

NEWS RELEASE

Ontario’s labour market ranks among worst in North America; trails Michigan in job-creation

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For immediate release

TORONTO—Ontario’s job-creation and labour market performance ranks poorly when compared to other Canadian provinces and U.S. states, and it trails far behind other manufacturing jurisdictions including Michigan, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“By almost every measure, Ontario’s labour market is at the back of the pack in North America,” said Charles Lammam, director of fiscal studies at the Fraser Institute and co-author of *Measuring Labour Markets in Canada and the United States, 2017*.

The study measures the labour market performance for all 10 Canadian provinces and 50 U.S. states from 2014 to 2016 using several indicators including job-creation, unemployment and worker productivity (the average value of goods and services each worker produced with his or her labour). Each jurisdiction receives a score out of 100 based on their performance on each indicator.

Overall, Ontario ranks 44th out of 60 jurisdictions with a score of 47.7 out of 100. The province performed poorly on total employment growth with just 0.9 per cent average annual increase over the three-year period (ranking 33rd). In contrast, neighbouring Michigan, which also possesses a large manufacturing sector, enjoyed average annual growth in employment of 2.2 per cent, more than double the rate of Ontario.

In addition, Ontario had a relatively high average unemployment rate at 6.0 per cent ranking 43rd of the 60 jurisdictions over the same time period. It performed even worse on worker productivity with output per worker at just \$108,271 (CAD). On that indicator, Ontario ranks 52nd out of 60 provinces and states.

By comparison, neighbouring Michigan ranked 25th overall (with a score of 54.3).

Saskatchewan was the highest ranked Canadian province at 15th, followed by British Columbia (17th). Delaware ranked first overall.

“Ontario is traditionally one of the economic engines of Canada, but in recent years it has suffered from weak job creation, high unemployment and low worker productivity,” Lammam said.

“Based on Michigan’s superior performance, Queen’s Park can’t solely blame a faltering manufacturing sector alone for Ontario’s weak labour market performance.”

Province	Score (out of 100)	Rank (out of 60 provinces and states)
Saskatchewan	59.8	15
British Columbia	58.9	17
Alberta	52.9	31
Manitoba	49.9	39
Ontario	47.7	44
Quebec	41.3	53
P.E.I.	32.5	56
New Brunswick	31.4	57
Nova Scotia	31.3	58
Newfoundland and Labrador	30.3	59

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