

Ontario's Labour Market in 2025



Overview

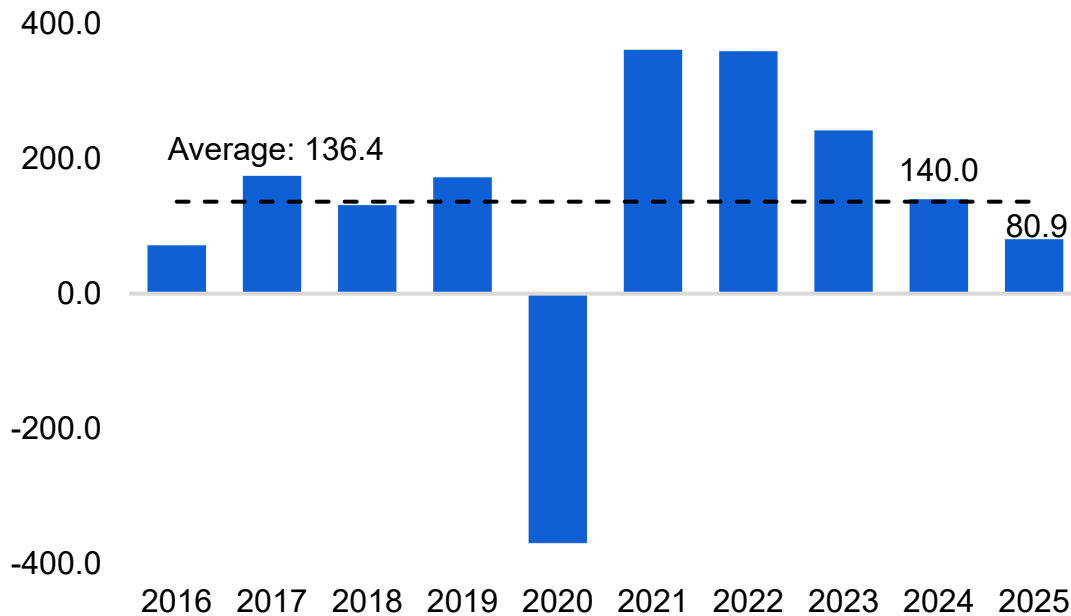
- This report provides a review of Ontario's labour market performance in 2025.
- This presentation will focus on:
 1. A summary of the overall labour market in the province
 2. Labour market outcomes across demographic groups, types of workers, industries, major cities and provinces
 3. Job vacancies
 4. Wage growth compared to inflation



Ontario's labour market continued to moderate in 2025

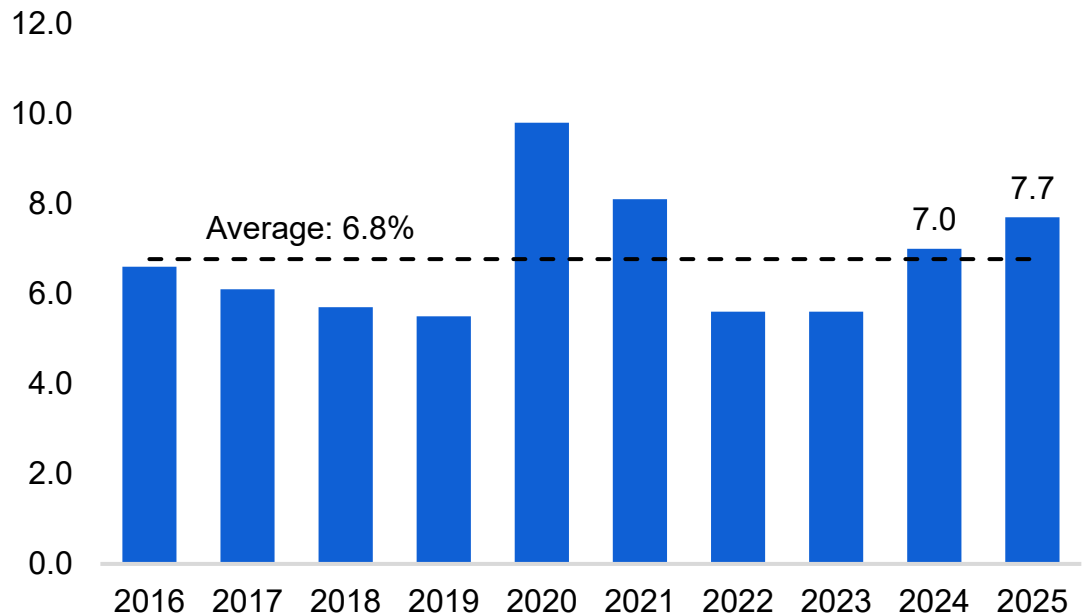
- Ontario's employment rose by 80,900 (1.0%) in 2025, slower than the 140,000 jobs (1.7%) added in 2024.
- The unemployment rate in Ontario increased from 7.0% in 2024 to 7.7% in 2025, the highest since 2012 excluding the pandemic.

