



Ontario's Labour Market in 2021

Labour market experiences strong but uneven recovery

Briefing Deck



Outline

- Ontario's labour market performance in 2021
- Uneven pace of recovery to 2019 pre-pandemic employment levels by different groups
- Lingering impacts of the pandemic on labour market

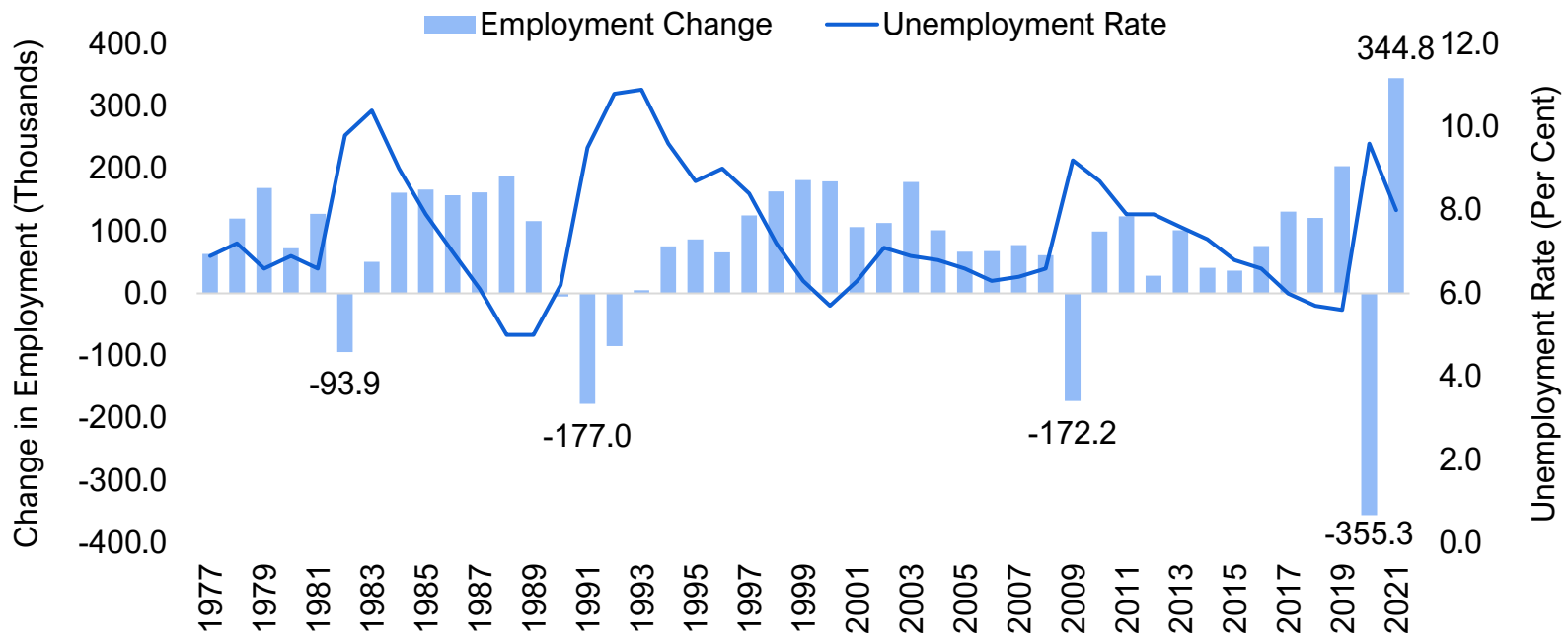


Ontario's labour market performance in 2021



Jobs rebounded strongly in 2021 as the economy gradually reopened

- Ontario gained 344,800 jobs in 2021 (or 4.9 per cent), the largest annual increase in employment on record.
- The annual unemployment rate declined to 8.0 per cent in 2021 but remained above the 2019 pre-pandemic rate of 5.6 per cent.

