

## Patterns of job growth and decline to June 2014

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### Highlights

- **Employment in non-metro Ontario has been declining since mid-2012.**
- **The sector with the largest employment decline since the peak in 2008 was manufacturing.**
- **The long-run pattern shows total employment in non-metro Ontario has been generally flat since 2004.**

### Why look at employment patterns?

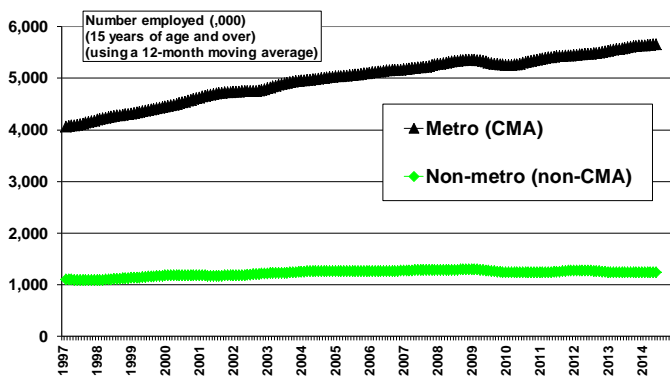
Levels of employment and patterns of employment reflect economic conditions in an area.

### Findings

Employment in non-metro Ontario grew by 170,000 from 1997 to 2004 (from 1.1 million to 1.27 million workers) (Figure 1). Non-metro employment has fluctuated within a range of about 60,000 workers since that time (between 1.302 million in 2008 and 1.245 million in June 2014<sup>1</sup>).

### Figure 1

**Employment in non-metro Ontario was 1.24 million in June, 2014**



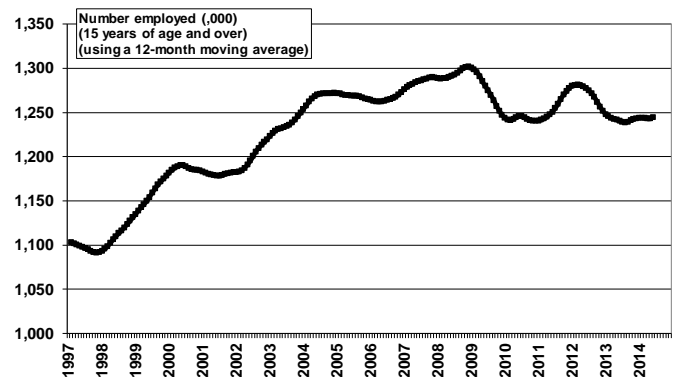
Source: Statistics Canada, Labour Force Survey, CANSIM Tables 282-0011 and 282-0111.

At the same time, metro employment has grown steadily, except for during the economic downturn of 2009-2010.

The scale in Figure 2 is adjusted to show that non-metro employment generally grew from 1997 to 2008 but the declines since have put non-metro employment back to the level of employment in November 2003.

### Figure 2

**Ontario's non-metro employment was 1.24 million in June, 2014 -- the same level as November, 2003**

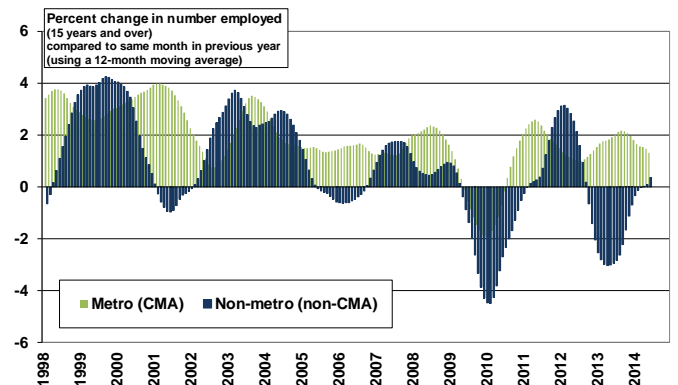


Source: Statistics Canada, Labour Force Survey, CANSIM Tables 282-0001 and 282-0111.

The declines are also illustrated in Figure 3.

### Figure 3

**Year-over-year percent change in employment in non-metro Ontario: Continuous decline: October, 2012 to April, 2014**



Source: Statistics Canada, Labour Force Survey, CANSIM Tables 282-0011 and 282-0111.

Non-metro employment declined in each month from May 2009 to October 2010 (the blue bars in Figure 3 are below zero) and non-metro employment declined in each month from October 2012 to April 2014<sup>1</sup>.

<sup>1</sup> The data reported for each month is an average of the previous 12 months up to and including the given month.

## Performance by sector since 2008

The peak in non-metro employment (1.302 million) was in December 2008. With the decline in 2010, an increase in 2011-2012 and decline in 2013, June 2014 employment (1.245 million) represented a net decline of 57,000 workers from the 2008 peak (Table 1).

The manufacturing sector had a major decline from December 2008 – a decline of 28,000 jobs in non-metro Ontario (Table 1). Non-metro manufacturing jobs had been declining since 2004 (Figure 4). This decline was not enough to dampen the overall growth in employment up to 2008.

From December 2008 to June 2014, the accommodation and food services sector lost 9,000 jobs and the information, culture and recreation service sector lost 8,000 jobs. The non-metro population has not grown since 2006<sup>2</sup> so there is no growth in demand for services. There has been either no growth or a decline for every services sector (except education and professional services) since 2008 (Table 1).

Table 1 also shows job growth in two goods-producing sectors – agriculture and construction<sup>3</sup>.

