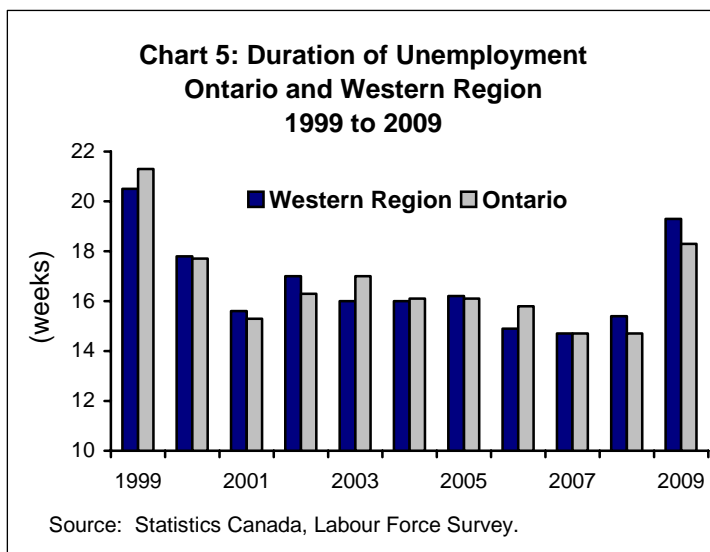
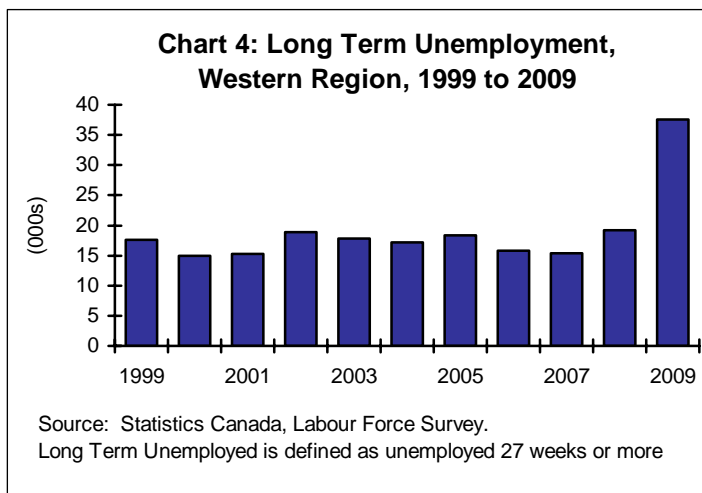
- The Western Region's unemployment rate climbed to a record high of 9.6% in 2009, from 6.6% in 2008 (regional data commence from 1996). It surpassed the Ontario average of 6.5% in 2008, after remaining below the Ontario average throughout the previous decade.
- The number of unemployed people in the Western Region was 188,700, up 57,400 or 43.7% from 2008.
- In 2009, the youth (aged 15-24) unemployment rate in the Western Region jumped to 17.2% from 13.6% in 2008. This was its highest rate over the past decade.
- Although the youth unemployment rate in the Western Region was below the provincial average in 2009 (by 0.4 percentage points) this was much smaller than previous differentials (e.g., 1.8 percentage points in 2005).
- Ontario's youth unemployment rate was 17.6% in 2009, up from 13.8% in 2008.
- In 2009, the male unemployment rate in the Western region was 11.2%, an increase from 7.4% in 2008. This was 3.4 percentage points above the unemployment rate for females in the region (7.8%) and the widest gap during the 1999-2009 period. This difference was also larger than the Ontario average, with unemployment rates of 10.3% for males and 7.7% for females in 2009.
- The unemployment rate for males has exceeded that of females since 2001 (except for 2005 when they were equal). Their paths diverged between 2005 and 2008 when male unemployment rates increased (6.2% to 7.4%) while female rates decreased (6.2% to 5.8%). Males bore the bulk of the



manufacturing job losses (over 72% of the 64,500) during that period.

