

Rural Ontario Economic Monitor

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Rural areas in Ontario are experiencing significant economic shifts due to population growth and changing labor market dynamics. Since 2016, rural population growth has accelerated, driven by lower living costs, retirees moving from cities, and hybrid work arrangements. These trends are expected to continue well into the future.

The near-term economic outlook is challenging, with rising unemployment rates in both rural and urban areas. The Rural Ontario Economic Monitor highlights that rural employment grew by 3%, compared to 1.3% in urban areas. The unemployment rate is lower in rural areas (5%) than in urban areas (7.2%).

Sector-specific differences show rural goods-producing employment increased by 1.3%, while urban areas saw a 3.2% decrease. Rural services-producing employment grew by 3.7%, driven by other services, wholesale and retail trade, healthcare, and finance. Housing starts are fewer in rural areas (2.3 per 1,000 people) compared to urban areas (4.1 per 1,000 people).

These trends, which reflect 2024 year-to-date growth rates, highlight the unique economic dynamics and challenges faced by rural communities in Ontario. Monitoring these changes and developing strategies for sustainable growth will be crucial.

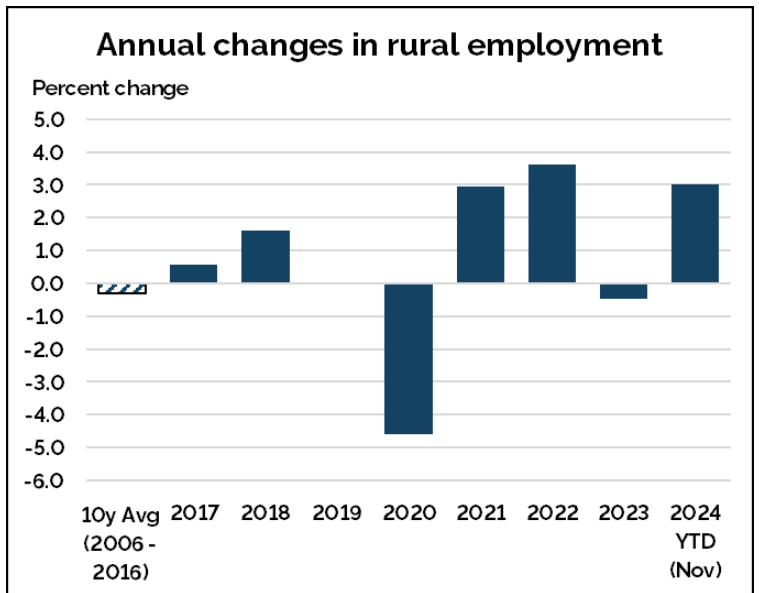
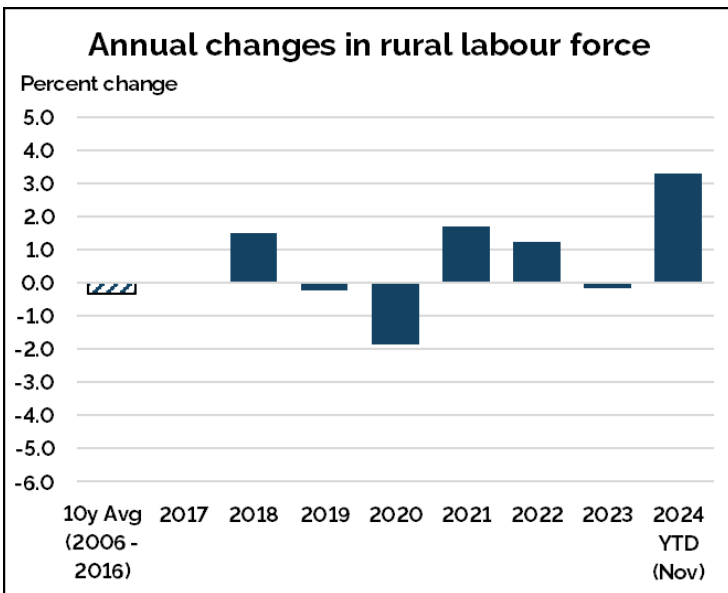
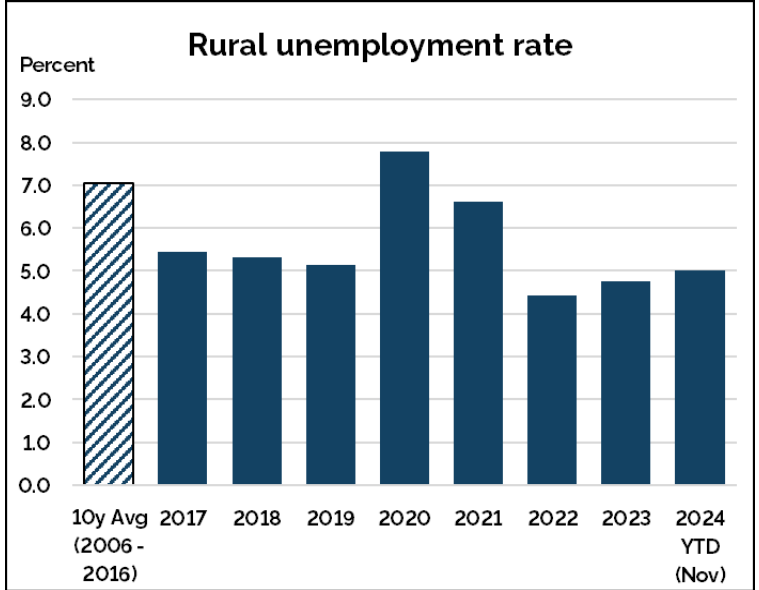
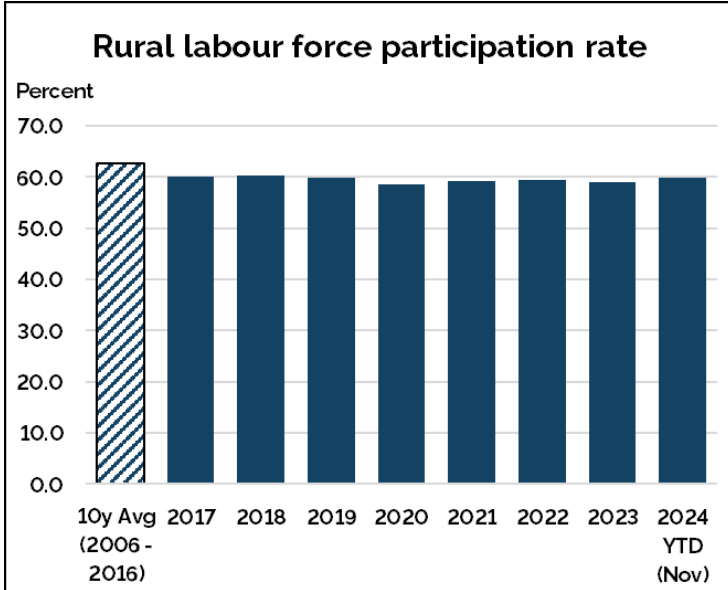
Rural and Urban Labour Force Characteristics

Annual changes in labour force characteristics and industry employment in rural and urban Ontario

