



## Non-metro employment by industry sector

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### Highlights

- The largest industry sectors in non-metro are wholesale/retail trade, health care and manufacturing.
- Non-metro Ontario is relatively more intensive in the goods-producing sectors (29% of total employment) compared to metro Ontario (19% of total employment).
- Non-metro Ontario is maintaining its share of provincial manufacturing employment.

### Why look at employment by industry sector?

Within rural Ontario, there are differing regional specializations in economic structure and several fundamental differences that distinguish the rural economy from the urban economy. Sector specialization means that an industry-specific trend will have a bigger impact on an economy with relatively more employment in that sector. The employment change within key industries will influence the income potential and occupational structure. This fact sheet compares rural and urban employment by industry at the Ontario level<sup>1</sup>.

### Findings

The largest employment sectors in non-metro Ontario are wholesale/retail trade (15%), health care (14%) and manufacturing (13%) (Table 1).

Although many would consider rural Ontario to be predominantly agricultural, the employment structure is not dominated by agriculture. In fact, employment in manufacturing (13%) is more than double the share of workers employed in agriculture<sup>2</sup> (5%).

Non-metro is more intensive in goods-producing sectors - 29% of total employment - compared to metro Ontario at 19%.

The relative intensity of each sector can be viewed in Table 2. Overall, 18% of Ontario jobs are located in non-metro areas. Non-metro Ontario is more intensive in each goods-producing sector as each has more than 18% of Ontario's employment, unlike the finance sector, which is predominantly metro.

Non-metro Ontario is more intensive in manufacturing. In June 2013, there were 163,000 manufacturing workers in non-metro areas (Figure 1).

Interestingly, non-metro and metro have essentially similar shares of their employment in the public sector (about ¼). Of public sector employment, non-metro is lower in public administration (due, in part to the presence of capital cities in metro), lower in education (due, in part, to the presence of larger universities in metro) and higher in health care and social assistance.

Table 1

Within each of metro and non-metro Ontario, what percent of employment is in each sector? (average for 12 months up to June, 2013)		
Industry sector	Metro	Non-metro
<b>Goods-producing sectors (subtotal)</b>	<b>19</b>	<b>29</b>
Agriculture	0	5
Forestry, fishing, mining, quarrying, oil & gas	0	2
Utilities	0	2
Construction	6	8
Manufacturing	11	13
<b>Services-producing sectors (subtotal)</b>	<b>81</b>	<b>71</b>
Wholesale & retail trade	15	15
Transportation & warehousing	5	5
Finance, insurance, real estate & leasing	8	4
Professional, scientific & technical services	9	4
Business, building & other support services	5	4
Educational services	8	6
Health and social assistance	11	14
Information, culture & recreation services	5	4
Accommodation & food services	6	6
Other (personal) services	4	4
Public administration	6	5
<b>Public sector (subtotal) (public administration + educational services + health &amp; social assistance)</b>	<b>24</b>	<b>25</b>
<b>All sectors</b>	<b>100</b>	<b>100</b>

Note: Respondents to the Labour Force Survey are classified according to their place of residence, not their place of employment. Also, the place of residence is assigned according to the 2006 delineation of metro and non-metro.

Source: Statistics Canada. Labour Force Survey, CANSIM Tables 026-0011 and 282-0111.

<sup>1</sup> Data on industry sectors and specialization for particular communities are available through the Economic Analysis services of the Ontario Ministry of Agriculture, Food/Rural Affairs:

<http://www.omafr.gov.on.ca/english/rural/edr/edar/index.html>.

<sup>2</sup> This refers specifically to employment (paid workers, self-employed workers and unpaid family workers) on farms. Employment in related agri-food sectors is included within their specific sector (e.g. food processing is part of manufacturing, food retailing is part of wholesale and retail trade).

Non-metro and metro manufacturing experienced a long-term decline – from 2005 to 2010 (Figure 2). Non-metro areas showed strong growth in 2012 but non-metro manufacturing employment has again been declining since March 2013.

As noted in Table 1, manufacturing now represents 13% of total employment in non-metro areas. This share declined from 18% in 2004 to 13% in 2010 and has been essentially stable since then (Figure 3).

