

Labour market participation in the London Economic Region

Summary of findings

August 9, 2021



Introduction

The City of London and its partners engaged PricewaterhouseCoopers LLP (“PwC”) to conduct a study assessing the reasons for relatively low labour market participation in the London Economic Region (London ER). We have also identified considerations for various stakeholders in addressing low participation

Our study was informed by:

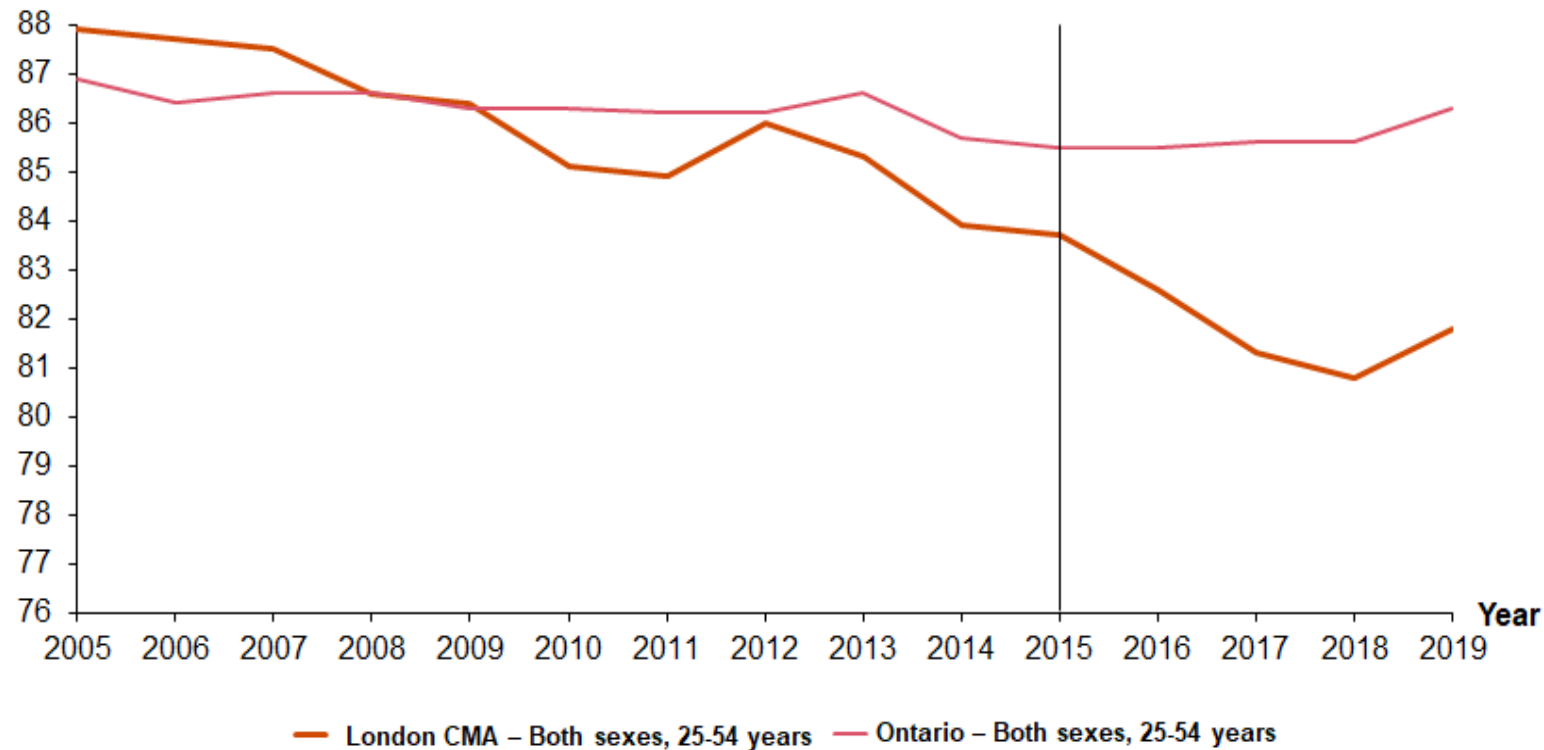
- A web and phone survey, yielding 447 responses
- Secondary research and data
- Feedback from regional community partners
- Comments from the Advisory Committee and community stakeholders on report content

This Employment Ontario project is funded in part by the Government of Canada and the Government of Ontario. The content and analysis presented in this report are not that of the Government of Canada or the Government of Ontario.