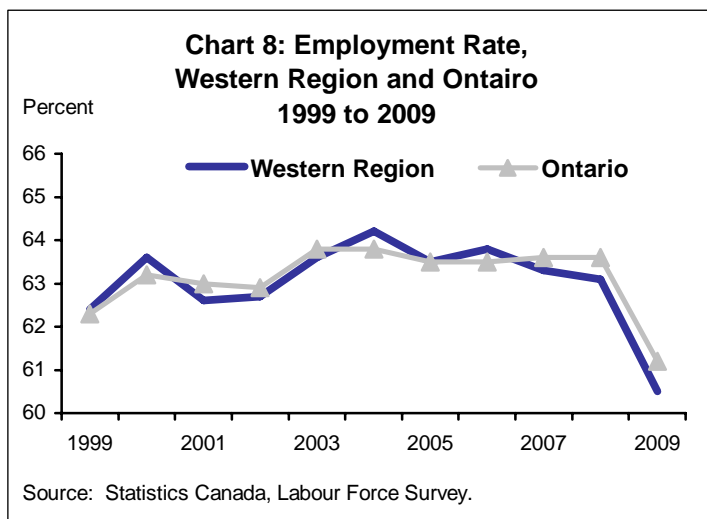
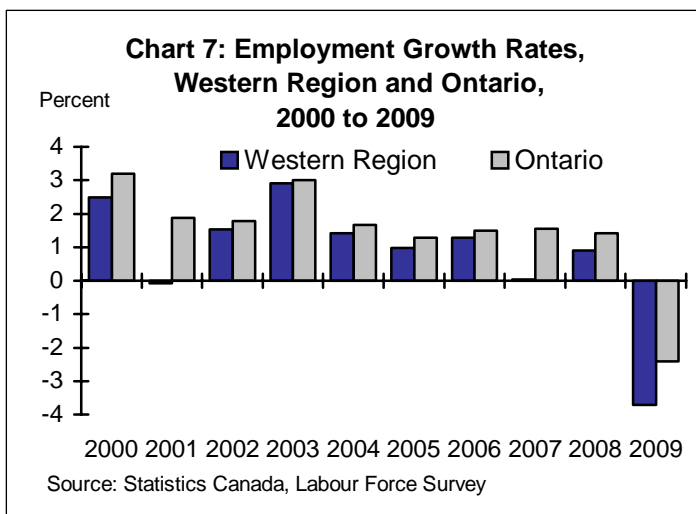
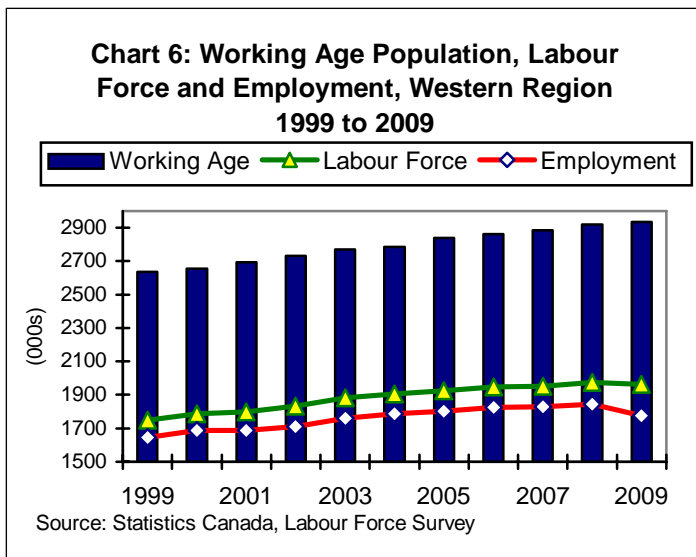
Duration of Unemployment

- In 2009, long-term unemployment (i.e. the number of people who have been unemployed for 27 weeks or more) in the Western Region increased to its highest level over the past decade.
- In 2009, there were an estimated 37,600 people in the Western Region unemployed for 27 weeks or more, nearly double the number recorded in 2008 (19,200).
- Long-term unemployed people accounted for 19.9% of total unemployment in the Western Region in 2009, up sharply from 14.6% in 2008 and slightly above the provincial average of 18.4%.
- In 2009, the average number of weeks people were unemployed in the Western Region was 19.3 weeks, a large increase from an average 15.4 weeks in 2008. Prior to 2008, there had been a declining trend since 1997.
- Between 2008 and 2009, there was a 3.6 week increase in the average duration that people were unemployed in the Ontario. Prior to 2009, average duration had been trending downward for many years.



Employment

- In 2009, the total working-age population (15 years and over) for the Western Region was estimated at 2,935,500 people, an increase of 0.5% from 2008 and 11.3% higher than in 1999. The Western Region accounted for almost 28% of Ontario's 10.7 million working age population in 2009.
- In 2009, employment in the Western Region fell by 68,500, the first annual decline in the 1999 to 2009 period.
- In 2009, there were approximately 1,775,400 people employed in Western Ontario, a decrease of 3.7% from 2008, and about 16% from 1998.
- In 2009, Ontario overall employment fell by 2.4% from 2008 but had increased by 15.8% since 1999.
- Over the past 10 years, employment in the Western Region has expanded more slowly than the Ontario average. Employment grew an average of 0.8% per year between 2000 and 2008, slower than the 1.5% annual growth rate for Ontario as a whole. Consequently, Western Region's share of Ontario's employment fell from 29.2% in 1999 to 27.2% in 2009.
- 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 (15 years and older) that is working. While both rates have risen since 1997, they have dropped from their peak in 2004.
- In 2009, 60.5% of working age people in the Western Region were employed, compared to 61.2% in Ontario overall.