**Table 2**

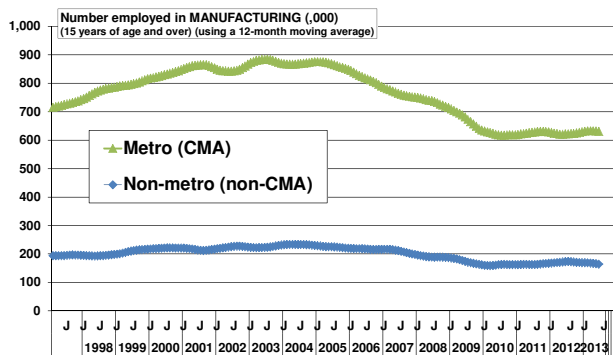
Share of Ontario jobs located in non-metro areas (average for 12 months up to June, 2013)	
Industry sector	Non-metro as percent of Ontario
<b>Goods-producing sectors (subtotal)</b>	<b>26</b>
Agriculture	72
Forestry, fishing, mining, quarrying, oil & gas	64
Utilities	55
Construction	24
Manufacturing	21
<b>Services-producing sectors (subtotal)</b>	<b>16</b>
Wholesale & retail trade	19
Transportation & warehousing	19
Finance, insurance, real estate & leasing	10
Professional, scientific & technical services	9
Business, building & other support services	15
Educational services	15
Health and social assistance	22
Information, culture & recreation services	14
Accommodation & food services	18
Other (personal) services	18
Public administration	13
<b>All sectors</b>	<b>18</b>

Note: Respondents to the Labour Force Survey are classified according to their place of residence, not their place of employment. Also, the place of residence is assigned according to the 2006 delineation of metro and non-metro.

Source: Statistics Canada, Labour Force Survey, CANSIM Tables 026-0011 and 282-0111.

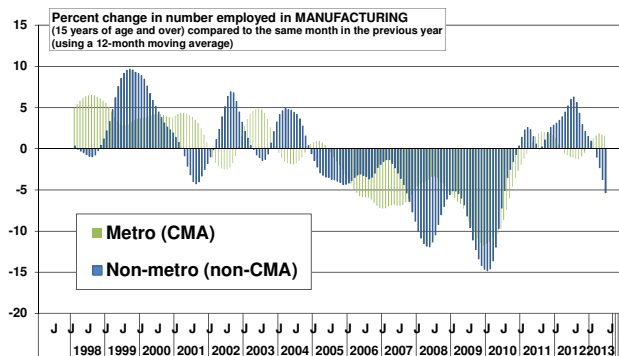
**Figure 1**

**Number employed in manufacturing, Ontario**



Source: Statistics Canada, Labour Force Survey, CANSIM Tables 026-0011 and 282-0111.

**Figure 2** Pattern of growth and decline in the number employed in manufacturing, Ontario

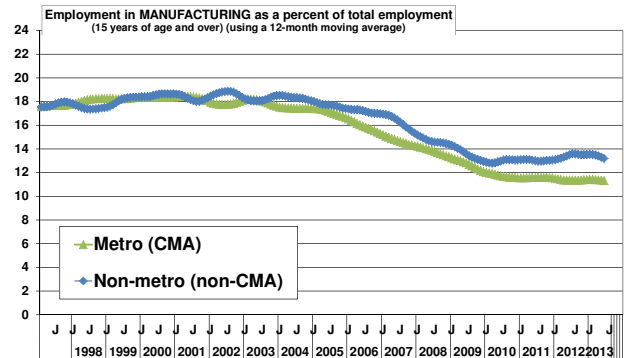


Source: Statistics Canada, Labour Force Survey, CANSIM Tables 026-0011 and 282-0111.

In June, 2013, the non-metro share of manufacturing employment was 21% (Table 2). Over time, non-metro areas have maintained their share of provincial manufacturing employment. The share has varied – from a low of 19.7% in mid-2001 to a high of 21.7% in June, 2012 (Figure 4) but the trend line shows that non-metro Ontario is maintaining its share of manufacturing in Ontario (in fact, the line has a very slight upward trend suggesting a slight increase in share over time).

**Figure 3**

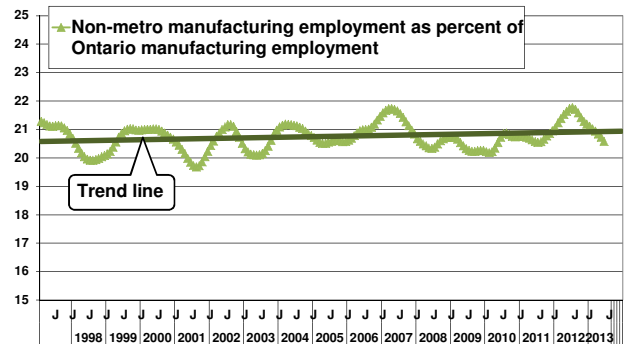
**In June, 2013, 13% of non-metro workers were employed in manufacturing**



Source: Statistics Canada, Labour Force Survey, CANSIM Tables 026-0011 and 282-0111.

**Figure 4**

**In June, 2013, 20.6% of Ontario manufacturing employment was in non-metro areas**



Source: Statistics Canada, Labour Force Survey, CANSIM Tables 026-0011 and 282-0111.

**Summary**

As expected, non-metro Ontario is relatively intensive in the goods-producing industry sectors.

The largest goods-producing sector is manufacturing, with 13% of non-metro employment. Non-metro areas are maintaining their share of manufacturing employment in Ontario.

Rural Ontario Institute gratefully acknowledges the work of Ray Bollman in preparing this edition of [Focus on Rural Ontario](#). 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).