Change in Employment (Thousands)



Source: Statistics Canada: Labour Force Survey: Table [14-10-0327-01](#).

Unemployment Rate (%)



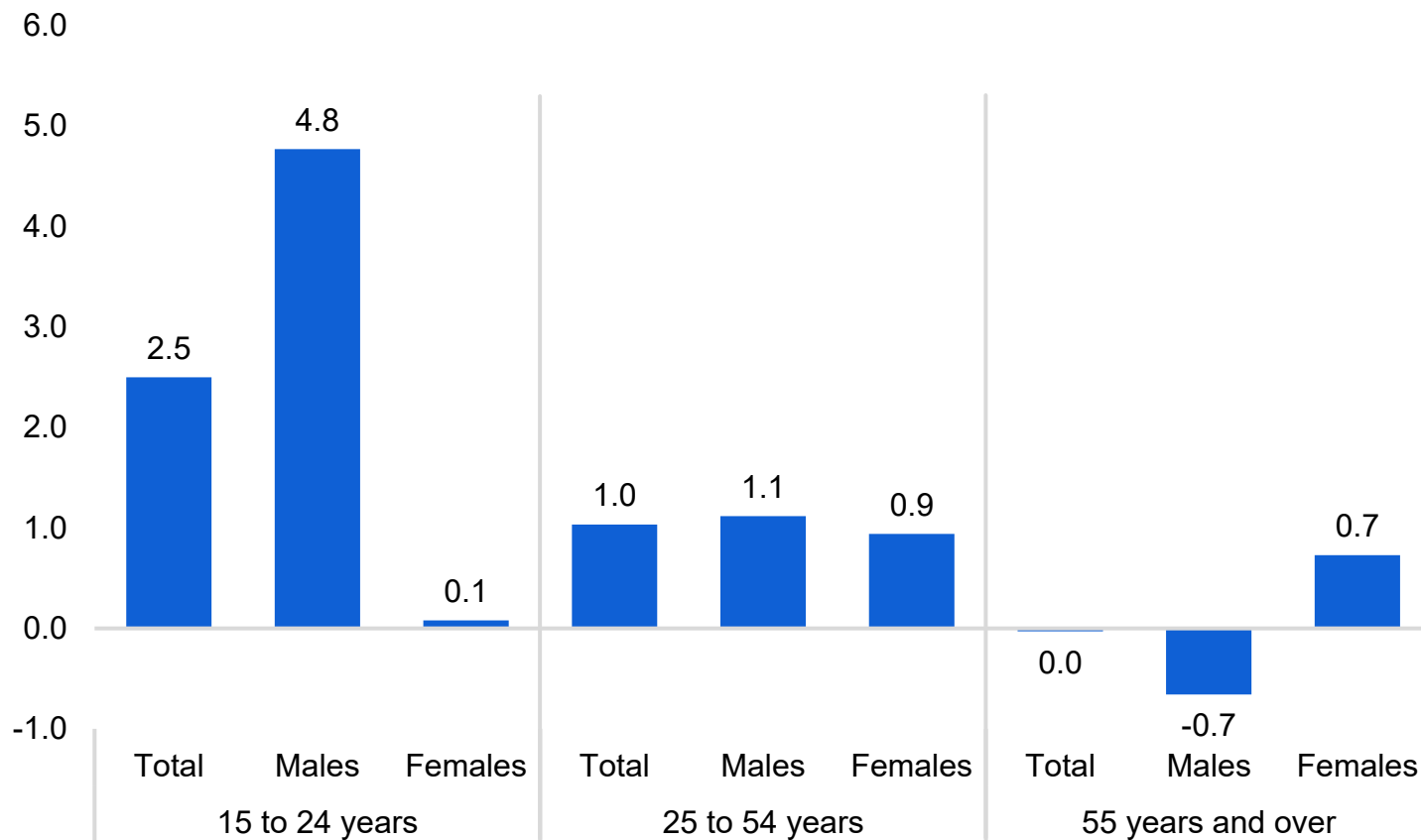
Source: Statistics Canada: Labour Force Survey: Table [14-10-0327-01](#).