**Table 1**

| Change in employment from the "peak" in December, 2008 to June, 2014, by sector for non-metro Ontario |   |              |            |                |
|---|---|--------------|------------|----------------|
| Industry sector   | Number employed (,000) (average for 12 previous months) |              |            |                |
|   | December, 2008  | March, 2014  | Change     | Percent change |
| <b>Goods-producing sectors (subtotal)</b>   | <b>392</b>  | <b>363</b>   | <b>-29</b> | <b>-7</b>      |
| Agriculture   | 57  | 61           | 4          | 7              |
| Forestry, fishing, mining, quarrying, oil & gas   | 23  | 23           | -1         | -3             |
| Utilities   | 34  | 28           | -5         | -16            |
| Construction  | 106   | 111          | 4          | 4              |
| Manufacturing   | 187   | 158          | -28        | -15            |
| <b>Services-producing sectors (subtotal)</b>  | <b>909</b>  | <b>882</b>   | <b>-28</b> | <b>-3</b>      |
| Wholesale & retail trade  | 195   | 191          | -3         | -2             |
| Transportation & warehousing  | 66  | 61           | -5         | -8             |
| Finance, insurance, real estate & leasing   | 48  | 47           | -2         | -3             |
| Professional, scientific & technical services   | 47  | 49           | 2          | 4              |
| Business, building & other support services   | 56  | 54           | -1         | -3             |
| Educational services  | 78  | 83           | 5          | 7              |
| Health and social assistance  | 165   | 162          | -3         | -2             |
| Information, culture & recreation services  | 47  | 39           | -8         | -17            |
| Accommodation & food services   | 84  | 76           | -9         | -10            |
| Other (personal) services   | 58  | 57           | -1         | -1             |
| Public administration   | 64  | 62           | -2         | -4             |
| <b>All sectors</b>  | <b>1,302</b>  | <b>1,245</b> | <b>-57</b> | <b>-4</b>      |

Source: Statistics Canada. Labour Force Survey, CANSIM Tables 282-0011 and 282-0111.

Employment in wholesale and retail trade was around 200,000 workers from 2003 to 2012 before

<sup>2</sup> See Focus on Ontario fact sheet: Rate of growth of the non-metro population (<http://ruralontarioinstitute.ca/file.aspx?id=18162300-1243-4e91-a991-459291e3d45f>)

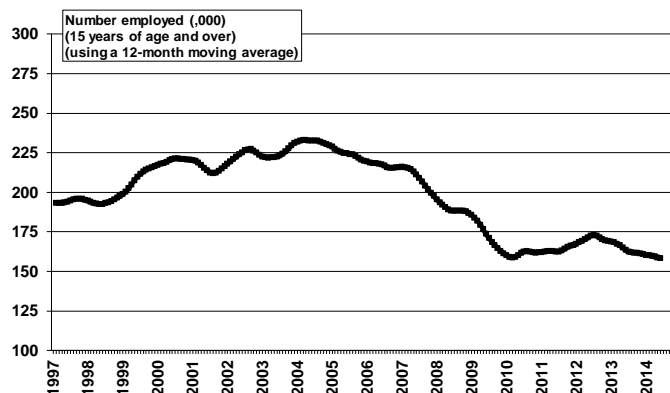
<sup>3</sup> Since December 2000, non-metro employment in agriculture has fluctuated between 70,000 and 52,000. Also, non-metro employment in construction was 70,000 in 1997 and grew generally consistently to 116,000 in May 2012. This employment increase of 46,000 helped to counteract the declines in other sectors in this period.

experiencing a decline to 191,000 in June 2014 (Figure 5).

Employment in accommodation and food services reached 80,000 in 1998 and has fluctuated between 71,000 and 86,000 since that time and declined to 76,000 in June 2014 (data not shown).

**Figure 4**

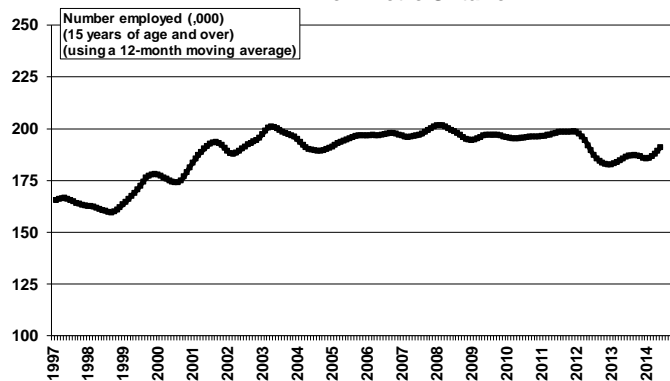
Manufacturing employment was 158 thousand in June, 2014, down 32% from the peak in March, 2004, non-metro Ontario



Source: Statistics Canada. Labour Force Survey, CANSIM Tables 282-0011 and 282-0111.

**Figure 5**

Employment in wholesale & retail trade was 191 thousand in June, 2014, down 5% from the peak in February, 2008, non-metro Ontario



Source: Statistics Canada. Labour Force Survey, CANSIM Tables 282-0011 and 282-0111.

## Summary

In non-metro Ontario, employment has been essentially flat since 2004.

In June, 2014, non-metro employment was down 4% compared to the peak in 2008. The biggest employment decline has been in manufacturing.

Rural Ontario Institute gratefully acknowledges financial support of OMAFRA and the County of Wellington. Questions on data sources can be directed to [RayD.Bollman@sasktel.net](mailto:RayD.Bollman@sasktel.net). Any comments or discussions can be directed to [NRagetlie@RuralOntarioInstitute.ca](mailto:NRagetlie@RuralOntarioInstitute.ca).