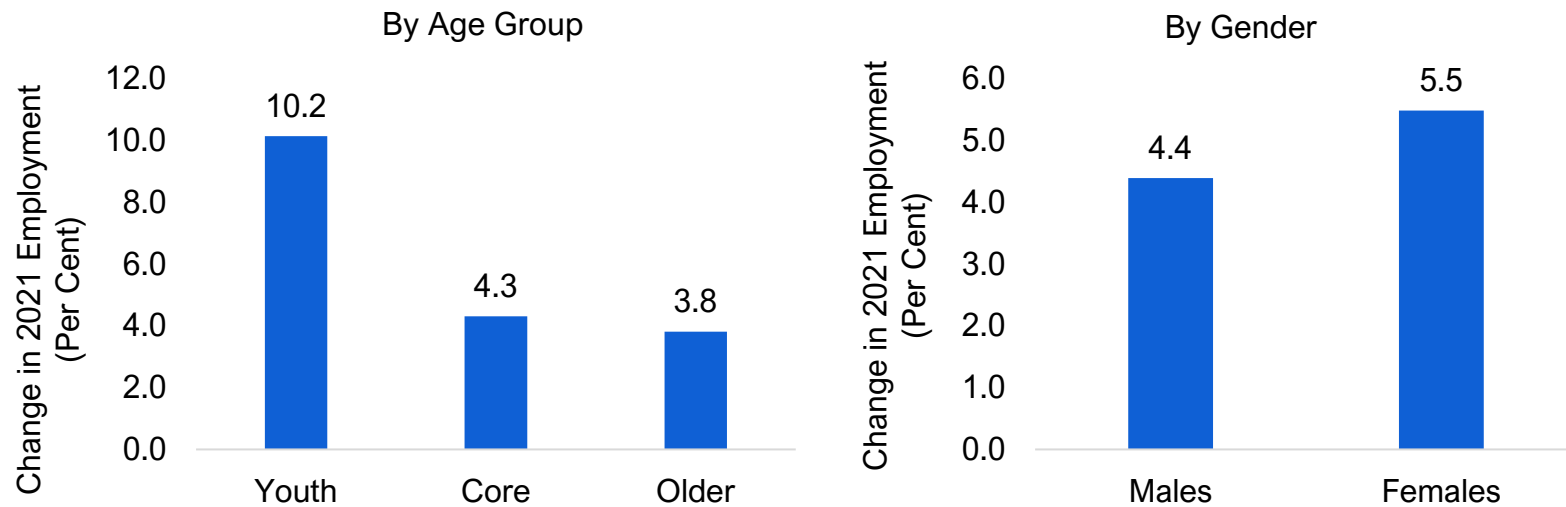


Source: Statistics Canada and FAO.



Jobs gains were widespread in 2021

- The increase in employment in 2021 was experienced across all major age groups, and for male and female workers.
- Many industries that employ a large share of youth and female workers reopened throughout the year, driving strong job gains for these groups.