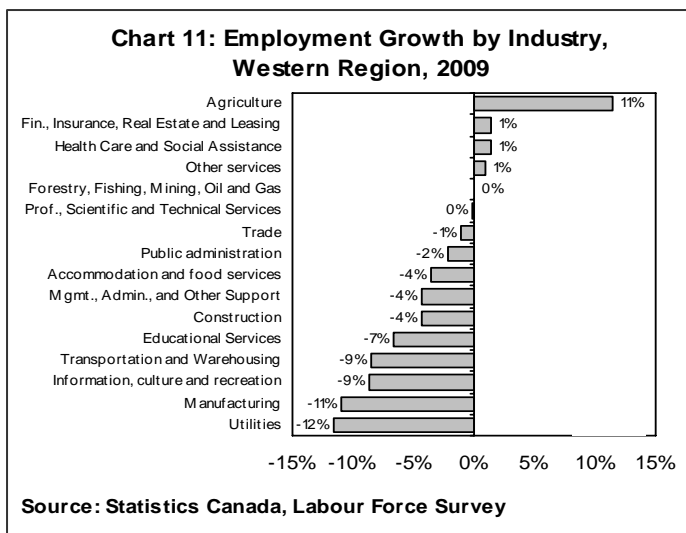
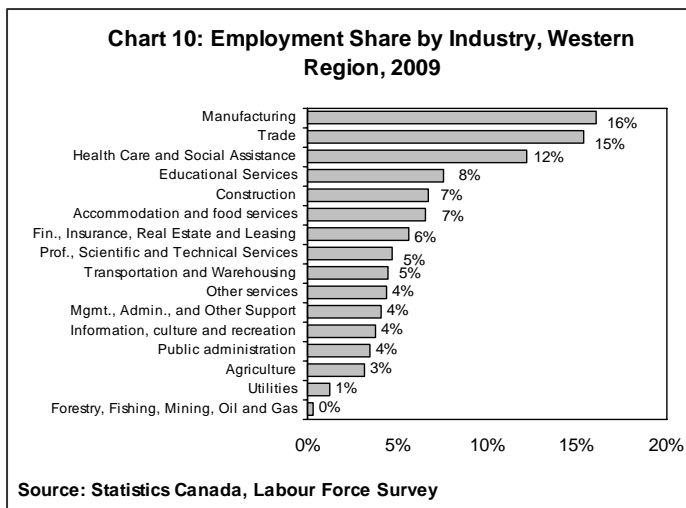
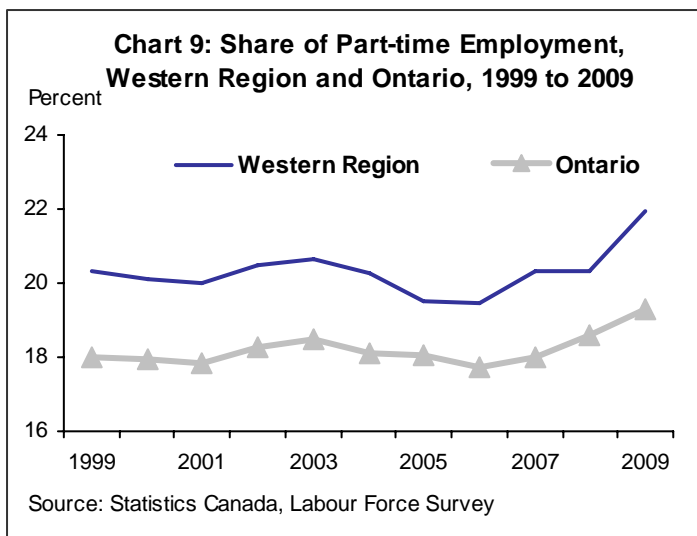


Part-time Employment

- Historically, part-time workers have represented a larger share of employment in the Western Region than in Ontario as a whole. In 2009, 22.0% of all employment was part-time in the Western Region, compared with 19.3% in Ontario.