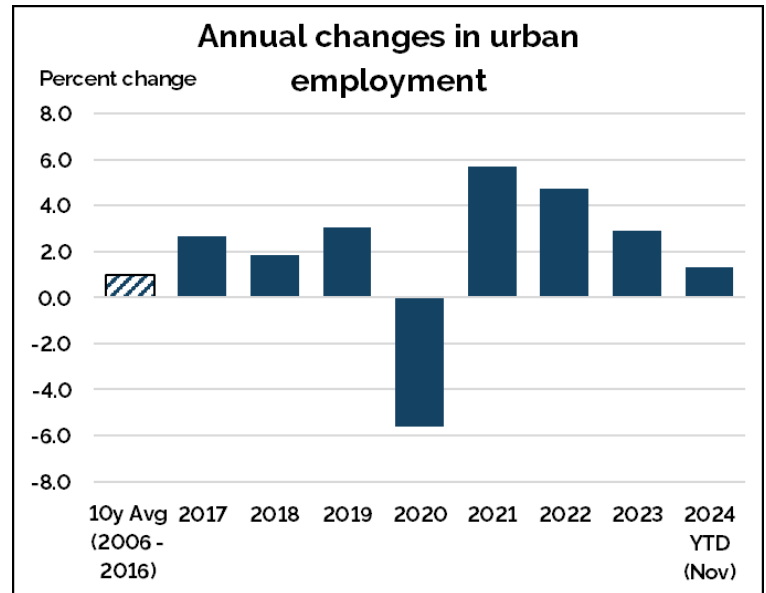
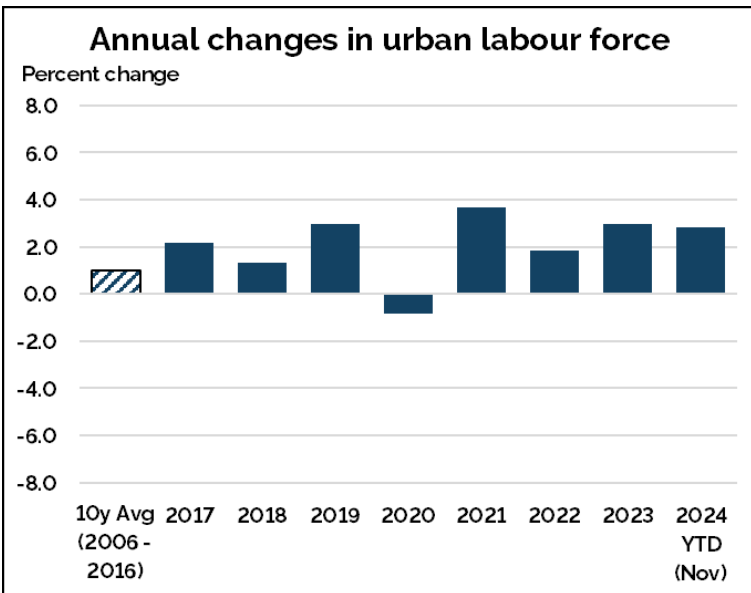
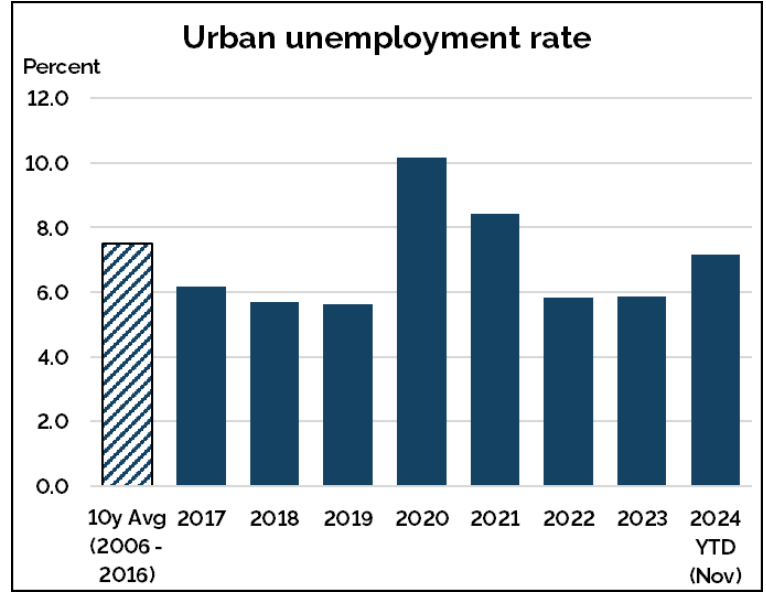
Labour force characteristics	2020	2021	2022	2023	2024 (YTD)	Growth rate (%)		
						2022	2023	2024 (YTD)
Rural Ontario								
Labour force	1,243,900	1,264,900	1,280,600	1,278,700	1,319,791	1.2	-0.1	3.3
Employment	1,147,300	1,181,100	1,224,000	1,218,100	1,253,736	3.6	-0.5	3.0
Participation rate	58.6	59.1	59.5	59.0	59.9	0.3	-0.4	0.8
Unemployment rate	7.8	6.6	4.4	4.8	5.0	-2.2	0.3	0.3
Rural industry employment								
Rural goods-producing sector	343,200	347,900	359,800	369,800	372,682	3.4	2.8	1.3
Manufacturing	140,900	146,500	142,900	149,500	154,382	-2.5	4.6	3.8
Construction	128,400	122,200	136,300	134,400	135,573	11.5	-1.4	0.8
Agriculture	43,800	46,700	48,700	50,600	49,045	4.3	3.9	-1.9
Utilities	27,700	27,700	29,100	27,200	26,182	5.1	-6.5	-4.0
Forestry, fishing, mining, quarrying, oil and gas	22,700	21,900	22,200	24,000	23,382	1.4	8.1	2.5
Rural services-producing sector	804,400	832,900	864,000	848,100	881,127	3.7	-1.8	3.7
Wholesale and retail trade	177,000	164,700	185,500	162,900	179,482	12.6	-12.2	9.7
Health care and social assistance	164,600	163,000	168,500	176,900	182,018	3.4	5.0	3.6
Professional, scientific and technical services	55,400	63,100	73,400	69,400	73,355	16.3	-5.4	5.2
Finance, insurance, real estate, rental and	46,900	53,200	50,100	47,900	52,536	-5.8	-4.4	10.4
Educational services	75,000	86,400	83,800	75,600	81,627	-3.0	-9.8	7.0
Public administration	50,100	54,600	62,500	70,100	68,645	14.5	12.2	-2.1
Accommodation and food services	66,500	65,600	66,700	63,100	59,718	1.7	-5.4	-7.6
Transportation and warehousing	45,600	58,200	54,500	52,100	48,982	-6.4	-4.4	-8.0
Information, culture and recreation	35,200	37,200	37,000	37,900	38,664	-0.5	2.4	-2.2
Business, building and other support services	42,000	45,000	38,000	47,800	42,845	-15.6	25.8	-8.6
Other services (except public administration)	51,600	43,200	44,000	46,100	56,255	1.9	4.8	27.3
Urban Ontario								
Labour force	6,544,100	6,783,900	6,909,800	7,113,900	7,295,718	1.9	3.0	2.8
Employment	5,878,600	6,212,200	6,507,600	6,696,700	6,772,455	4.8	2.9	1.3
Goods-producing sector employment	1,072,300	1,118,300	1,183,700	1,216,500	1,180,091	5.8	2.8	-3.2
Services-producing sector employment	4,806,000	5,094,200	5,324,100	5,480,400	5,592,300	4.5	2.9	2.3
Participation rate	64.8	66.5	66.7	66.8	66.2	0.2	0.2	-0.8
Unemployment rate	10.2	8.4	5.8	5.9	7.2	-2.6	0.0	1.4