Core-aged workers and youth experienced job gains while older male workers saw job losses

- Core-aged workers (aged 25-54) experienced employment growth of 1.0% and youth (aged 15-24) employment increased by 2.5%.
- Employment was essentially flat for older workers (aged 55 years and over), with job losses among men offset by female job gains.

Change in Employment in 2025 (%)

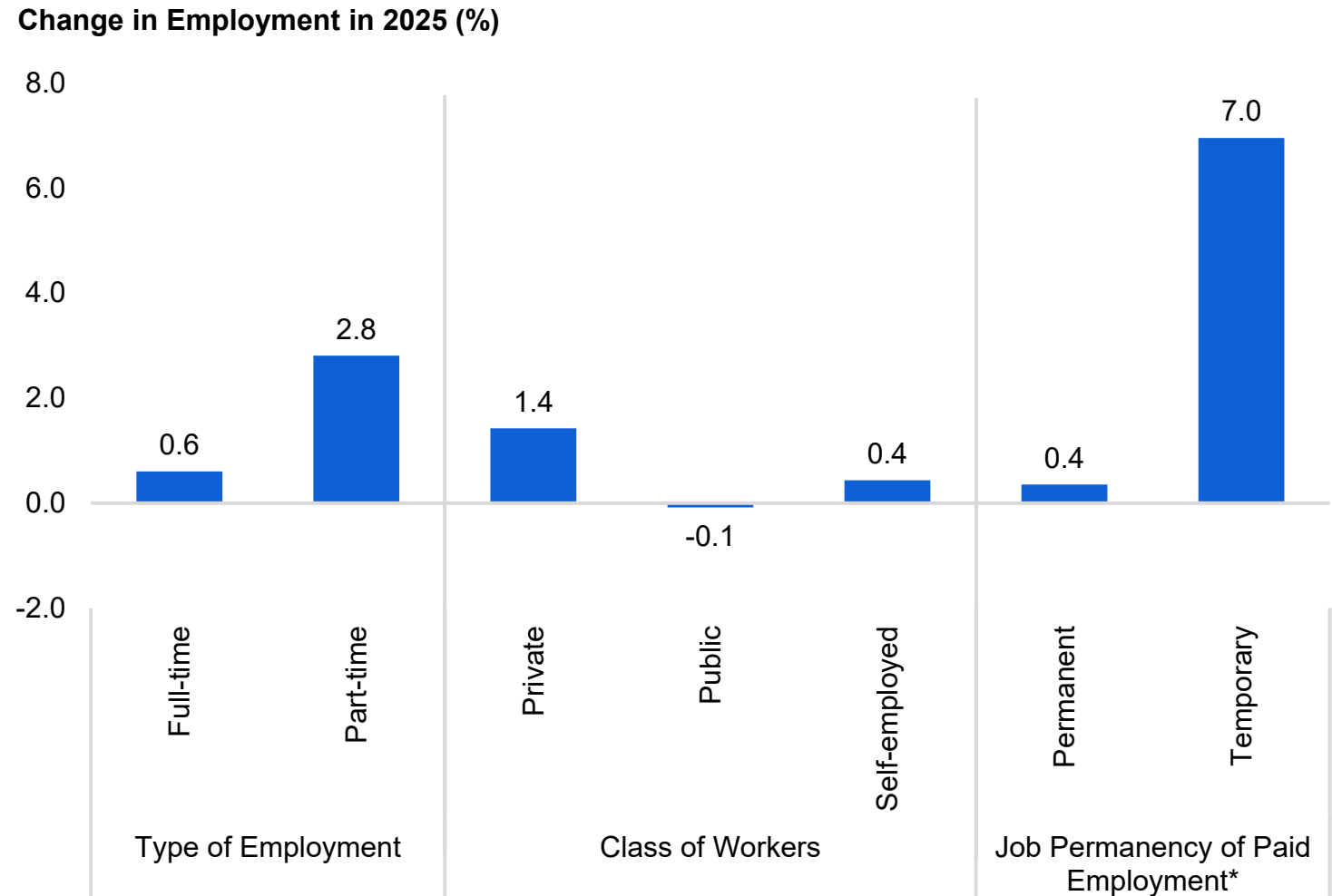


Source: Statistics Canada: Labour Force Survey: Table [14-10-0327-01](#).