Employment by Industry

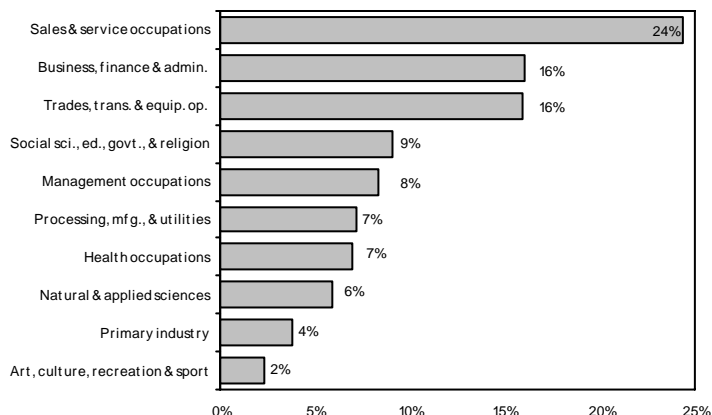
- In 2009, the three largest industries represented about 44% of all employment in the Western Region: manufacturing (16.1%); wholesale and retail trade (15.4%); and health care and social assistance (12.2%). The share of workers in the Western Region in manufacturing was well above the provincial average (13.5%) in 2009.
- While employment declined in most industries in 2009, there were gains in agriculture (up 11.4% or 5,800); finance insurance, real estate and leasing (up 1.4% or 1,400); health care and social assistance (1.4% or 2,900); and other services (0.9% or 700).
- In 2009, on a percentage basis, the largest employment level declines in the Western Region occurred in utilities (down 11.6%) and manufacturing (down 11.0%). In absolute terms, manufacturing showed the largest job loss with employment falling by 35,300 workers, accounting for over half of the employment declines in the Western Region (68,500). Manufacturing employment in the Western Region has been falling steadily over the past five years, and is now more than 100,000 lower than its 2003 peak of 395,600.



Employment by Occupation

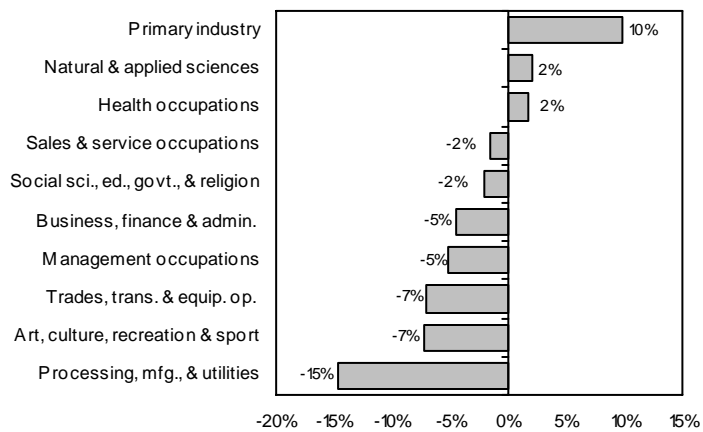
- Nearly one in four workers in the Western Region was employed in sales and service occupations in 2009. Business, finance and administrative professionals, and trades, transport and equipment operators and related occupations each covered about 16% of the workforce. Together these three occupational categories represented close to six out of every 10 workers in the Western Region in 2009. As seen in chart 13, there were employment decreases in these relatively large occupations in 2009.
- Employment in the Western Region grew fastest in 2009 in the occupations unique to primary industry (up by 9.8% or 6,000); natural and applied sciences (up 2.0% or 2,100) and health occupations (up 1.7% or 2,100). Employment increases in occupations unique to primary industry mirror the employment gains in animal production sector (up 5,300).
- Occupations unique to processing, manufacturing, and utilities suffered the largest and most rapid employment loss (down 14.7% or 22,200) between 2008 and 2009. In absolute terms, large employment declines were experienced in trades, transport and equipment operators and related occupations (down 21,700), and business, finance, and administrative occupations (down 13,300).