*Percentage points; **gear to date as of November 2024

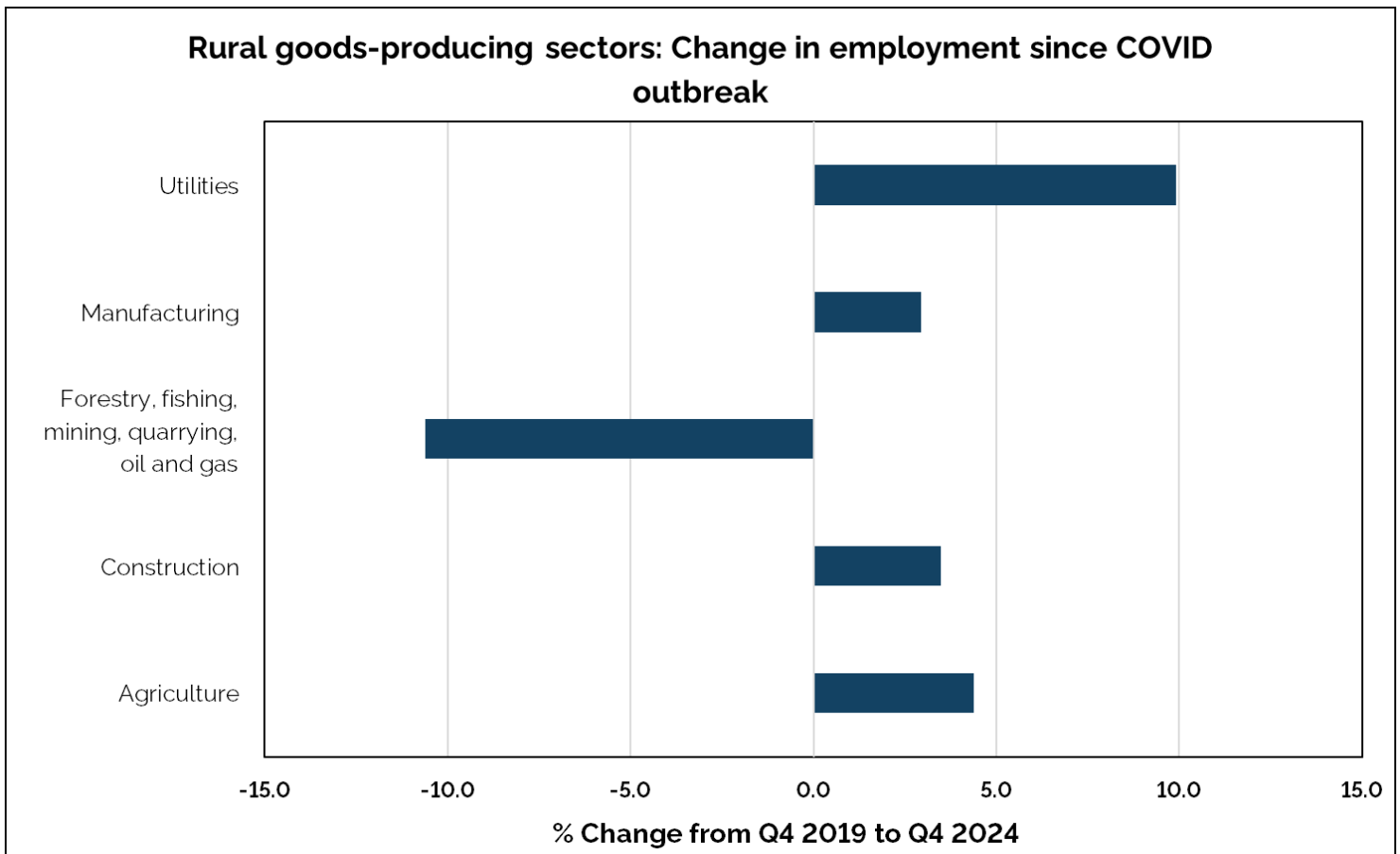
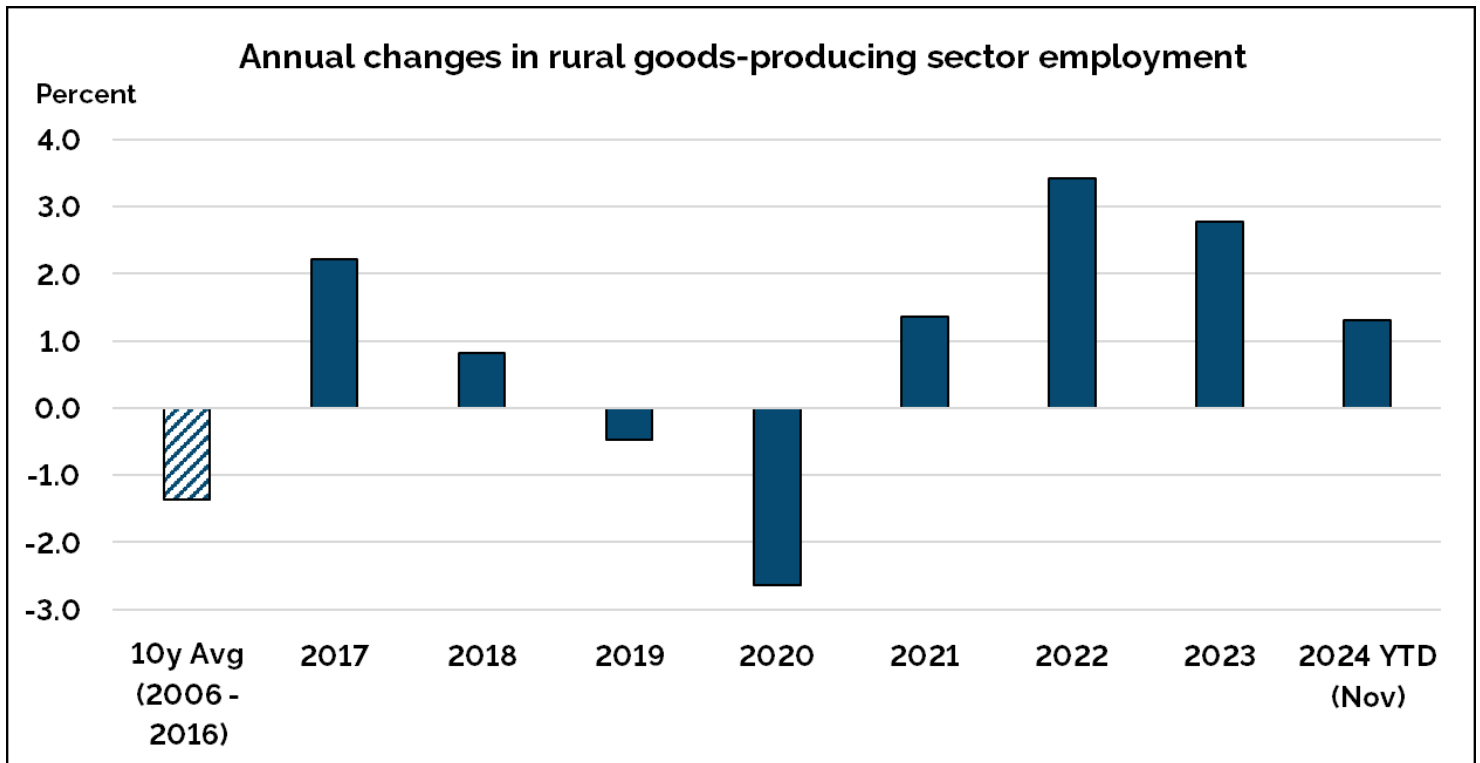
Rural Labour Force Characteristics



