

Ontario posts record year for job creation, but Toronto dominates hiring

By Matt Lundy

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Ontario notched its best year for job creation on record in 2019, but its labour market faces “important challenges,” with hiring heavily tilted toward the Toronto region, the province’s fiscal watchdog said Thursday in a report.

In many respects, the province’s labour market had a “strong” 2019, the Financial Accountability Office of Ontario said. The unemployment rate held steady at 5.6 per cent, wage gains were the strongest since 2008, and roughly 210,000 jobs were added during the year, easily the highest of any province.

But the report also highlighted several concerns, notably the nagging issue of uneven hiring within the province. For 2019, five out of 15 census metropolitan areas (CMAs) saw their employment decline, including the Peterborough, Thunder Bay and St. Catharines-Niagara areas.

Meantime, the Toronto region has been a standout performer for some time. Over the past decade, it accounts for roughly 66 per cent of jobs created in the province, or considerably higher than its 46-per-cent share of the population. Ottawa-Gatineau was next highest,

contributing 8.1 per cent of jobs over the last 10 years.

“The concentration of job creation within the major CMAs highlights the challenge of economic diversification among Ontario’s regions,” the FAO said. “Many CMAs are highly dependent on goods-producing industries such as manufacturing, which have struggled because of increasing global competition.”

The report also pointed to a long-term rise in self-employment. In 2019, nearly two out of every five new jobs created in Ontario were for self-employed individuals without paid workers, and this group’s share of overall employment has risen to a record 11.5 per cent.

“Researchers view self-employed individuals without paid workers as a more precarious type of employment, lacking the security that comes with standard work arrangements,” the FAO said.

The province’s fiscal watchdog relied on data from Statistics Canada’s Labour Force Survey in its analysis, using figures on an average annual basis.