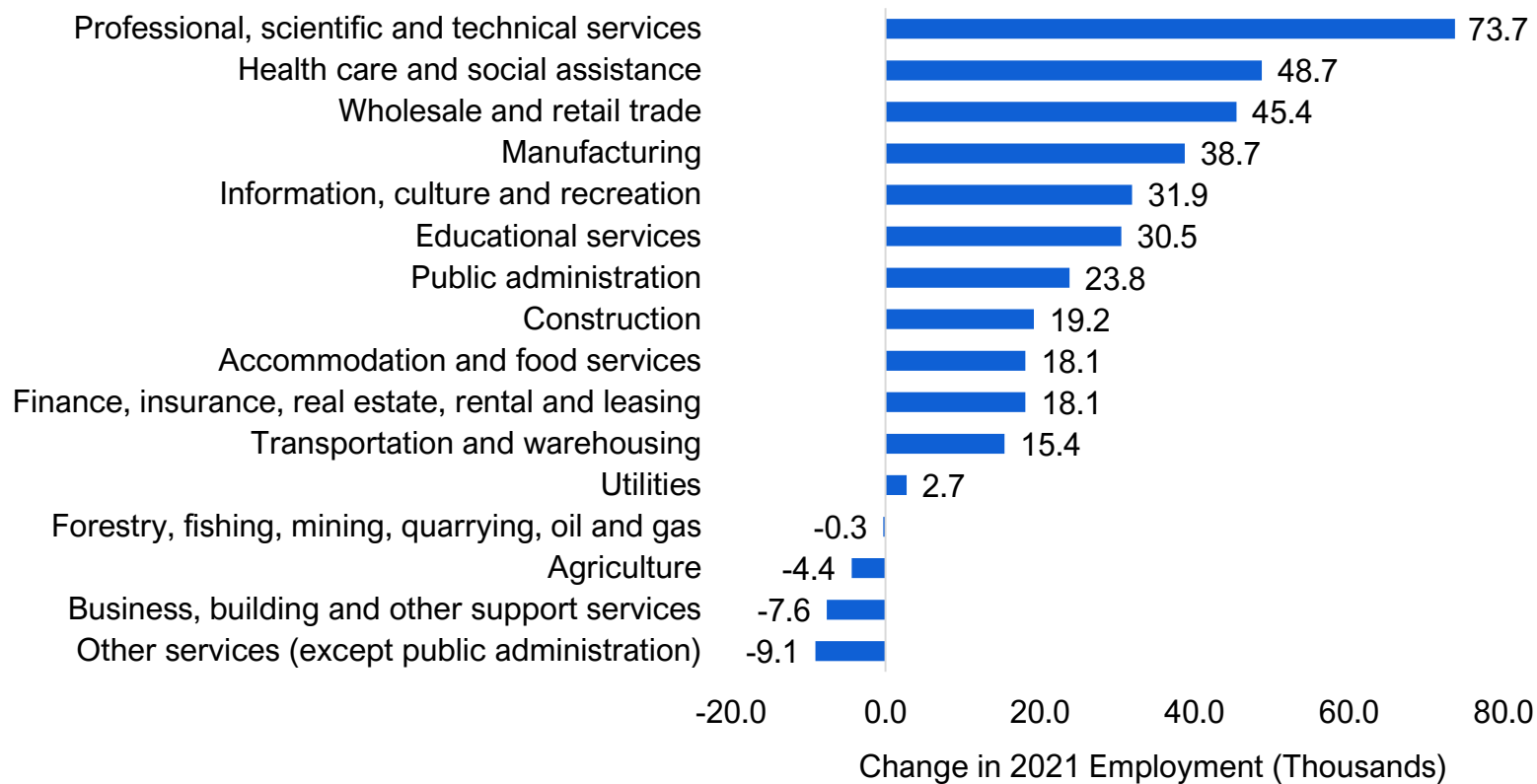


Source: Statistics Canada and FAO.