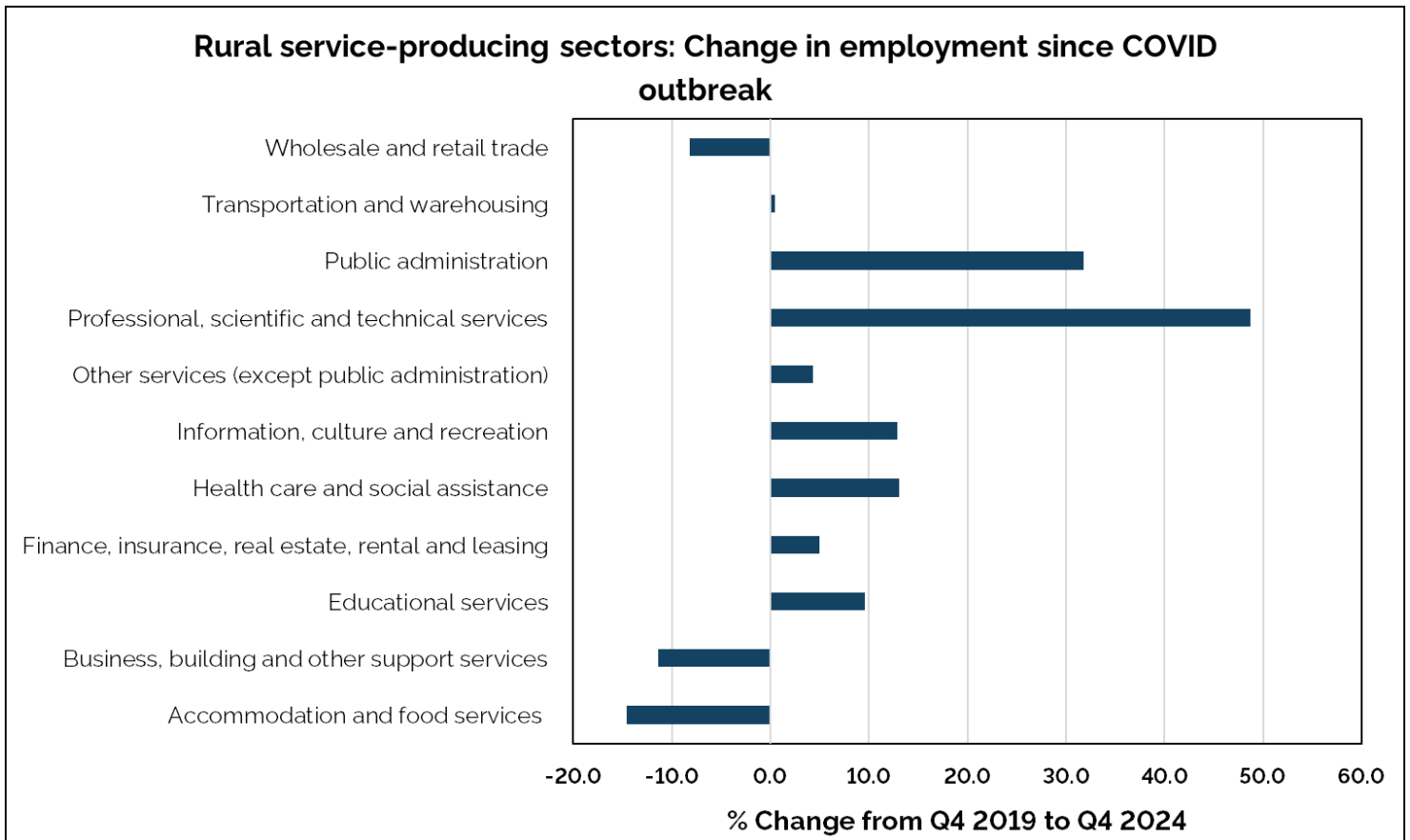
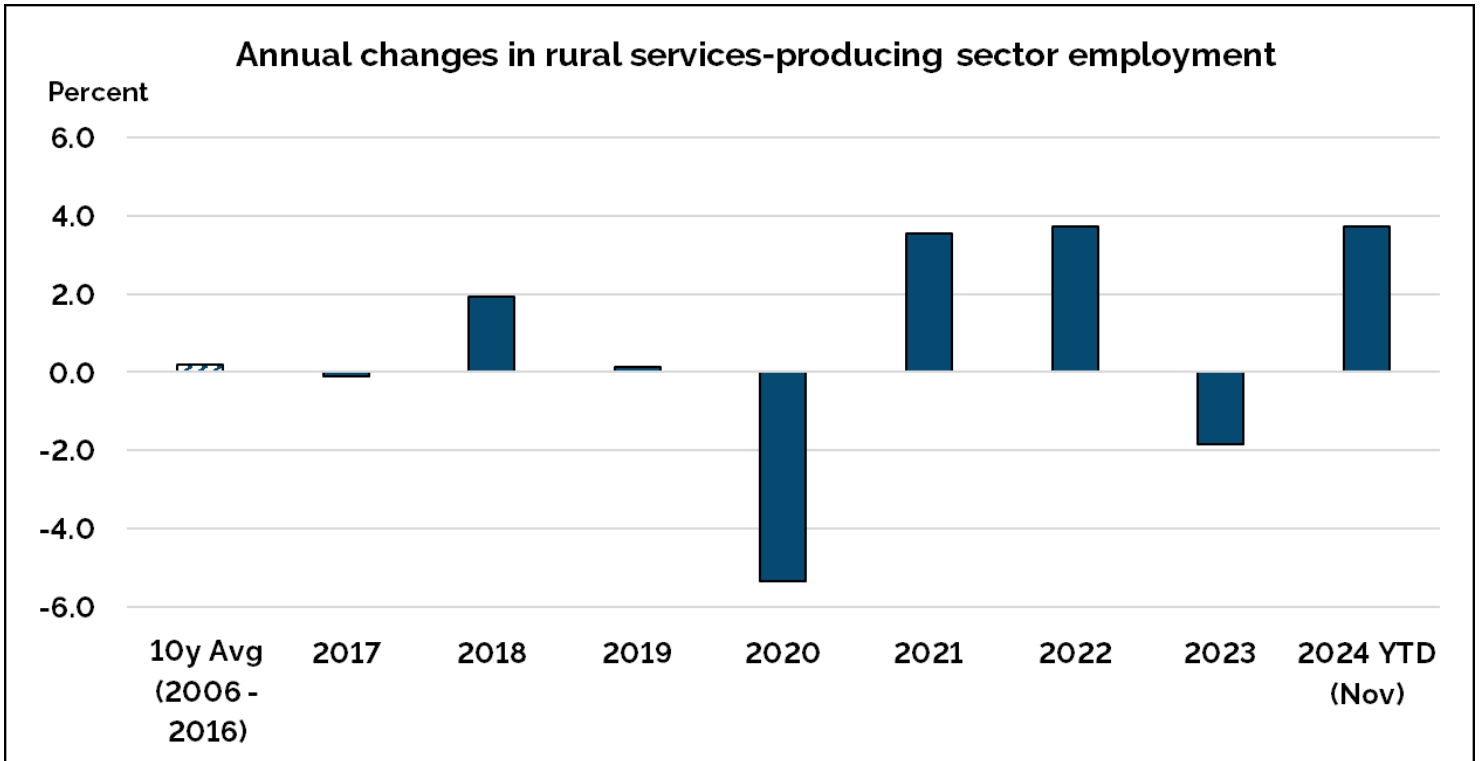
Urban Labour Force Characteristics



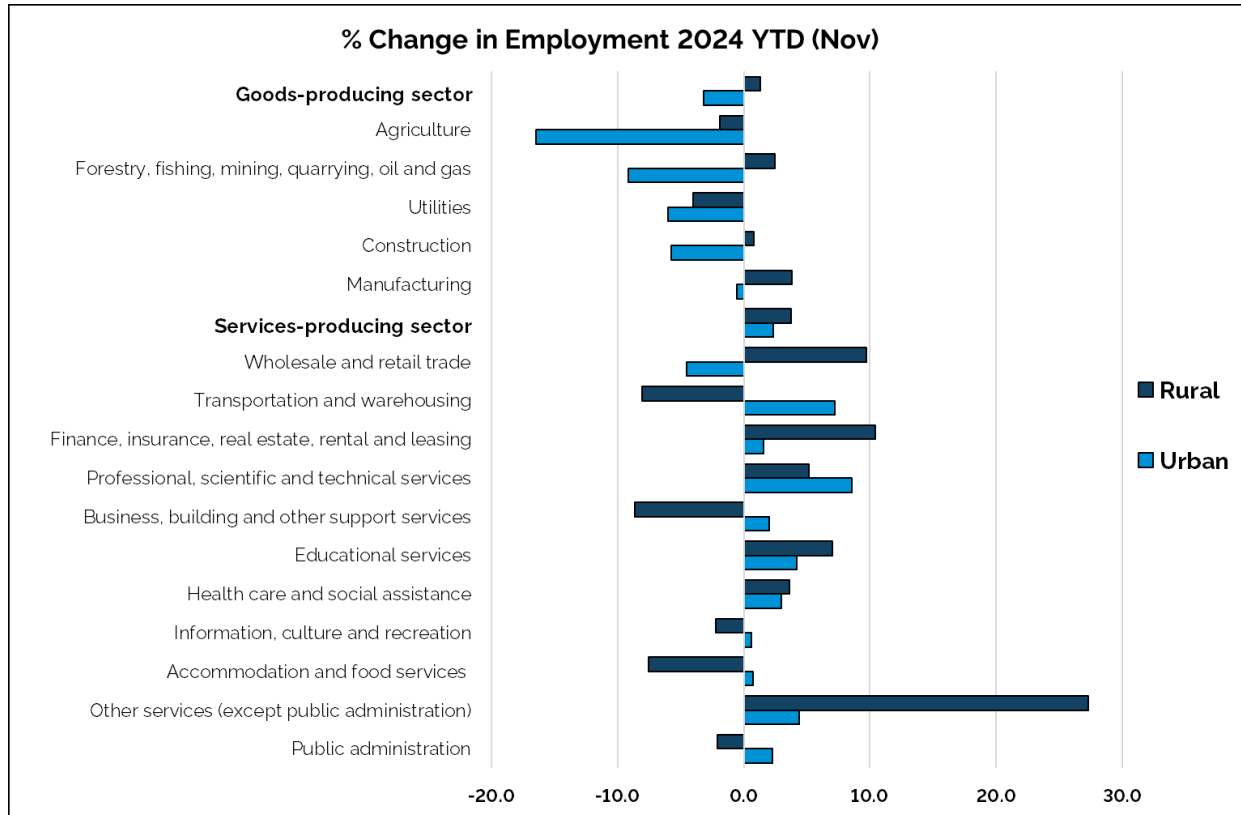
Changes in Rural Employment in the Goods-Producing Sector