Most types of workers saw employment growth

- Job gains were the strongest in the private sector (1.4%) and among part-time (2.8%) and temporary (7.0%) positions.
- The slowdown in public sector employment followed four consecutive years of strong gains and partly reflected the downsizing of the federal public-sector workforce and lower international student enrolment, which affected employment in the public administration and education sectors.



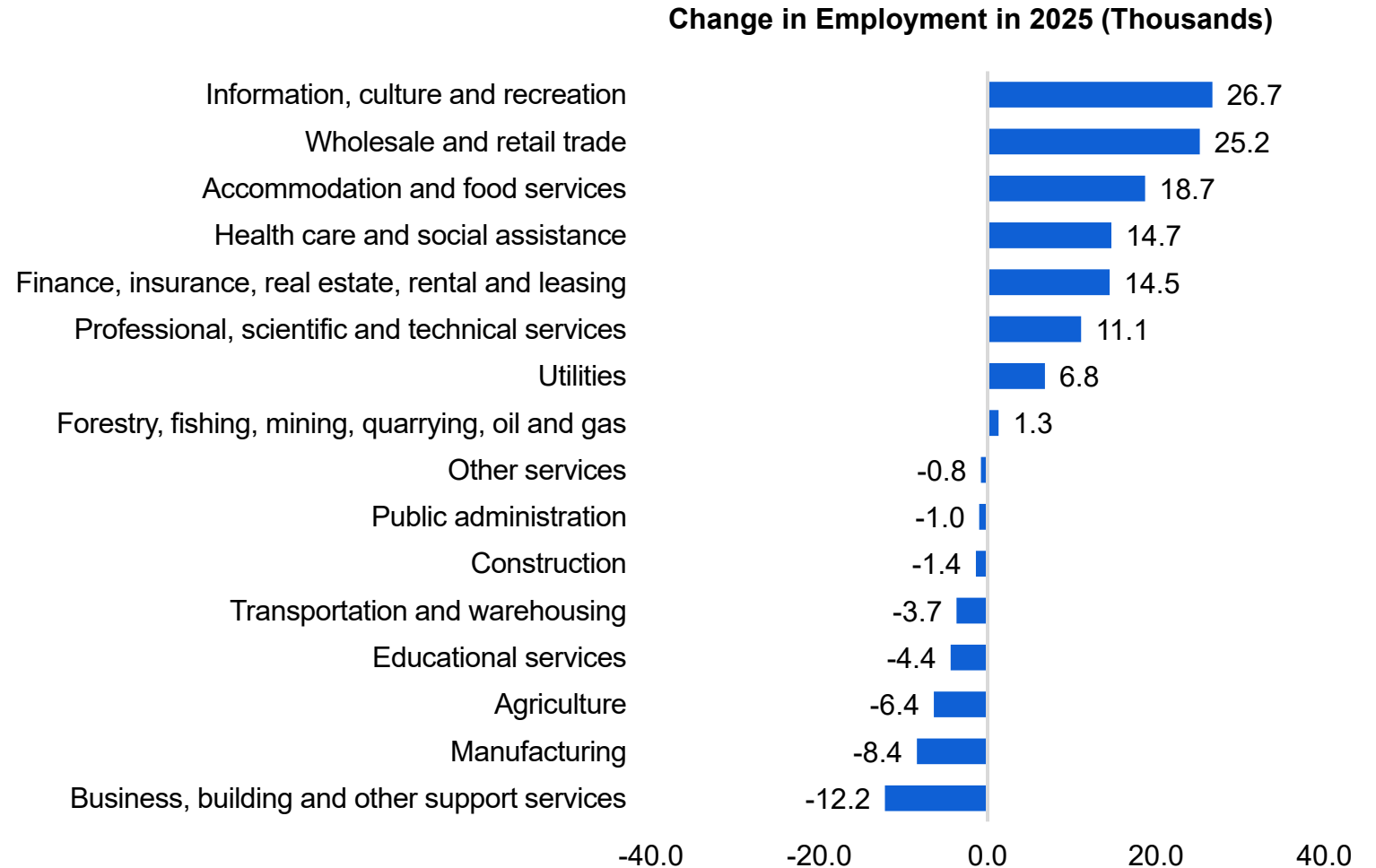
* Paid employment does not include the self-employed.

