



Non-metro trends in employment rates

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Highlights

- Employment rates in non-metro Ontario are essentially the same as in metro areas. In other provinces, non-metro employment rates are typically lower than metro employment rates.
• For non-metro and metro males (25 to 54 years of age), employment rates have been falling since the early 2000's.
• For non-metro and metro females (25 to 54 years of age), employment rates generally increased to their peak in 2007, then declined and are now steady at a lower level than the peak.
• Employment rates vary considerably across Ontario's economic regions.

Why look at employment rates?

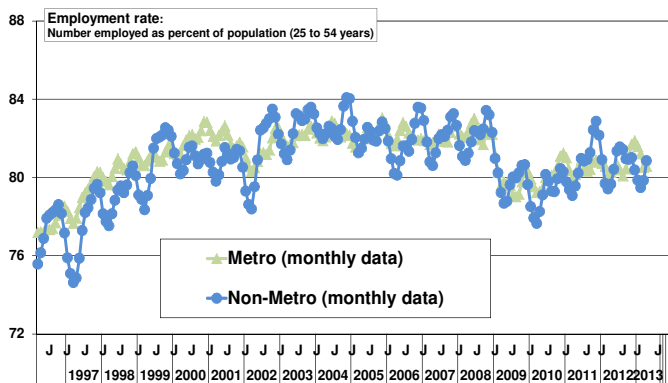
Employment rates are one indicator of the performance of the labour market. They measure the percent of a population group that is employed. A higher employment rate indicates a more vibrant economy.

Findings

In Ontario, non-metro employment rates mirror metro employment rates (Figure 1). The non-metro employment rates in Ontario are more variable from month-to-month - reflecting, in part, that non-metro jobs may be more seasonal.

Figure 1

Ontario employment rates: Non-metro and metro follow the same time path Non-metro has more month-to-month variability / seasonality



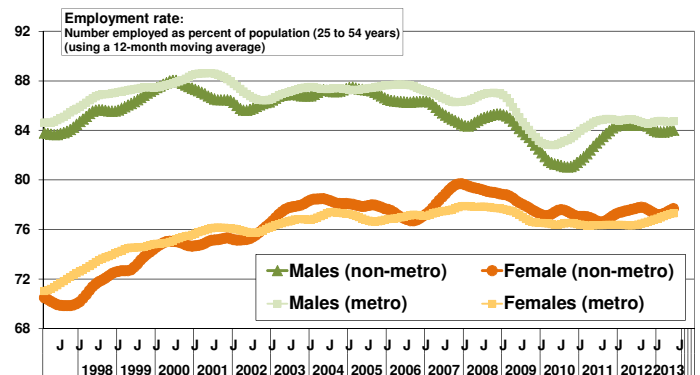
Source: Statistics Canada. Labour Force Survey, CANSIM Tables 026-0001 and 282-0109.

Note, for the core age workforce (25 to 54 years), the employment rate in both metro and non-metro areas has increased (marginally) since 2010 and is now hovering at 80%.

The patterns by sex are different. Male employment rates peaked in 2000-2001 and have been generally declining (Figure 2). There was an improvement in 2011 following the downturn of 2009-2010 but the male employment rate has not regained the level of 2007 or 2008.

Figure 2

Ontario employment rates: Non-metro males slightly below metro males Non-metro females slightly above metro females (since 2003)



Source: Statistics Canada. Labour Force Survey, CANSIM Tables 026-0001 and 282-0109.

For females, there was a general increase up to 2008, a decline to 2010 and the rates have been essentially stable for 2011 through to June 2013.

Summary

Employment rates of males declined during the past decade - in both non-metro and metro areas. On the other hand, the employment rates of females increased up to the downturn of 2008-2009, then declined to 2010 and have remained steady since - in both metro and non-metro areas. Non-metro employment rates remain below pre-recession levels.

1 This finding is different than the pattern for Canada as a whole. The Canadian pattern shows non-metro employment rates always below metro employment rates, although the non-metro employment rate in mid-summer sometimes matches the metro rate.

Appendix:

A look across Ontario's economic regions

Data across Economic Regions (ERs) are not published by age classes and are only published for all individuals 15 years of age and over. Note, for the core age workforce (25 to 54 years), the employment rate in both metro and non-metro areas has increased (marginally) since 2010 and is now hovering at 80% (Figure 1).