Changes in Rural Employment in the Services-Producing Sector

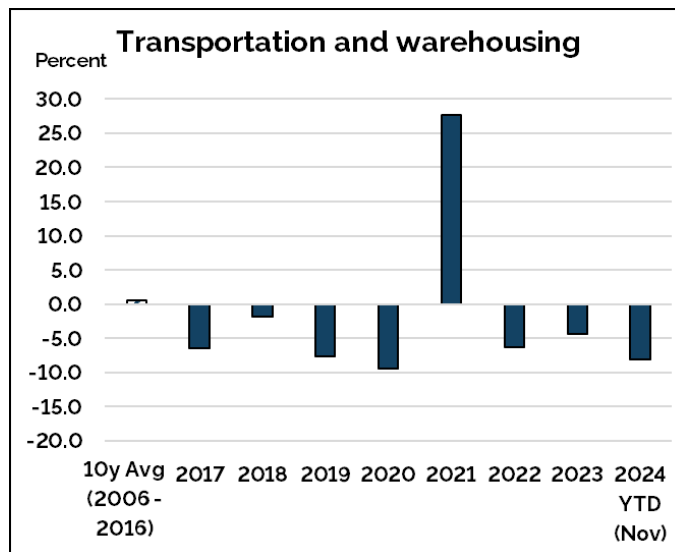
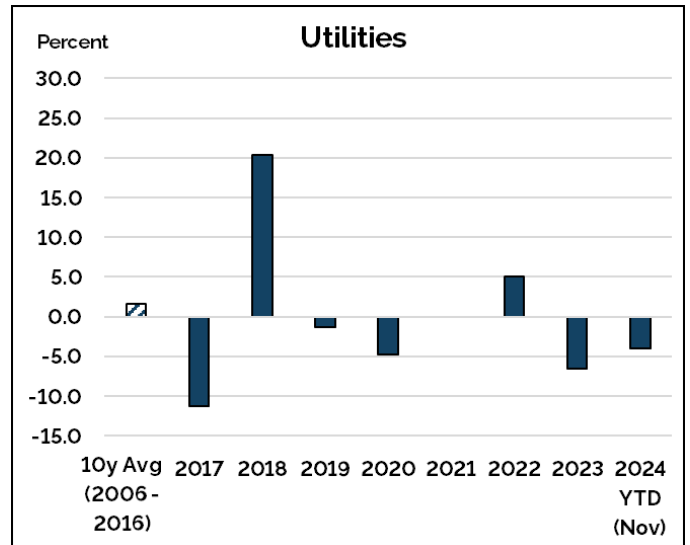
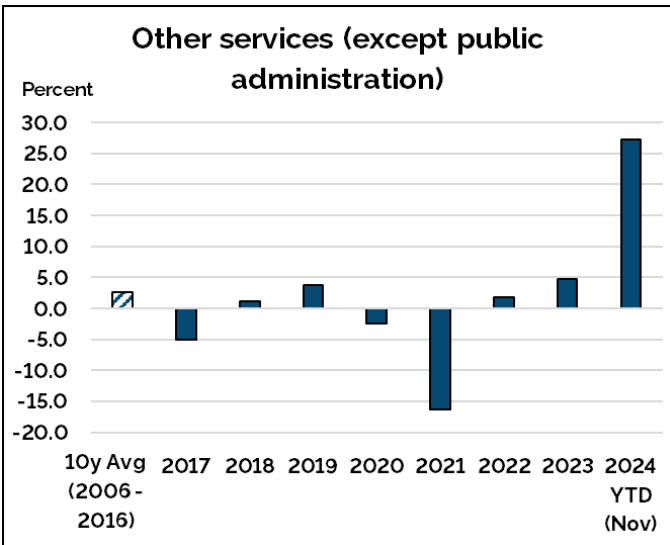
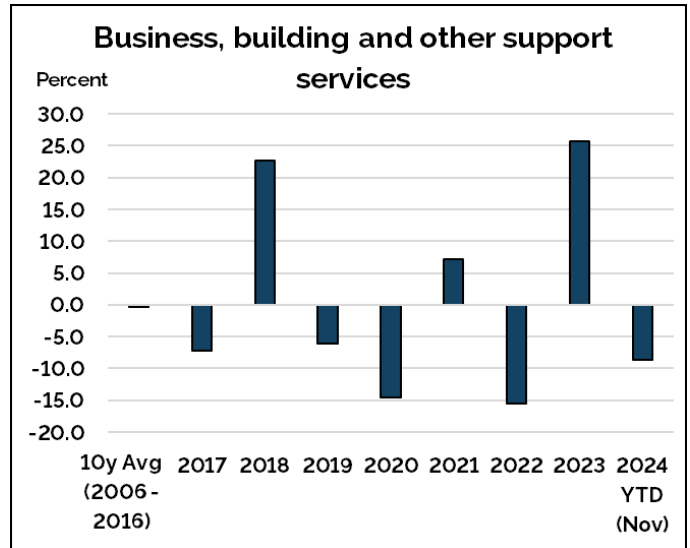
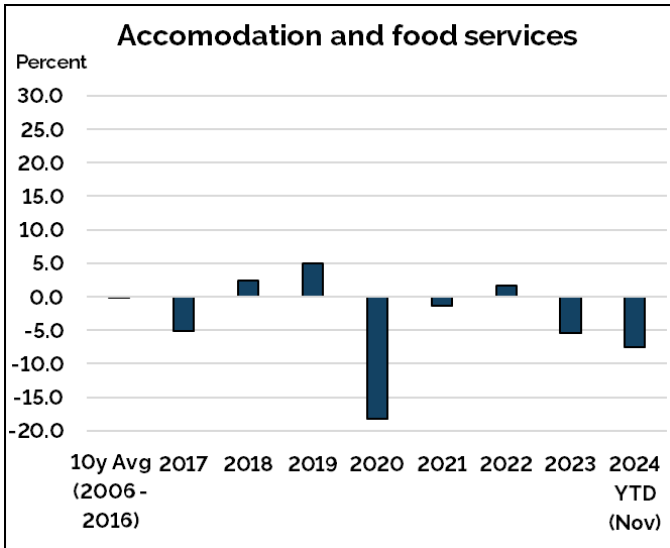