Source: Statistics Canada: Labour Force Survey: Tables [14-10-0327-01](#), [14-10-0027-01](#) and [14-10-0072-01](#).



Half of Ontario's industries saw job growth

- Of the 16 major industries in Ontario, eight saw an increase in employment in 2025, with most of the gains in industries that pay below-average wages.
- Job losses were recorded in industries highly affected by tariffs, including manufacturing (-8,400 or -1.0%), agriculture (-6,400 or -8.9%), and transportation and warehousing (-3,700 or -0.9%).

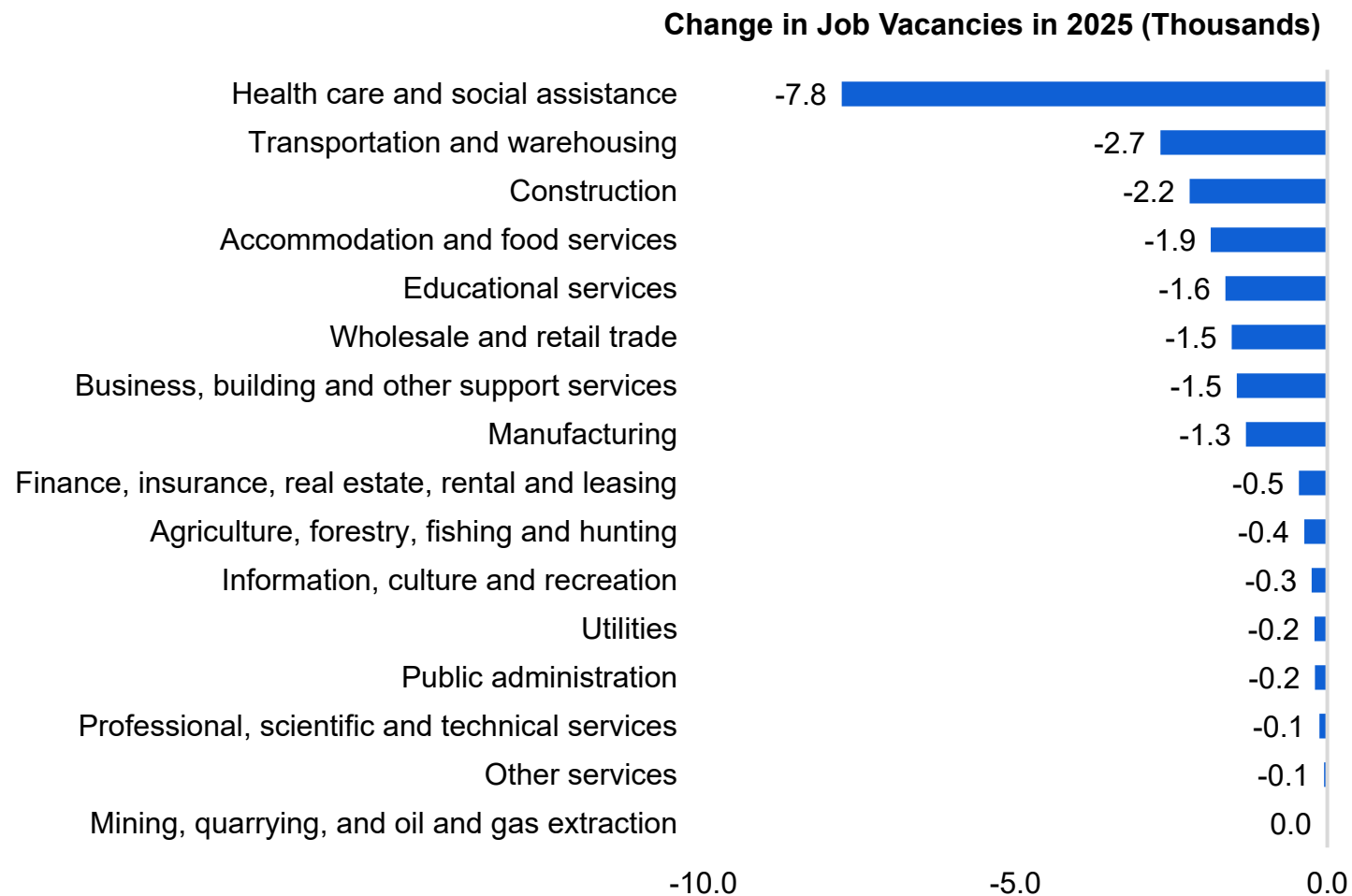


Source: Statistics Canada: Labour Force Survey: Table [14-10-0023-01](#).