Chart 12: Employment Share by Occupation, Western Region, 2009



Source: Statistics Canada, Labour Force Survey

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



Source: Statistics Canada, Labour Force Survey

Labour Force

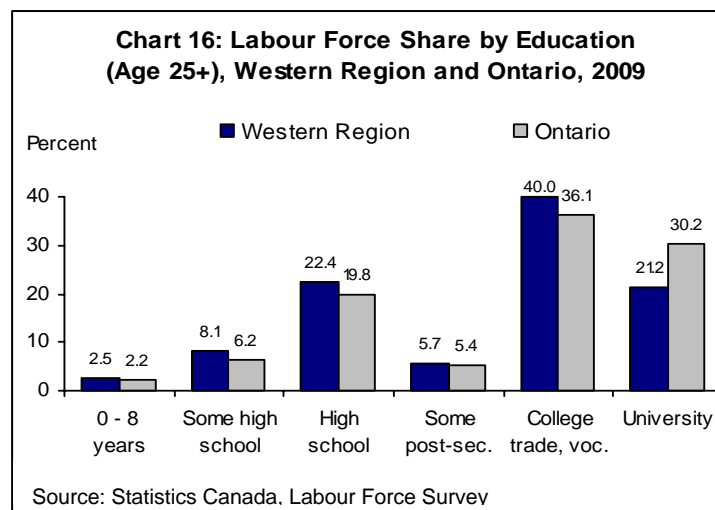
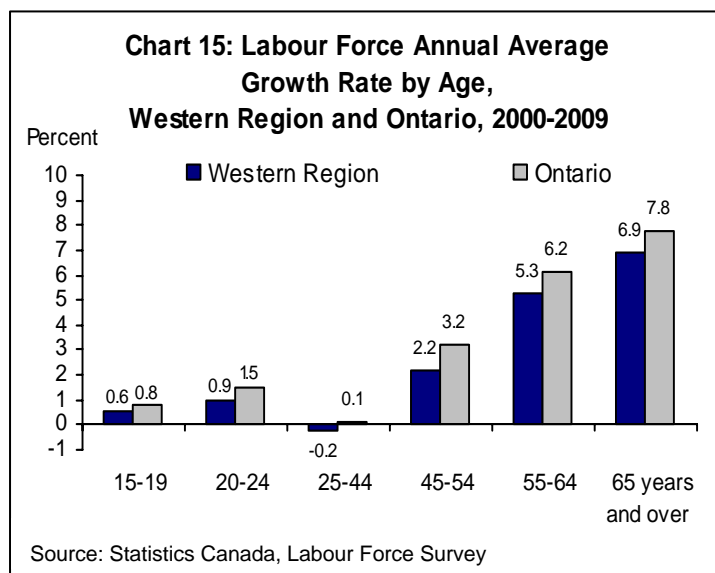
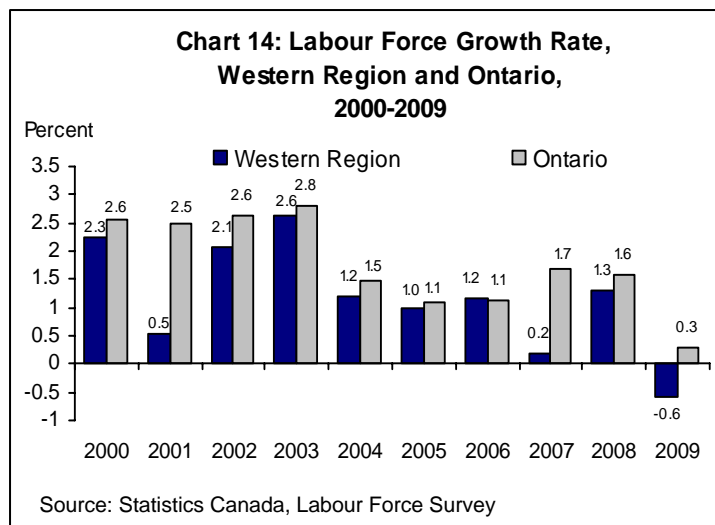
- The Western Region's labour force grew more slowly than the Ontario average for most years between 1999 and 2009; growth in the Western Region exceeded the provincial average only in 2006 (1.2% compared to 1.1%). This slower labour force growth was due primarily to slower population growth.
- In 2009, the labour force in the Western Region shrank by 0.6% (11,200 people). This compares to 0.3% growth in Ontario overall, growth of 1.4% in the Central Region and declines of 2.2% and 1.1% in the Northern and Eastern Region respectively.

Labour Force by Age

- From 2000 to 2009, the average rate of growth in the Western Region's labour force was lower than that for Ontario across all age groups. The growth in each cohort was consistent with their population change. Labour force growth for the oldest cohort (65+) rose the fastest in both the Western Region (6.9%) and overall (7.8%) during the period.

