

For Immediate Release

Northeastern Ontario showing potential for growth despite challenges

May 5, 2015, Sudbury, ON – A new report released by Northern Policy Institute on the labour market in Northeastern Ontario details how the region is showing potential for growth in the face of several challenges. The report, **From Laggard to Leader (Almost): Northeast showing potential for growth**, was written by James Cuddy, Research Coordinator with Northern Policy Institute, and provides an overview of the underlying trends and characteristics of the labour market. The paper discusses population, employment, participation, unemployment, and trends specific to the youth labour market.

According to the report, Northeastern Ontario is closely tied to the global and national economies, as changes in job numbers in the region closely correspond to changes in national GDP and the region appears more vulnerable to global market adjustments than the rest of the province. Northeastern Ontario also faces a number of challenges including stagnant population growth, uncertain long-term employment growth, low participation rates, continued youth out-migration, and a lack of growth in goods-producing industries.

“When comparing year-over-year percentage changes in employment in Canada, Ontario and Northeastern Ontario it is evident that fluctuations – especially during economic downturns – are considerably more pronounced in the Northeast,” Cuddy writes. “Such volatility suggests that employment in the Northeast is much more vulnerable to the adverse employment effects induced by periods of economic decline.”

Despite these and other challenges, the region is showing signs of growth. In order to capitalize on this potential, Northeastern Ontario should continue to focus on attracting and retaining youth, increase regional competitiveness by tracking indicators regularly, and recognize that urban centres can lead the way toward growth across the region.

Some of the key findings from the report include:

- The Northeast saw an increase of 3100 jobs from 2013 to 2014. This increased the region’s employment as a proportion of total provincial employment. This is a good sign since employment in the Northeast (and Northern Ontario in general) has had a strong downward trend as a proportion of the province since the mid-90s. It means that employment growth in the Northeast in 2014 outpaced the province.
- The Northeast employment rate increased to 56 percent in 2014, while Ontario and Canada both declined to 61 percent.
- The proportion of employees that are working full-time jobs in the Northeast has historically been lower than provincial and national levels, however; in recent years the Northeast is closing the gap.
- Since 2001 the number of youth leaving the region has slowed. Roughly 500 youth left in each of the last two years compared with over 2500 in 2001.

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- Unlike the total labour market, the labour market for youth ages 15 to 29 does not have lower participation and employment rates than Ontario and Canada. In fact, in recent years, youth employment and participation rates have been higher than provincial and national levels in the Northeast.
- The most urbanized jurisdiction, Greater Sudbury, has been pivotal for retaining youth in the Northeast in recent years. Since 2010-2011, Greater Sudbury has experienced youth in-migration of roughly 200-300 individuals per year.

The report on the Northeastern Ontario labour market is the second report published by Northern Policy Institute examining labour markets in Northern Ontario. The first report on the labour market in Northwestern Ontario, ***Settling Down in the Northwest: Stability and Opportunity in the Northwestern Ontario Labour Market***, also written by James Cuddy, was released on March 20, 2015. According to Cuddy, the two regions are actually very different from one another when it comes to labour market characteristics, and even more so when compared to the rest of the province.

“The two reports serve as a summary of the labour markets in Northeastern and Northwestern Ontario, while also comparing trends and characteristics to the province as a whole,” Cuddy says. “The analysis identifies how Northern Ontario’s labour market is fundamentally different from Ontario, and therefore using Ontario as a proxy for Northern Ontario is ill-advised, especially in regards to labour market policies.”

To read the full reports on the Northeast and Northwest labour markets, visit www.northernpolicy.ca.

Media Interviews: Research Coordinator and author, James Cuddy, and Northern Policy Institute President and CEO, Charles Cirtwill, are available for comment. To arrange an interview, please contact:

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About Northern Policy Institute:

Northern Policy Institute is Northern Ontario’s independent think tank. We perform research, collect and disseminate evidence, and identify policy opportunities to support the growth of sustainable Northern Communities. Our Operations are located in Thunder Bay and Sudbury. We seek to enhance Northern Ontario’s capacity to take the lead position on socio-economic policy that impacts Northern Ontario, Ontario, and Canada as a whole.

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