Most industries experienced job gains in 2021

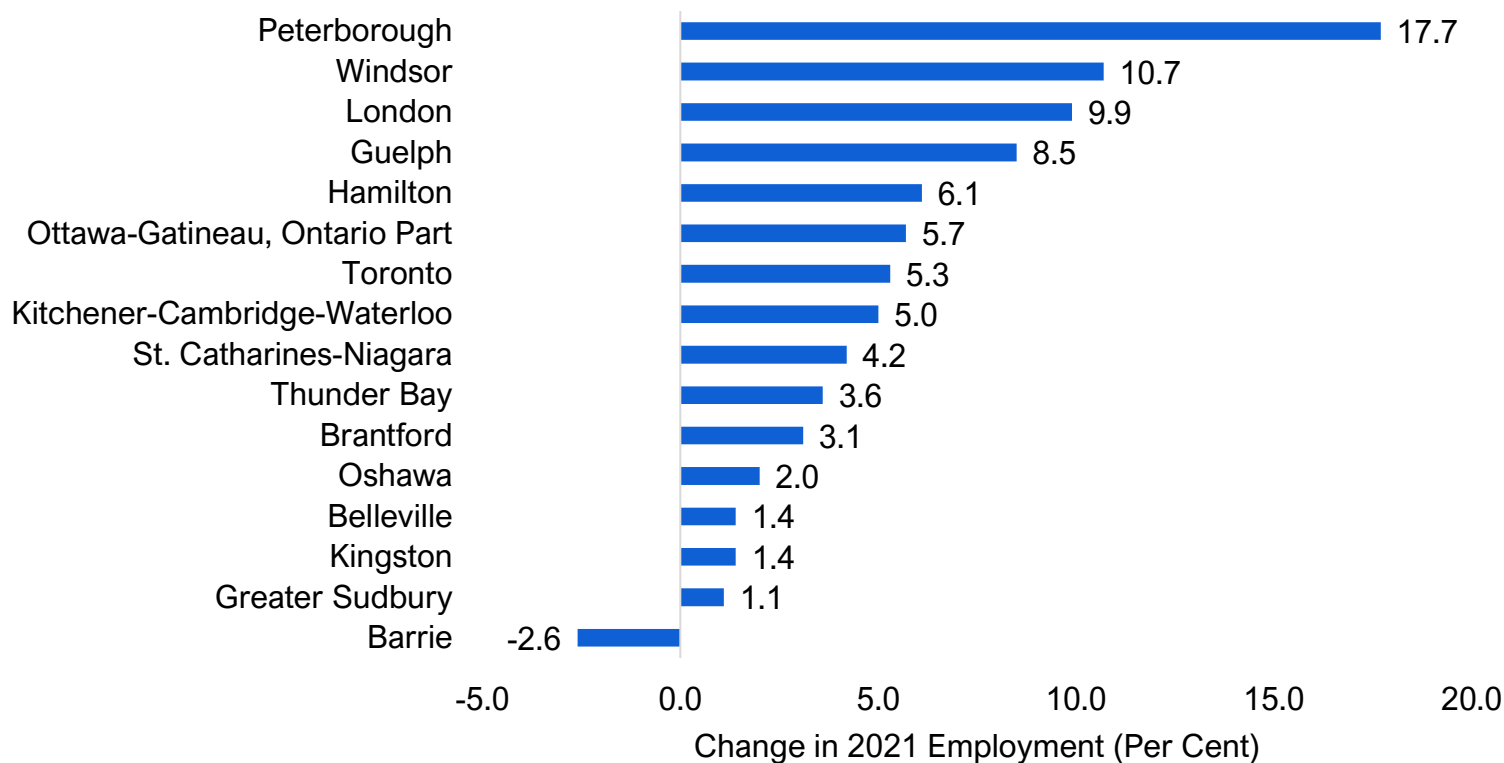
- About two-fifths of the increase in service-sector employment was driven by industries where jobs can be performed remotely.
- Some low-wage industries with close customer contact saw weaker growth.



Source: Statistics Canada and FAO.

Employment grew in most of Ontario's major cities

- Peterborough and Windsor saw the fastest pace of job growth in 2021.
- Barrie was the only city to experience a decline in employment.