Labour Force by Education

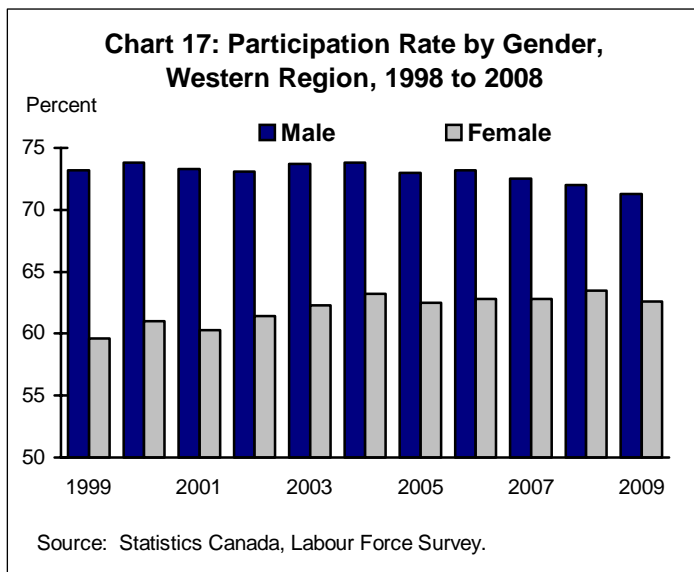
- In 2009, the proportion of the adult labour force aged 25 and older in the Western Region with post-secondary education (61.2%) was 5.1 percentage points lower than in all of Ontario (66.3%).
- The educational attainment of the adult population is lower than that of the adult labour force in both the Western Region and Ontario overall. For example, about 53% and 58% of adults aged 25 and older in the Western Region and all of Ontario had post-secondary education, respectively.



- Just 21.2% 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 (40.0%) 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%).

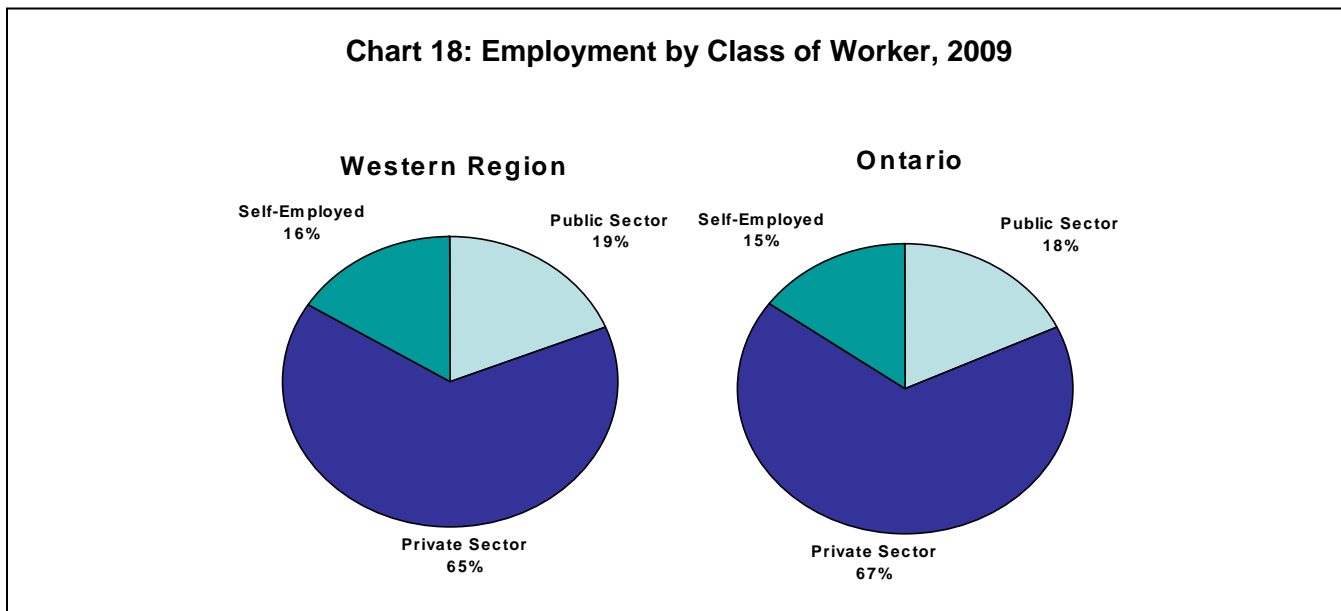
Labour Force Participation Rates

- The labour force participation rate is the share of the working-age population (15+) who are employed or looking for work. The participation rate in the Western Region has been below the provincial average by about one half a percentage point for the last three years (e.g., 66.9% in the Western Region compared to 67.3% for Ontario in 2009).
- Historically, the participation rate of males has been much higher than that of females. Over the past decade, the female participation rate has trended upwards resulting in some convergence in their rates. In 2009 the participation rates of both sexes fell - men’s to 71.3% and women’s to 62.6%.