Changes in Employment in Rural and Urban Areas by Industry



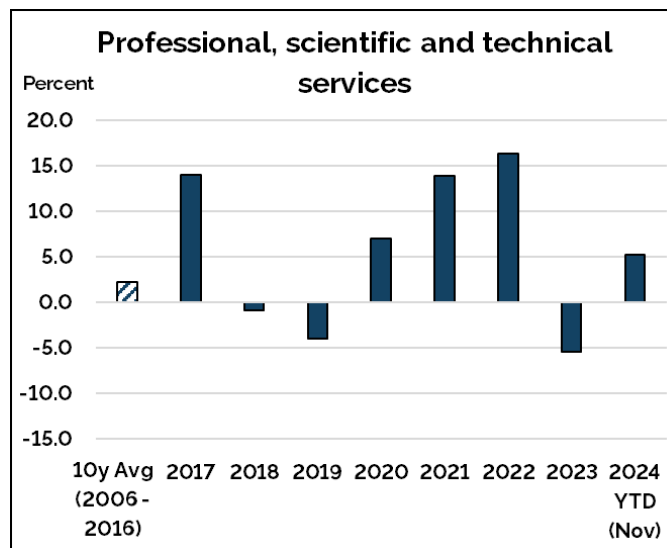
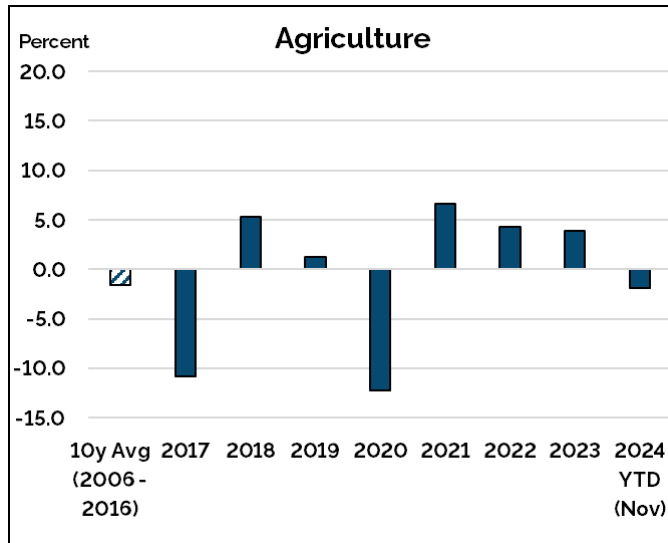
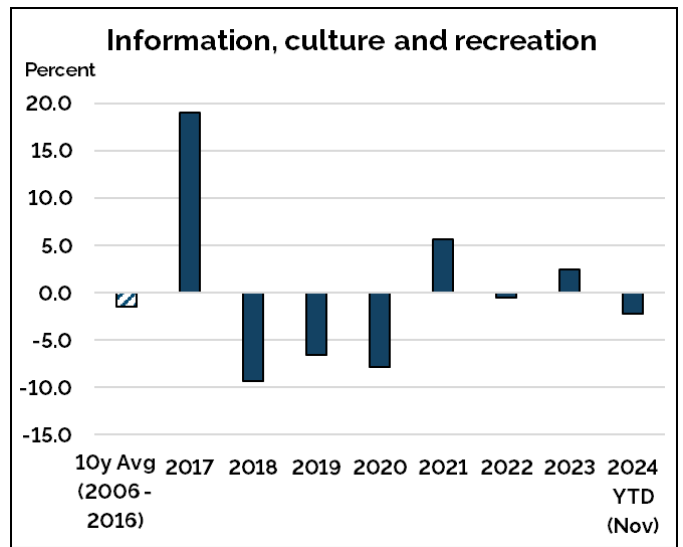
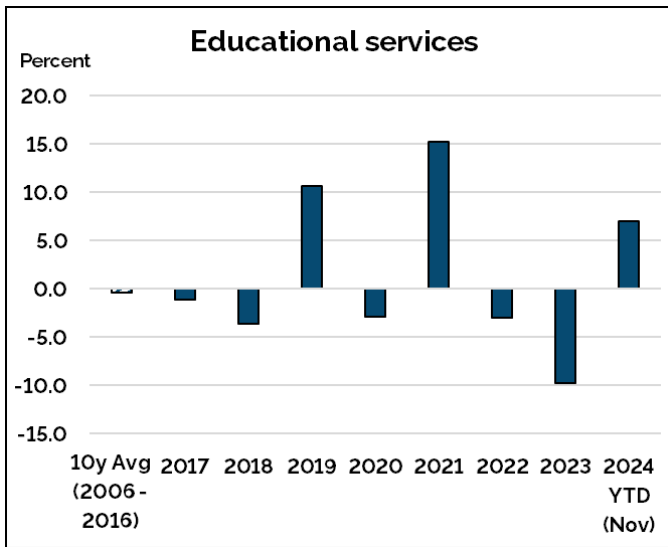
Sectors	Change Rural	Change Urban	% Change Rural	% Change Urban
	2024 YTD	2024 YTD	2024 YTD	2024 YTD
Goods-producing sector	4,809	-38,491	1.3	-3.2
Agriculture	-936	-4,764	-1.9	-16.4
Forestry, fishing, mining, quarrying, oil and gas	564	-1,600	2.5	-9.1
Utilities	-1,100	-2,145	-4.0	-6.0
Construction	1,064	-26,745	0.8	-5.8
Manufacturing	5,709	-3,736	3.8	-0.6
Services-producing sector	31,755	127,782	3.7	2.3
Wholesale and retail trade	15,864	-43,591	9.7	-4.5
Transportation and warehousing	-4,282	24,473	-8.0	7.2
Finance, insurance, real estate, rental and leasing	4,964	9,873	10.4	1.6
Professional, scientific and technical services	3,609	64,373	5.2	8.6
Business, building and other support services	-4,036	4,873	-8.6	2.0
Educational services	5,336	20,273	7.0	4.2
Health care and social assistance	6,345	23,500	3.6	3.0
Information, culture and recreation	-873	1,818	-2.2	0.6
Accommodation and food services	-4,891	2,545	-7.6	0.7
Other services (except public administration)	12,064	9,909	27.3	4.4
Public administration	-1,445	8,864	-2.1	2.3
Total employed, all industries	36,509	89,327	0.0	1.3

Annual Changes in Rural Employment by Industry



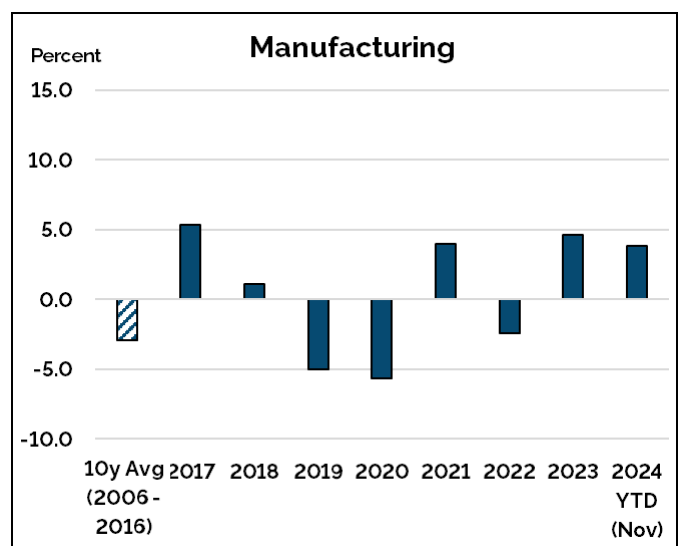
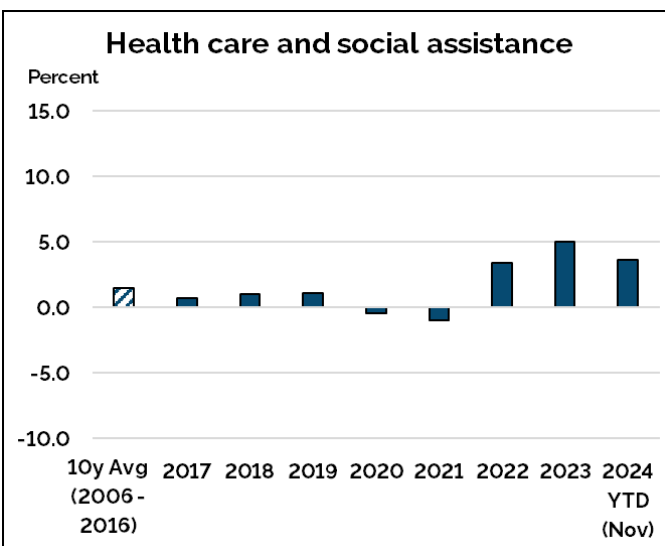
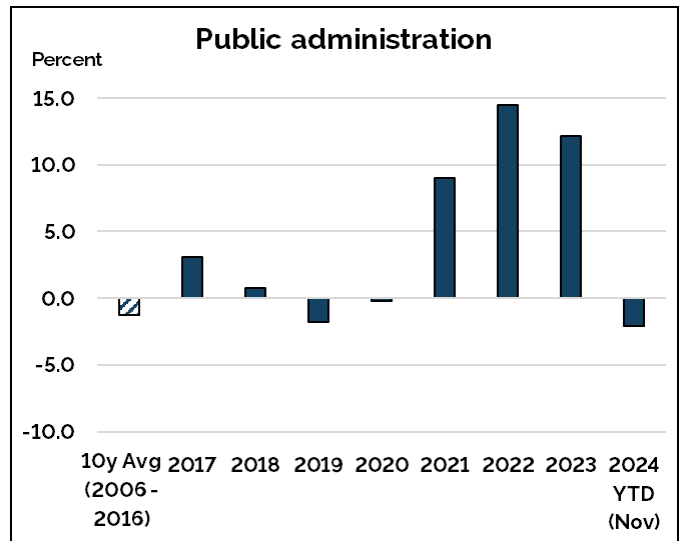
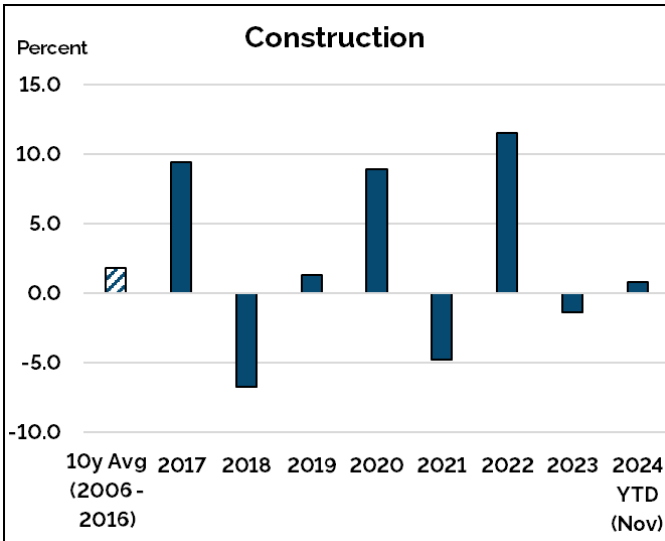
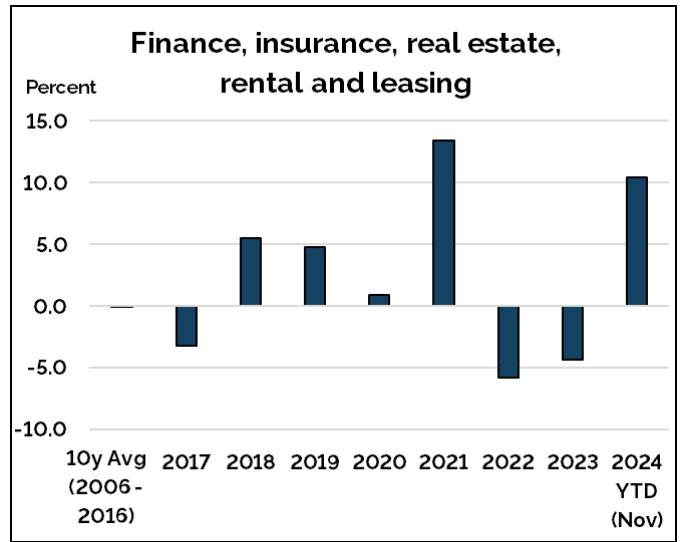
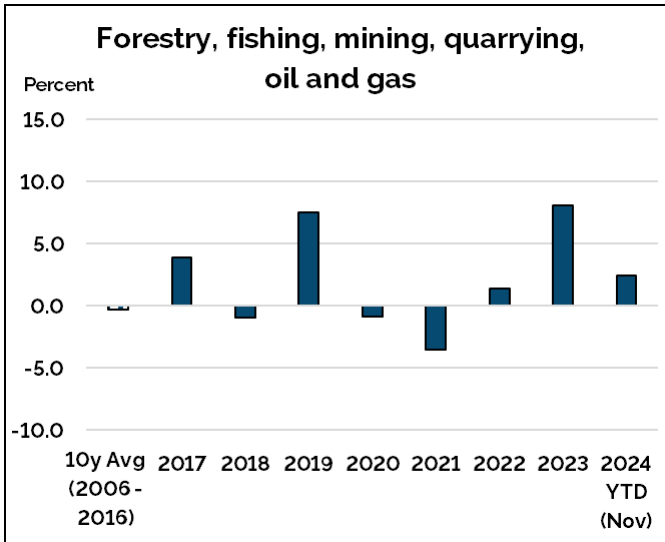
Rural sector employment shifts are categorized by volatility. This page highlights sectors with changes up to 30%.