Job vacancies continued to trend lower in 2025

- In tandem with the slower pace of employment gains, job vacancies declined by 22,100 (-11.1%) in 2025.
- The overall job vacancy rate fell from 2.9% in 2024 to 2.6% in 2025.
- Job vacancies declined in all industries in 2025. Health care and social assistance had the highest number of job vacancies (36,500) for the fourth year in a row and the highest job vacancy rate (4.0%).

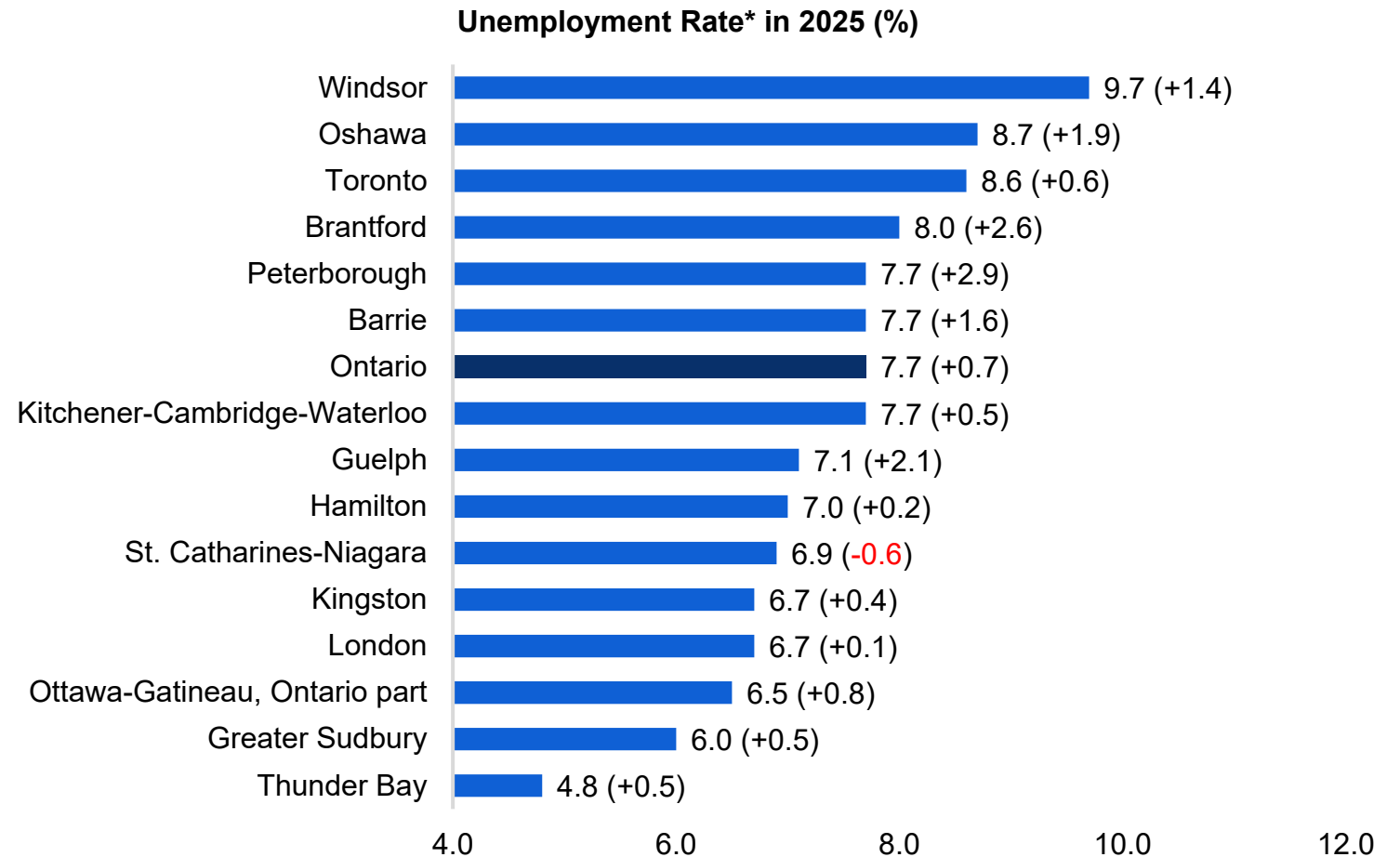


Source: Statistics Canada: Job Vacancy and Wage Survey: Table [14-10-0442-01](#).



