
Non-metro employment by sector, 2014

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Highlights

- **Non-metro census divisions (CDs) have a higher share of employment in each of the goods-producing sectors, compared to Ontario as whole.**
- **The intensity was higher by 3.5 times in agriculture and forestry, 3.2 in mining, 2.2 in utilities, 1.2 in construction and 1.1 in manufacturing.**
- **Non-metro CDs were more intensive in four service-producing sectors (1.1 in retail trade, 1.2 in health care, 1.1 in accommodation and food services and 1.1 in public administration).**
- **Several service-producing sectors are under-represented in non-metro Ontario and these may offer potential opportunities to increase employment.**

Why look at employment by sector?

This FactSheet shows the industrial structure of the non-metro economy and the sectors that have a higher (or a lower) share of workers in non-metro census divisions compared to the Ontario average.

In sectors where non-metro Ontario is less intensive (or less specialized), there may be an opportunity to grow the employment in the sector.

Changes in employment in larger sectors would have a greater influence on rural community well-being.

Findings¹

The number employed in non-metro census divisions² (CDs) in 2014 was 952K³ (Table 1).

The largest sector in terms of employment⁴ is health care (Table 1) with 13% of all jobs. Health care has a higher share of employment in non-metro CDs than

in Ontario as a whole (11.1%). This generates a relative intensity or location quotient (LQ) of 1.2 (as defined in Footnote #1 in Table 1).

The second largest sector in terms of employment is retail trade, with 12.6% of employment in non-metro CDs (and an LQ=1.1).

The third largest sector is manufacturing with 10.7% of employment and again with a higher intensity of employment than in Ontario as a whole (an LQ=1.1).

Overall, non-metro CDs are more intensive or more specialized than Ontario as a whole in each goods-producing sector. The LQs (or relative intensities) in 2014 are 3.5 for agriculture, 3.2 for mining, 2.2 for utilities, 1.2 for construction and, as noted, 1.1 for manufacturing. In other words, the share of employment in each of these sectors is higher in non-metro CDs than in Ontario as a whole.

Companion **Focus on Rural Ontario** FactSheets discuss the status of selected subsectors.

In addition to health care and retail trade, two other service sectors have higher LQs relative to the Ontario pattern: 1.1 for public administration and 1.1 for accommodation & food services.

There are some service sectors with an LQ<1 and they may be targets for growth in non-metro CDs. One candidate is the sector of professional, scientific and technical services⁵. This sector represents 3.6% of the non-metro employment but the LQ=0.5

¹ For the level of employment in each subsector, see [Appendix Table](#): Employment in non-metro CDs by industry sector.

² Non-metro CDs are wholly non-metro – in the sense that all their component census subdivisions (CSDs) are outside a Census Metropolitan Area (CMA). Partially-non-metro CDs have some CSDs within a CMA and some CSDs outside a CMA. In other words, non-metro areas (i.e. non-CMA areas) cover all of non-metro CDs plus parts of partially-non-metro CDs.

³ Where “K” indicates “thousand”.

⁴ The determination of the “largest” sector will change depending upon how the subsectors are grouped together. For example, if wholesale and retail trade were grouped together, they would form the largest employment sector in non-metro CDs. Also, if the metric is GDP rather than employment, again the ranking of the sectors would change (see Bollman, Ray D. (2014) **Rural Canada 2013: An Update -- A statement of the current structure and trends in Rural Canada**. Paper prepared for the Federation of Canadian Municipalities (<http://crrf.ca/rural-canada-2013-an-update/>).

⁵ This sector comprises legal services, accounting services, engineering services, architectural services, advertising agencies, design services and consulting services.

indicates that the intensity of this sector in non-metro CDs is only ½ of the intensity for Ontario as a whole. Arguably, more services from this sector could be delivered from rural locations, especially those with a good Internet connection. Assessing such opportunities would require more detailed sub-sector analysis.

A number of other service-producing sectors have an LQ<1. This suggests that non-metro is either importing some services from elsewhere or the rural market is under-served. Thus, there may be an opportunity for non-metro areas to grow the employment in a sector with an LQ<1, assuming there is local demand for these services.

As noted, there is an LQ>1 for health services and within this sector, each non-metro subsector providing nursing and residential care facilities has an LQ>1 (see Footnote #1). As metro populations

age, there may be an opportunity for non-metro communities to build on this specialization and to attract metro elders to use these elder care facilities in non-metro CDs.

Summary

Within non-metro CDs, there is a higher share of employment in each of the goods-producing sectors, compared to Ontario as whole.

Non-metro CDs were relatively more intensive in four service-producing sectors: retail trade; health care; accommodation and food services; and public administration.

Employment in each subsector in professional services is less intensive in non-metro CDs. This may suggest an opportunity to expand employment in communities with a good Internet connection.

Table 1

Distribution of employment by industry sector in non-metro census divisions, 2014								
NAICS Code	Industry sector (displayed for each category of NAICS = North American Industry Classification System)	All Ontario census divisions		Non-metro census divisions				
		Number employed, 2014 (,000)	Percent distribution	Number employed, 2014 (,000)	Percent distribution	Location quotient (1), relative to		
						Provincial pattern	National pattern	
11	Agriculture, forestry, fishing & hunting	97.6	1.4	45.2	4.7	3.5	2.2	
21	Mining, quarrying, & oil & gas extraction	25.3	0.4	10.9	1.1	3.2	0.8	
22	Utilities	45.1	0.6	13.0	1.4	2.2	2.2	
23	Construction	450.7	6.3	74.0	7.8	1.2	1.1	
31-33	Manufacturing	685.1	9.6	102.0	10.7	1.1	1.3	
Subtotal: Goods-producing sectors		1,303.7	18.3	245.1	25.7	
41	Wholesale trade	356.4	5.0	31.4	3.3	0.7	0.7	
44-45	Retail trade	785.4	11.1	120.4	12.6	1.1	1.1	
48-49	Transportation & warehousing	326.5	4.6	41.6	4.4	1.0	0.9	
52	Finance & insurance	353.5	5.0	19.7	2.1	0.4	0.5	
53	Real estate & rental & leasing	165.2	2.3	15.5	1.6	0.7	0.8	
54	Professional, scientific & technical services	537.9	7.6	34.6	3.6	0.5	0.5	
55	Management of companies & enterprises	38.1	0.5	2.0	0.2	0.4	0.4	
56	Administrative & support, waste management & remediation services	419.4	5.9	51.1	5.4	0.9	1.0	
61	Educational services	490.3	6.9	56.8	6.0	0.9	0.9	
62	Health care & social assistance	741.3	10.4	123.6	13.0	1.2	1.2	
71	Arts, entertainment & recreation	135.0	1.9	16.8	1.8	0.9	0.9	
72	Accommodation & food services	464.6	6.5	69.1	7.3	1.1	1.1	
81	Other services (except public administration)	326.9	4.6	43.8	4.6	1.0	1.0	
91	Public administration	428.7	6.0	61.7	6.5	1.1	1.1	
Subtotal: Services-producing sectors		5,569.0	78.4	688.1	72.2	
Total		7,106.8	100.0	952.4	100.0			

1. A location quotient (LQ) indicates the relative intensity of a sector (in this case, in non-metro census divisions), relative to the provincial pattern and relative to the national pattern. It is calculated as the non-metro percent employed in a sector divided by the provincial (or national) percent employed in a sector. For NAICS=11 (i.e. Agriculture, forestry, fishing and hunting), the LQ for the provincial comparison = 4.75 divided by 1.37 = 3.46.

Source: Ontario Ministry of Agriculture, Food and Rural Affairs, EMSI ANALYST database.

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