Annual Changes in Rural Employment by Industry



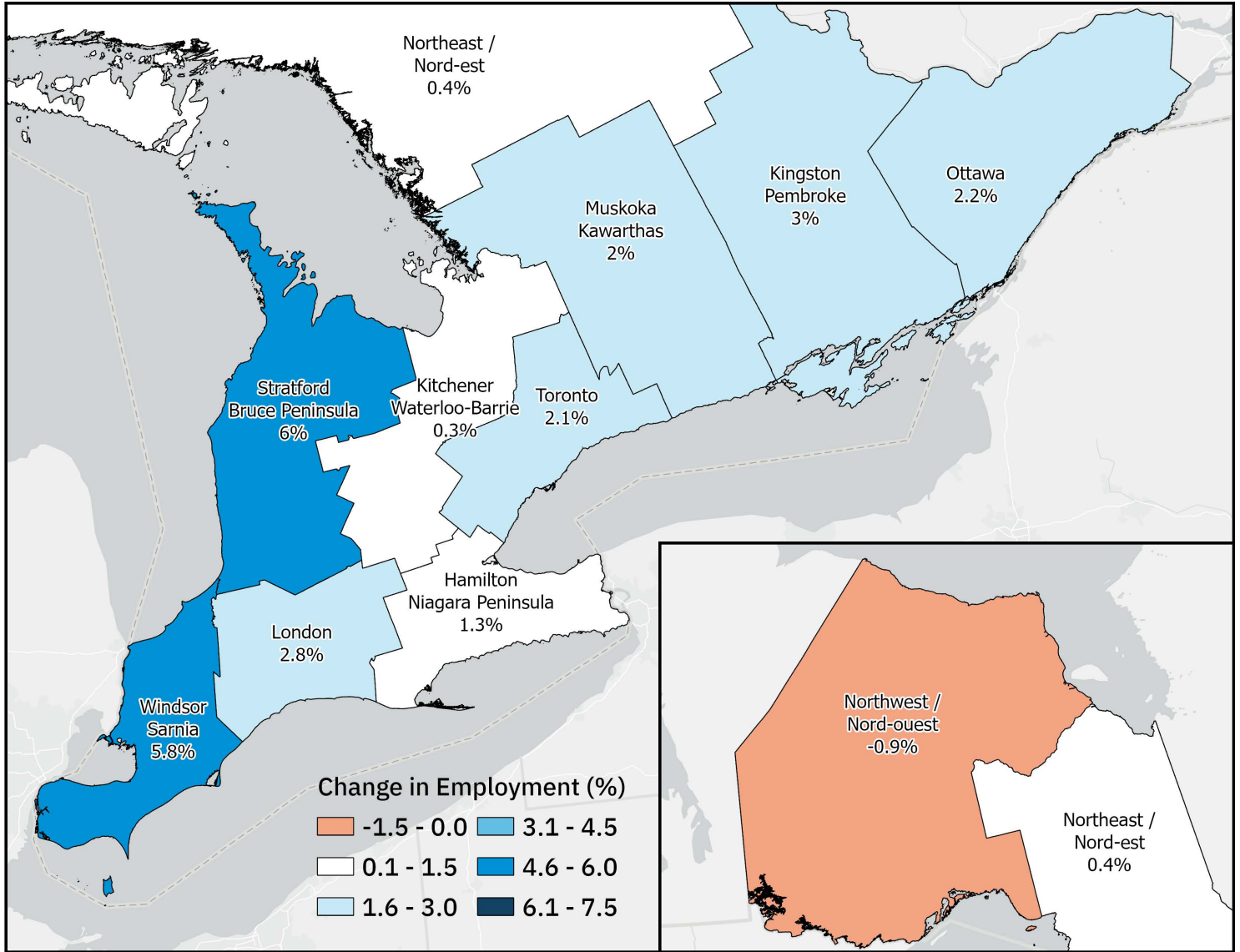
Rural sector employment shifts are categorized by volatility. This page highlights sectors with changes up to 20%.