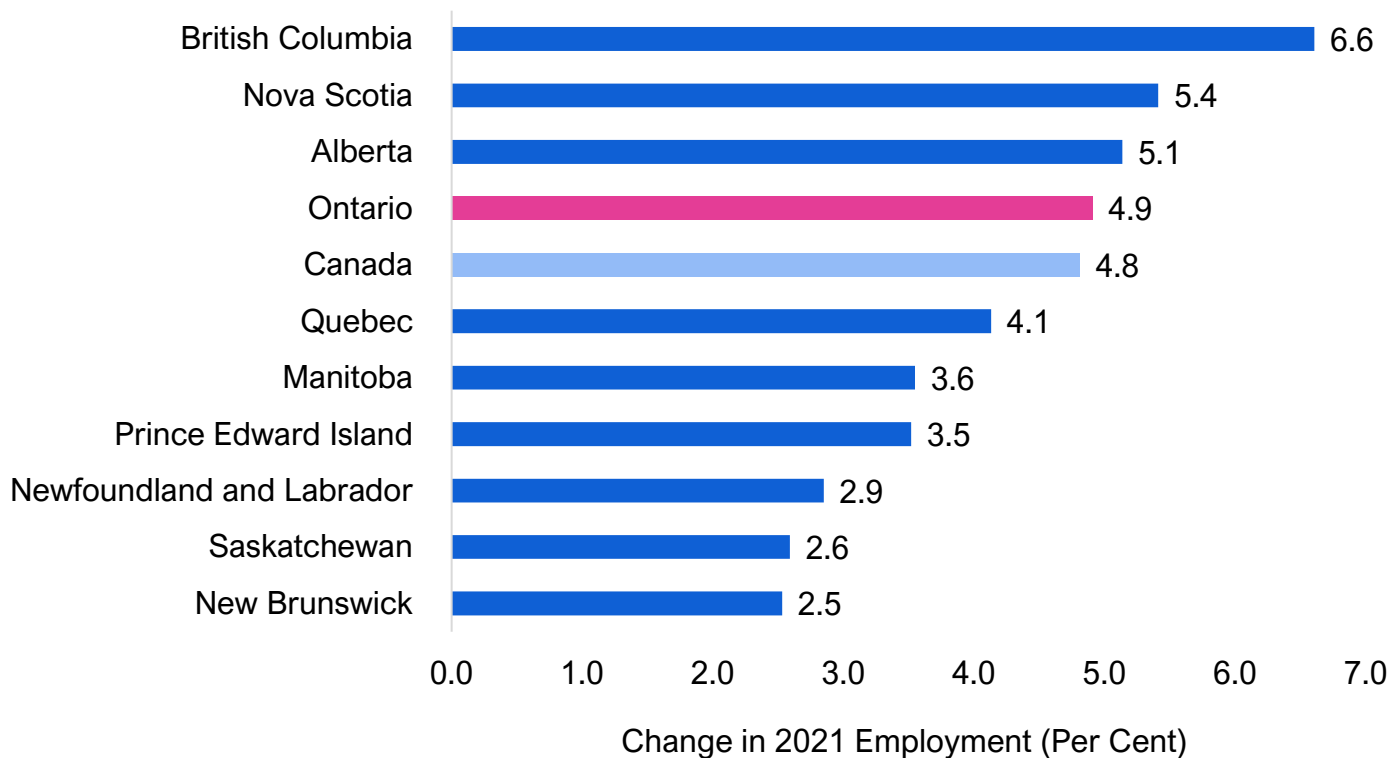


Source: Statistics Canada and FAO.



Ontario had the fourth fastest pace of job growth among the provinces

- Ontario (4.9 per cent) recorded the fourth fastest pace of job gains in 2021, trailing British Columbia, Nova Scotia and Alberta.