Unemployment rate increased in all but one Census Metropolitan Area

- The unemployment rate increased in all CMAs except St. Catharines-Niagara (-0.6 percentage points).
- CMAs with greater exposure to industries exporting to the United States generally saw larger increases in their unemployment rates than the Ontario average.
- The unemployment rates for Brantford, Guelph, Oshawa and Windsor all increased at a faster pace than the Ontario average.

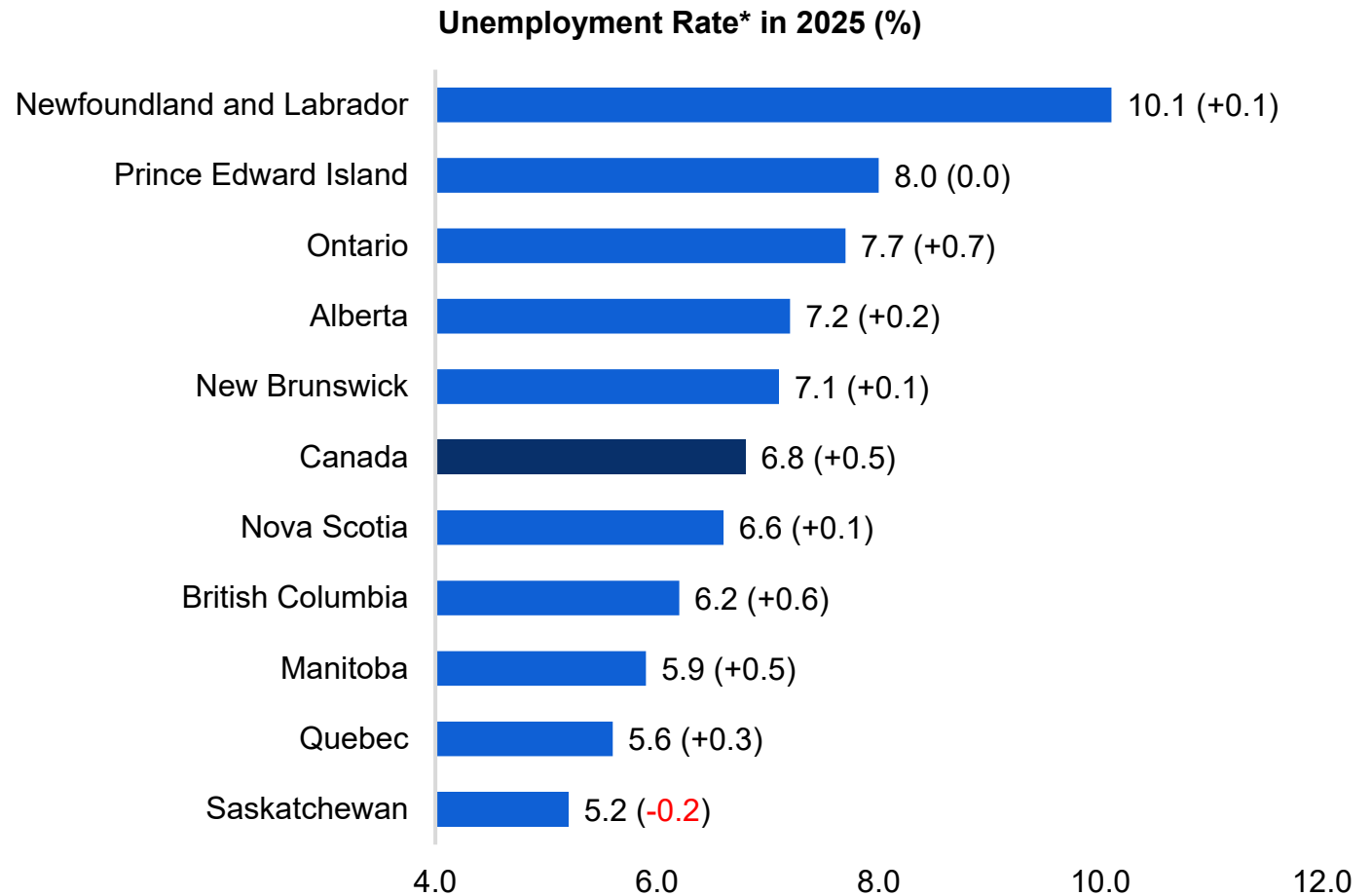


* Annual change in unemployment rate (percentage points) from previous year shown in parentheses.
Source: Statistics Canada: Labour Force Survey: Table [14-10-0461-01](#).