This finding differs when we look for all individuals 15 years of age and over. For this group, the employment rate has been stable since 2010 and averaged 61% in the 12 months up to June 2013 (Table 1). Thus, a higher share of people, 25 to 54 years of age, is working (Figure 1). However, the share of the population over 54 years of age is increasing. Many are not working which causes the measured employment rate for all individuals 15 years and over to increase less rapidly or even fall in some cases simply due to the aging of the population.

Table 1

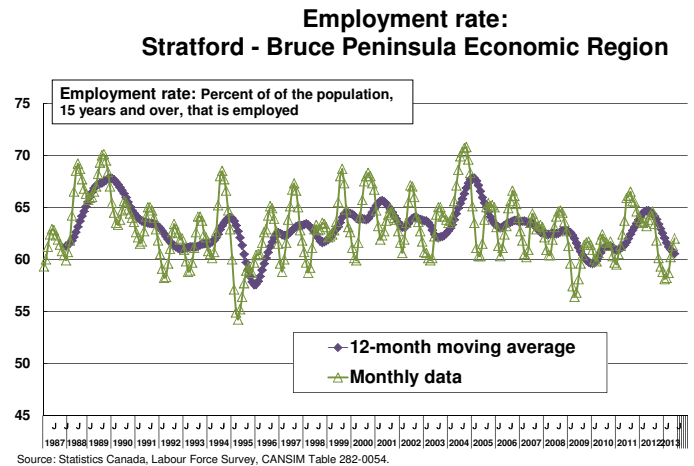
Employment Rate by Economic Region	
Economic Region (ER), sorted by employment rate	Employment Rate for population 15 years of age and over (average for 12 months up to June, 2013)
Metro (95+%) Economic Region	
Toronto (and area) ER	62
Non-metro (5-32%) Economic Region	
Kitchener-Waterloo-Barrie ER	66
Ottawa (and area) ER	65
Hamilton-Niagara Peninsula ER	60
London (and area) ER	60
Non-metro (33-95%) Economic Region	
Northwest ER	59
Kingston-Pembroke ER	57
Windsor-Sarnia ER	57
Northeast ER	55
Muskoka-Kawarthas ER	52
Non-metro (>95%) Economic Region	
Stratford-Bruce Peninsula ER	61
Ontario	61

Source: Statistics Canada. Labour Force Survey, CANSIM Table 282-0054.

For all individuals 15 years of age and over, the employment rate ranges from a high of 66% in the Kitchener-Waterloo-Barrie ER to a low of 52% in the Muskoka-Kawarthas ER. The lower employment rate in the latter ER may be due, in part, to the influx of retirees who are not working.

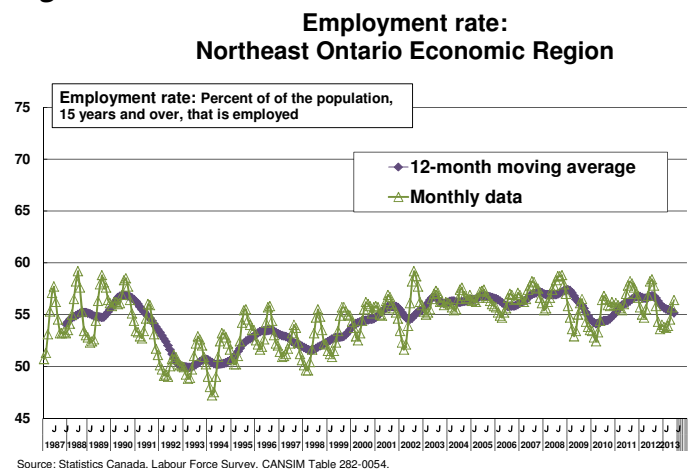
In the non-metro economic region of Stratford-Bruce Peninsula, the employment rate for the 12 months up to June 2013 averaged 61%, equal to the provincial rate (Figure 3). However, there is considerably seasonal variability in this ER due, in part, to tourism.

Figure 3



In the Northeast ER, the employment rate declined by 8 percentage points in the economic downturn of the early 1990s and was increasing gradually up to the economic downturn of 2008-2009 before recovering in 2011 and 2012. However, there is a decline in recent months.

Figure 4



The general pattern for the employment rate in each ER is a relatively flat or a slight declining trend, sometimes after a modest recovery from the downturn of 2008-2009.

Note however, in June 2013, there was a 14 percentage point difference in the employment rate between the ER with the highest employment rate and the ER with the lowest employment rate for the population 15 years of age and over (Table 1).

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. Any comments or discussions can be directed to NRagettie@RuralOntarioInstitute.ca.