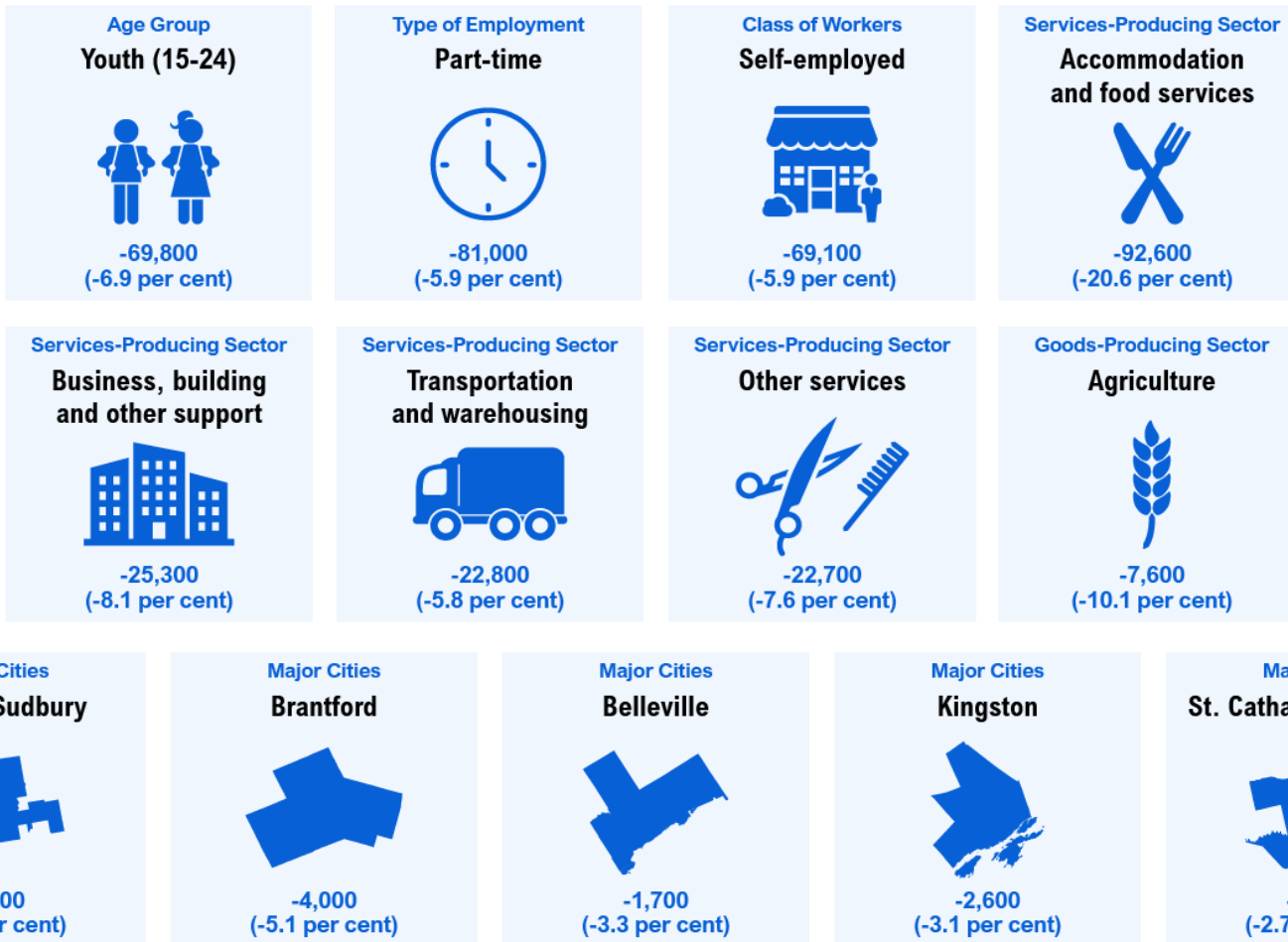
Source: Statistics Canada and FAO.



Uneven pace of recovery to 2019 pre-pandemic employment levels by different groups



Employment among some groups remained below the 2019 pre-pandemic level



Source: Statistics Canada and FAO.