Class of Worker

- The class of worker profile for the Western Region mirrors that of Ontario overall. Just over two-thirds of workers were employed in the private sector in 2008.



- In the Western Region, public sector employment displayed the fastest growth between 1999 and 2009, rising by 21%, compared to an increase of 6% for private sector employment. Self-employment grew slightly (2.4%) over the 1999 level.

Wages

- Over the past decade, the average weekly wage for all workers in the Western Region grew by about 28%, slightly less than the increase for Ontario as a whole (31%). In 2009, the average weekly wage in the Western Region increased to \$773.87. This was about 7% lower than the Ontario average of \$816.40.

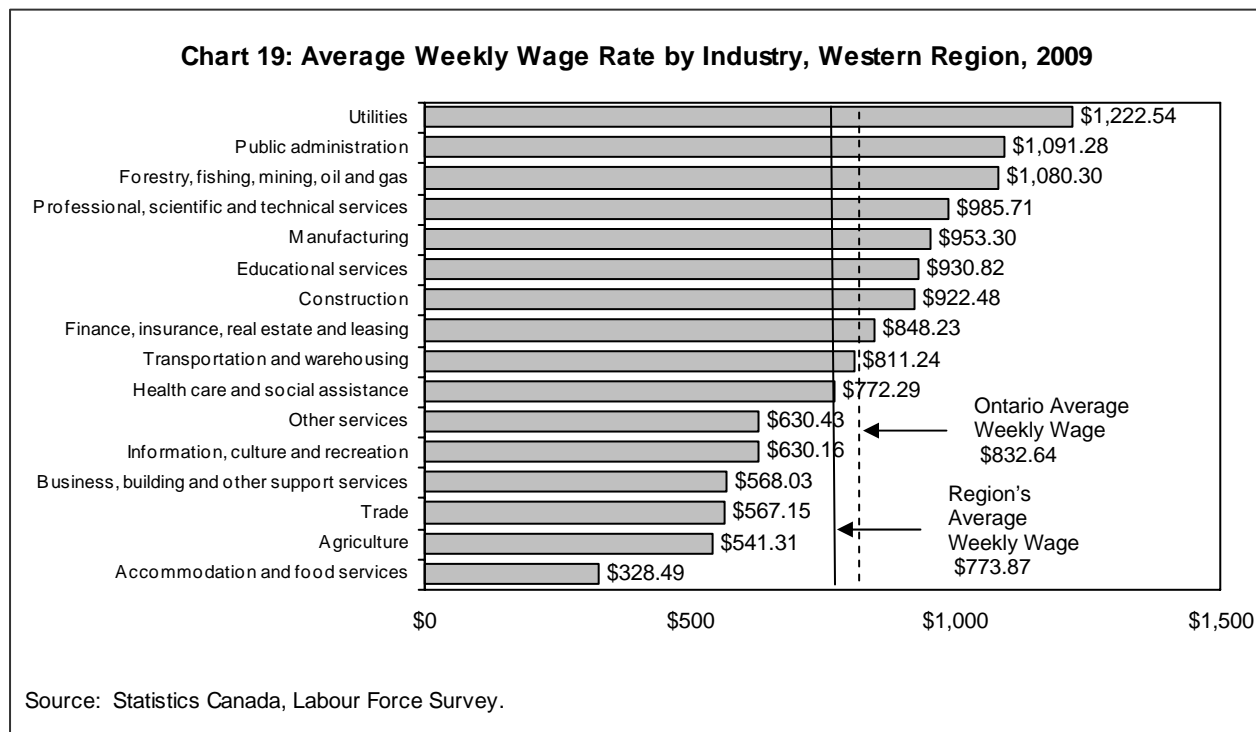
Wages by Industry

- Most industries in the Western Region had weekly wages below the provincial average in 2009. The only exceptions were manufacturing and agriculture, which registered average weekly wages \$21.02 (2.3%) and \$10.08 (1.9%) higher than their Ontario counterparts, respectively.
- Where the Western wages were substantially lower than the Ontario wages in 2009, the largest wage differences, in both actual and percentage terms, were in information, culture and recreation (\$142.62 or 18.5% per week), followed by finance, insurance, real estate and leasing (\$127.55 or 13.1%).

Table 1:

	Average Weekly Wage, Western Ontario (\$), 2009	Average Weekly Wage, Ontario (\$), 2009
Information, culture and recreation	630.16	772.78
Finance, insurance, real estate and leasing	848.23	975.78
All employees	773.87	832.64

- Wages were lowest in the accommodation and food services industry, at an average of \$328.49 per week in 2009. This was 58% below 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 (\$379.29 per week), earning 54% below the average weekly wage for all Ontario workers in 2009.