Unemployment rate increased in most provinces

- The unemployment rate increased in eight provinces. Newfoundland and Labrador recorded the highest unemployment rate (10.1%), while Saskatchewan had the lowest (5.2%) and was the only province to see a decline in its unemployment rate.
- Ontario recorded the third highest unemployment rate (7.7%) and largest increase in the unemployment rate (+0.7 percentage points) in the country for the second consecutive year.



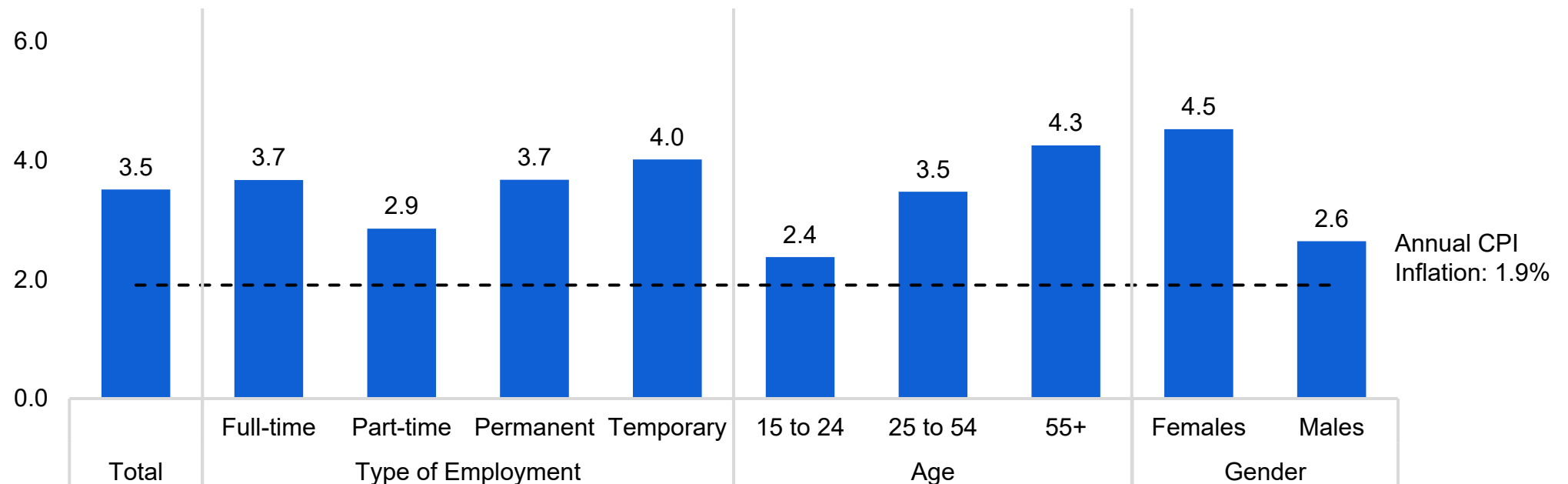
* Annual change in unemployment rate (percentage points) from previous year shown in parentheses.
Source: Statistics Canada: Labour Force Survey: Table [14-10-0327-01](#).



Wage growth outpaced inflation in 2025 for all major groups of workers

- The average hourly wage of Ontarians increased 3.5% to \$37.72 in 2025, faster than the 1.9% annual consumer price index (CPI) inflation rate.

Change in Average Hourly Wage Rate in 2025 (%)



Source: Statistics Canada: Labour Force Survey: Tables [14-10-0064-01](#) and [14-10-0066-01](#), and Consumer Price Index: Table [18-10-0005-01](#).



Thank you!



FAO

Financial Accountability
Office of Ontario

2 Bloor Street West, Suite 900
Toronto, Ontario, M4W 3E2
416.644.0702

info@fao-on.org

fao-on.org