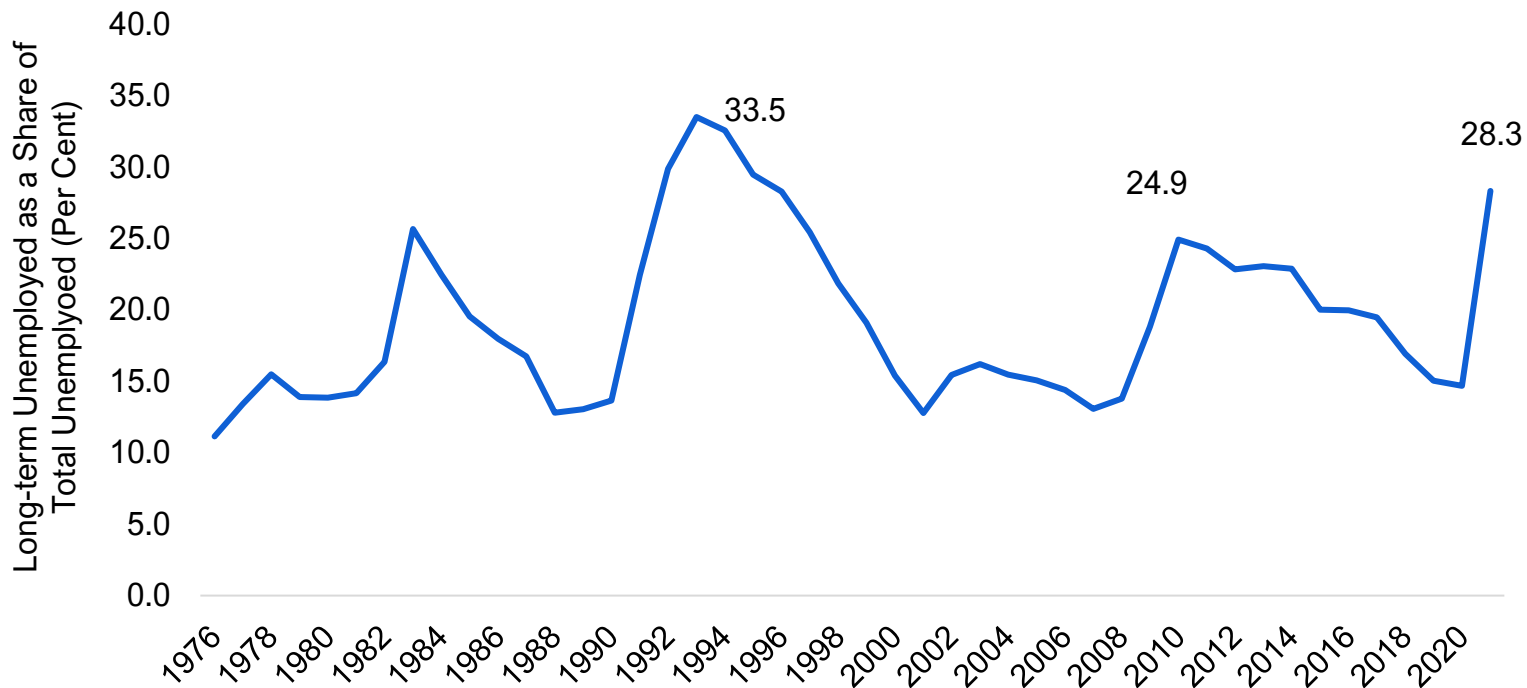


Lingering impacts of the pandemic on the labour market



Long-term unemployment elevated

- The share of unemployed individuals who did not have a job for six months or longer climbed to its highest since the early 1990s.
- Long-term unemployment can result in skill erosion and make reemployment more difficult for job searchers.

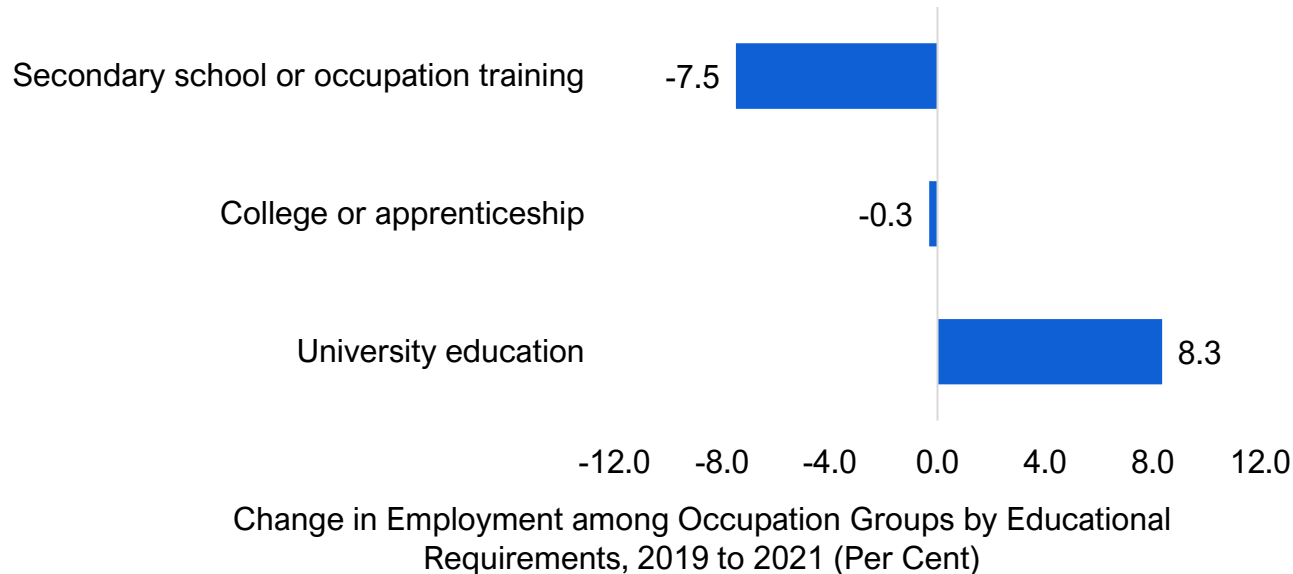


Source: Statistics Canada and FAO.