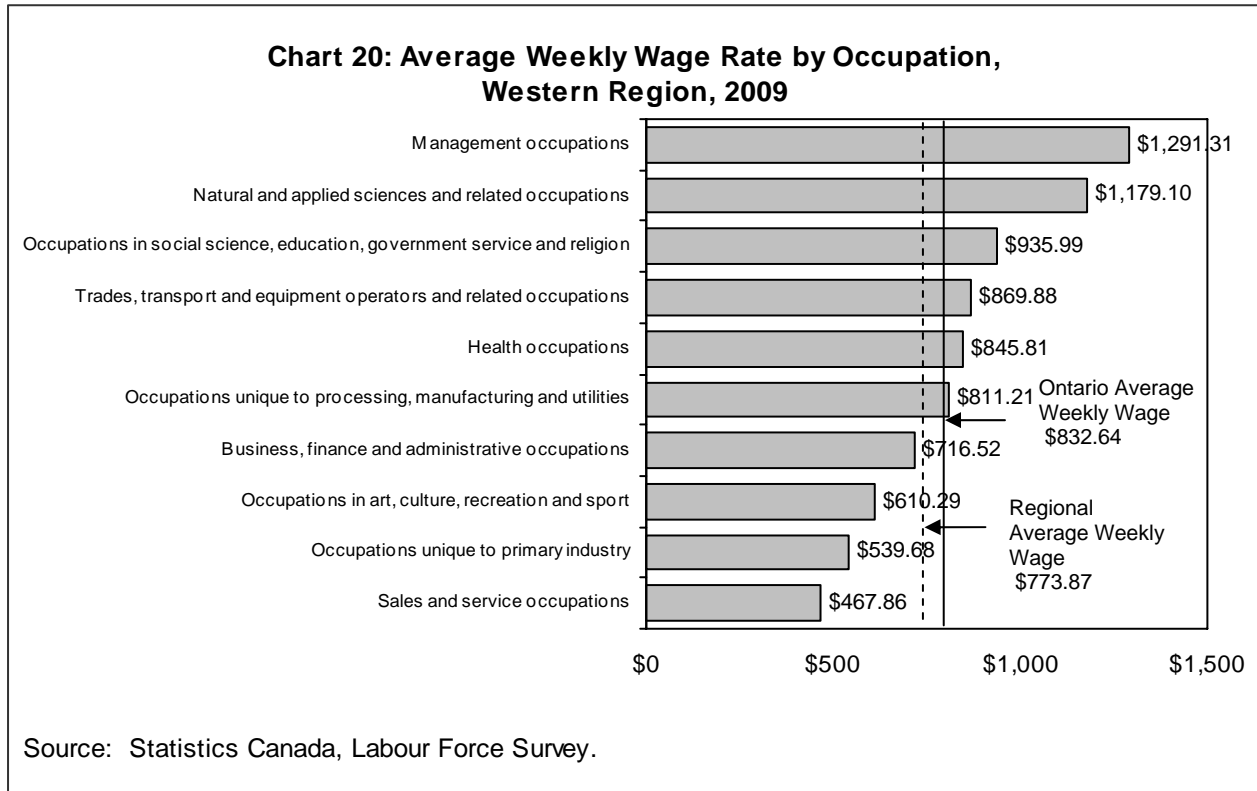
Wages by Occupation

- Most major occupational groups in the Western Region had average wages below their provincial counterparts. Occupations in art, culture, recreation and sport had the largest difference, on both an absolute and relative basis, with weekly wages \$138.88 (18.5%) lower than the Ontario wage for this group. Occupations unique to primary industry had wages \$77.20 (12.5%) below the Ontario rate.

Table 2:

	<i>Average Weekly Wage, Western Ontario (\$), 2009</i>	<i>Average Weekly Wage, Ontario (\$), 2009</i>
Occupations in art, culture, recreation and sport	610.29	749.17
Occupations unique to primary industry	539.68	616.88
Total employees	773.87	832.64

- Among all occupational groups in the Western Region, management was the highest paid with an average weekly wage rate of \$1,291.31. Sales and service occupations were the lowest paid at an average of \$467.86 per week in 2009.



- Average weekly earnings rose in all but two of the major occupational groups between 2008 and 2009. Workers in occupations unique to primary industry saw their average earnings drop by 0.5% and workers in occupations in social science, education, government service and religion, saw their earnings drop by 0.1% compared to an average increase of 0.6% for all workers.