Annual Changes in Rural Employment by Industry

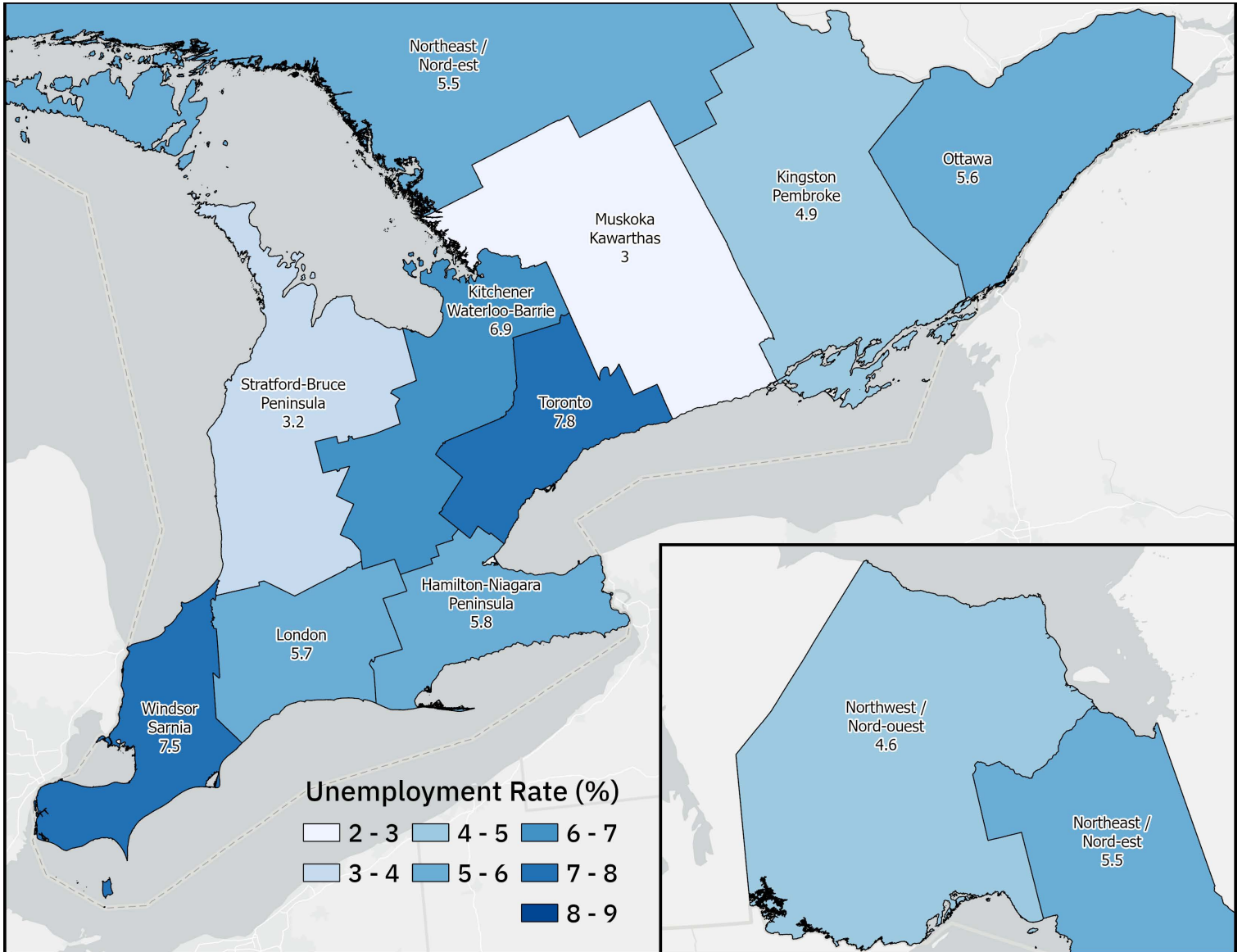


Rural sector employment shifts are categorized by volatility. This page highlights sectors with changes up to 15%.

Change in Employment (%) by Economic Region: Nov 2023—Nov 2024



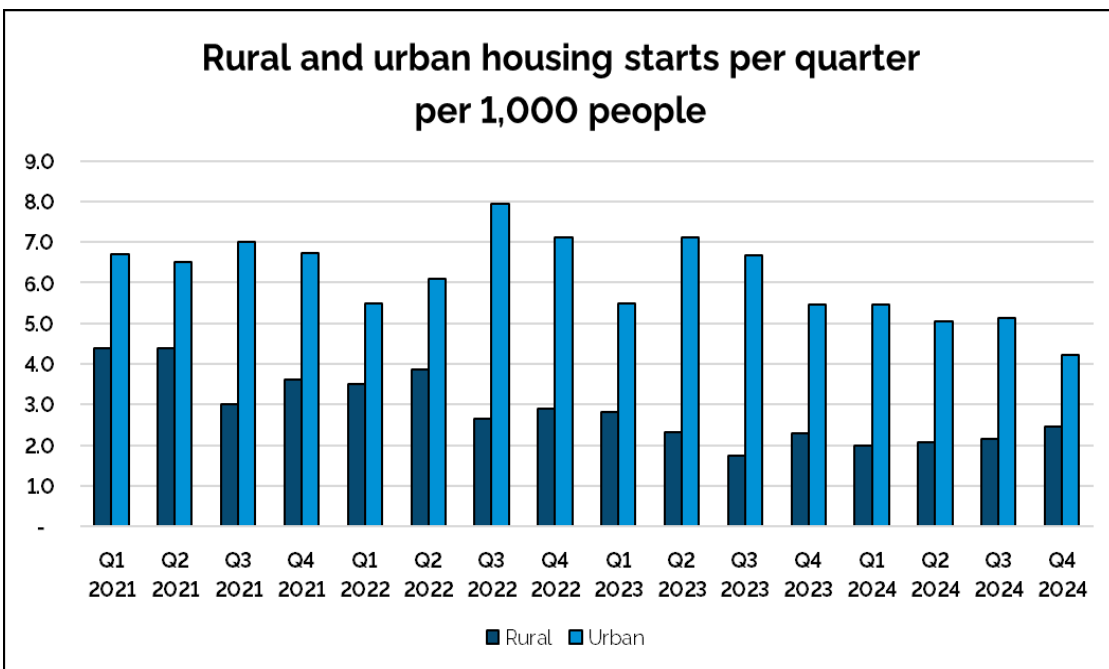
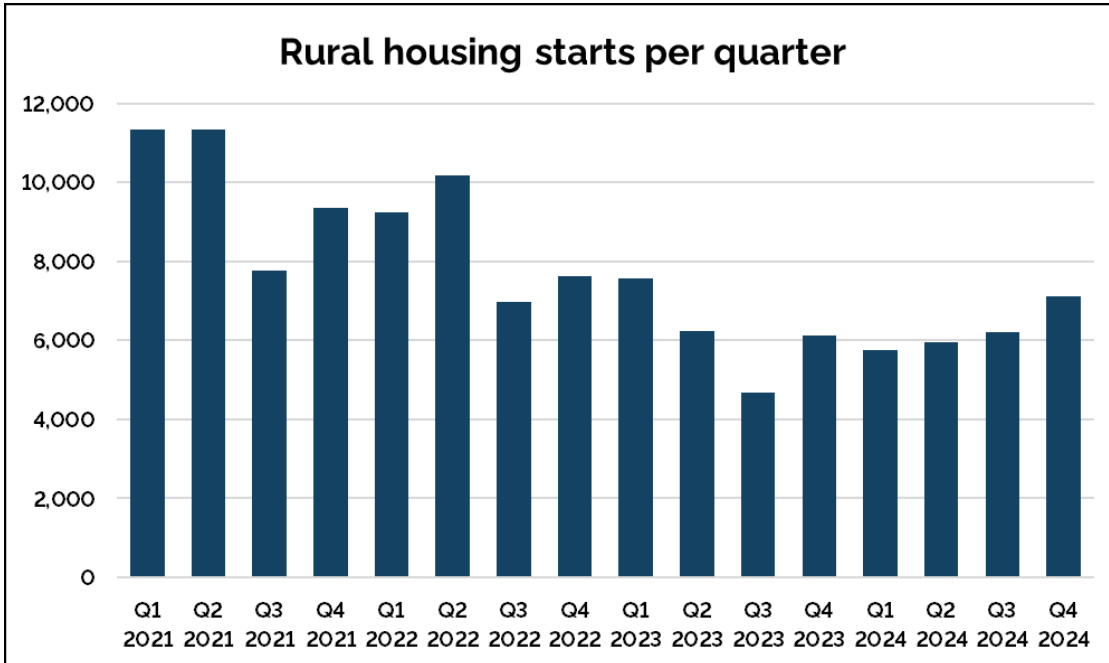
Unemployment Rate by Economic Region: Nov 2024



Rural Housing Starts

Quarterly housing starts summary

Rural Ontario	2023-Q4	2024-Q1	2024-Q2	2024-Q3	2024-Q4	Change from (%):	
						Last quarter	1 year ago
Number of housing starts	6,116	5,767	5,943	6,208	7,126	14.8	16.5



About The Economic Analysis Unit

Policy Division's Economic Analysis Unit (EAU) role is to provide a corporate economic analysis and statistical function for the Ministry and the Ministry's stakeholders and promote excellence in agri-food and rural data collection, analytics and economic research to enhance the capacity for evidence-based decision making at OMAFA.



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Siva Mailvaganam	Statistician
Cassidy Judd	Statistician
Noah Berry	Economist
Scott Strickland	Policy Advisor

References

Statistics Canada. Table 14-10-0327-01 Labour force characteristics by gender and detailed age group, annual

Statistics Canada. Table 14-10-0385-01 Labour force characteristics, annual, inactive

Statistics Canada. Table 14-10-0380-01 Labour force characteristics, three-month moving average, seasonally adjusted, inactive

Statistics Canada. Table 14-10-0388-01 Employment by industry, three-month moving average, unadjusted for seasonality, inactive (x 1,000)

Statistics Canada. Table 14-10-0379-01 Employment by industry, three-month moving average, unadjusted for seasonality, inactive (x 1,000)

Statistics Canada. Table 14-10-0392-01 Employment by industry, annual, inactive (x 1,000)

Statistics Canada. Table 14-10-0384-01 Employment by industry, census metropolitan areas, annual, inactive (x 1,000)

Statistics Canada. Table 14-10-0202-01 Employment by industry, annual

Statistics Canada. Table 34-10-0140-01 Canada Mortgage and Housing Corporation, housing starts in all centres 10,000 and over, Canada, provinces, and census metropolitan areas, seasonally adjusted at annual rates, quarterly (x 1,000)

Statistics Canada. Table 14-10-0462-01 Labour force characteristics by economic region, three-month moving average, unadjusted for seasonality