Shifting skill requirements

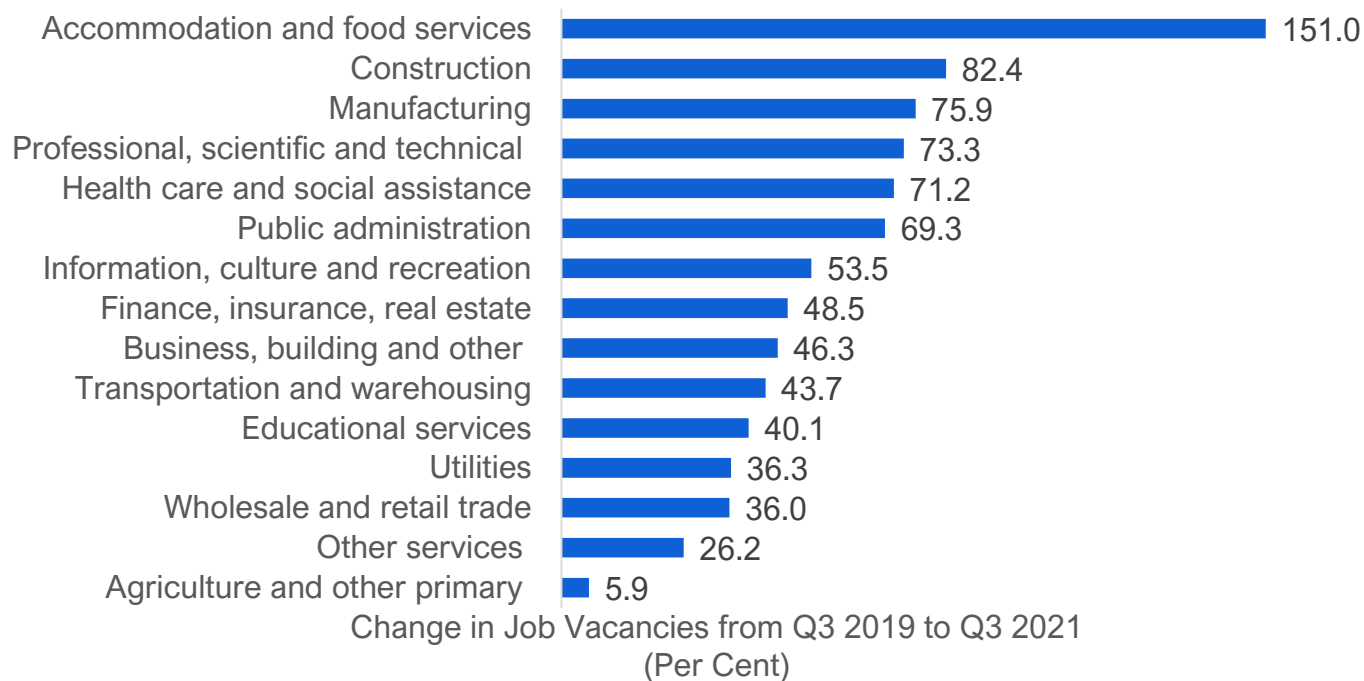
- Since 2019, employment gains have been concentrated in positions that usually require a university education (8.3 per cent or 196,900) while losses were observed in occupations that require less education.
- Shifting skill requirements could present challenges to Ontarians with lower education levels or less resources to upgrade their skills.



Source: Statistics Canada and FAO.

Job growth slow in some sectors despite record vacancies

- Hiring challenges in several industries resulted in sharply higher job vacancies coupled with weak employment growth in 2021.
- This could be challenging for small businesses, especially in accommodation and food services. Persistent labour shortage could also affect productivity and competitiveness in the broader economy.



Source: Statistics Canada and FAO.



Thank you!



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