London's prime-aged participation rate has lagged that of Ontario over the past decade

London CMA participation rates for prime-age individuals, 2005-2019

Participation rate (%)



- This study focused mainly on prime-age individuals (25-54), who typically have the highest participation rate
- Factors that contribute to lower participation in London ER include
 - mismatch between skills and available opportunities
 - shifts in industrial activity
 - poverty / low-income / health conditions

We assessed availability to participate for non-participant profiles

To summarize the key drivers of non-participation in the London ER, we grouped non-participants into the following “profiles.” We note that there is overlap between the profiles, reflecting the intersection of different reasons why individuals choose not to participate in the labour market.

| Summary of Non-Participation In London ER | | | | |
|---|---------------------|----------------------------|---|-------------------------------------|
| Demographic | Responses in survey | % available to participate | Non-participants in London ER (2019) ¹ | Potential participants in London ER |
| Total survey (15 years or older)² | 447 | 52% - 69% | 228,500 | |
| Prime-age non-participant profiles | | | | |
| Total prime-age (aged 25-54) | 249 | 65% - 86% | 46,900 | 30,000 - 40,000 |
| Women | 145 | 65% - 88% | 33,500 | 22,000 - 29,000 |
| Visible minority | 31 | 71% - 87% | | |
| Indigenous | | | up to 2,500 | |
| Immigrants | 46 | 87% - 91% | 9,300 | 8,000 - 8,500 |
| With post-secondary education ³ | 179 | 72% - 87% | 20,500 | 15,000 - 18,000 |
| Without post-secondary education | 70 | 47% - 81% | 26,300 | 12,000 - 21,000 |
| Health conditions | 69 | 14% - 72% | | |
| Low-income | 99 | 63% - 90% | | |
| Respondents aged 55-64 | 181 | 38% - 47% | 30,100 ⁴ | 12,000 - 14,000 |

¹ Extrapolated using data from the Labour Force Survey and figures from the Local Employment Planning Council report London Economic Region Labour Market Participation (2017), and rounded to the nearest hundred.

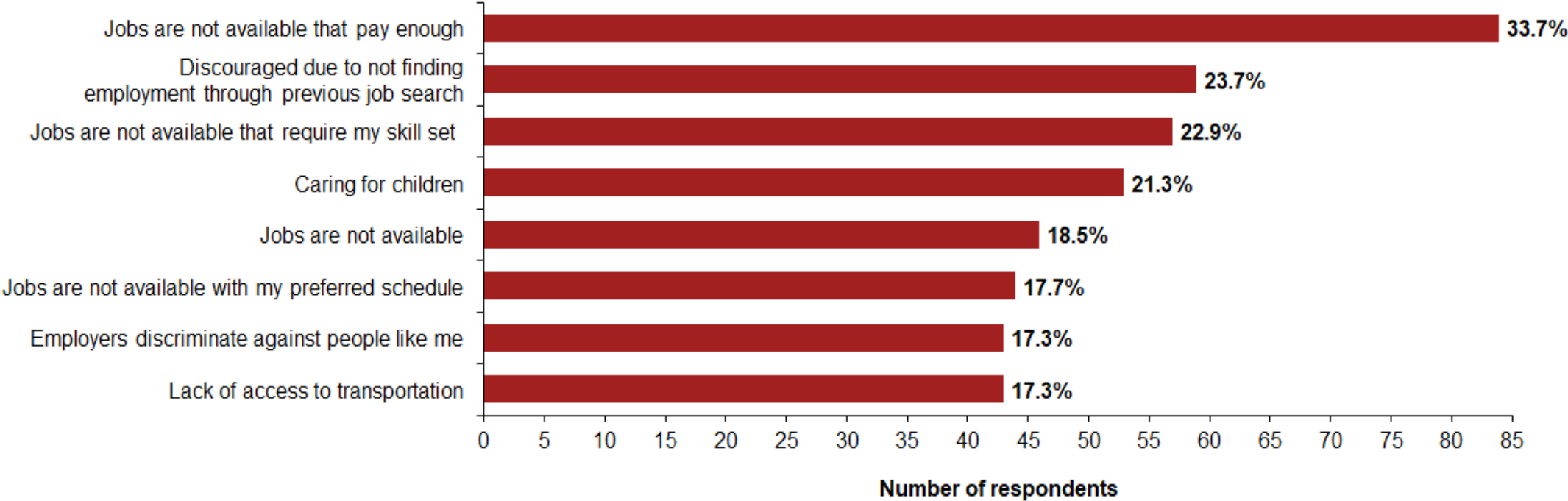
² Potential participants removed due to small sample size of respondents aged 15-24 and 65+

³ Includes all diplomas, certificates, and degrees beyond a high school education

⁴ For London CMA

A lack of attractive jobs are the top barriers to participation for prime-age respondents

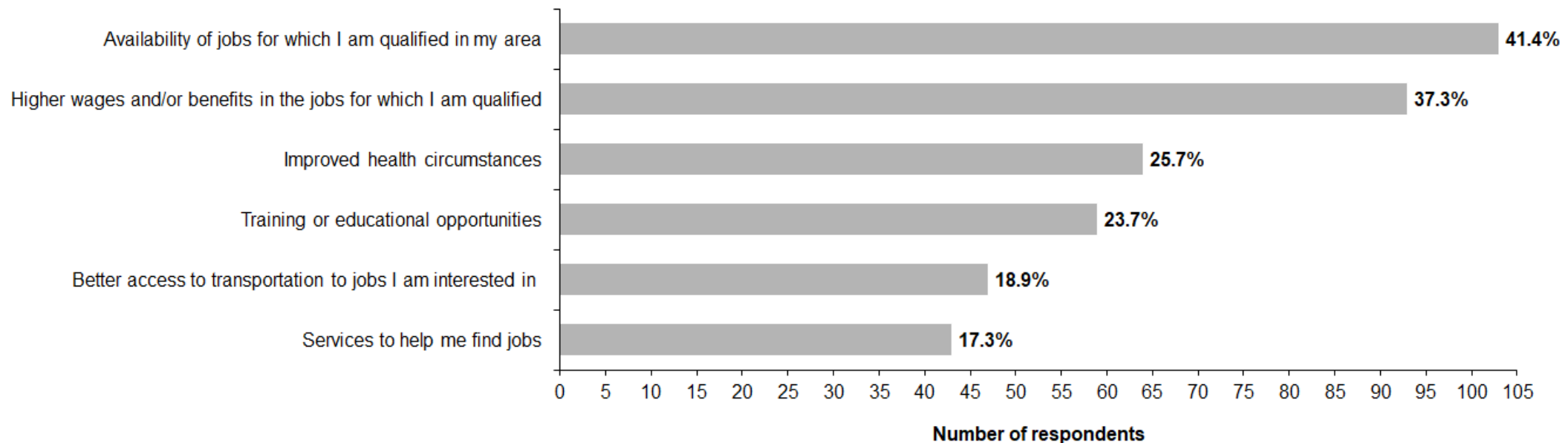
Top reasons for non-participation among prime-age respondents



*Reasons for non-participation may not sum to 100% due to multiple response selections from respondents

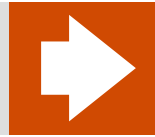
Barriers that would need to be addressed include availability of attractive jobs and better access to services

Factors that would need to change in order for prime-age respondents to participate



*Reasons for non-participation may not sum to 100% due to multiple response selections from respondents

The study identified six key considerations in addressing low participation



Mismatch between skills and available jobs



Health barriers



Childcare



Flexibility



Access to transportation



Discrimination

Several stakeholders have roles to play:

- Federal, provincial, and municipal/ regional governments
- Employers
- Postsecondary, secondary, and elementary educational institutions
- Community organizations

Considerations require participation by government, educational institutions, employers and the community (1/2)

For **governments** at all levels



- Increase funding and awareness for employment and training programs and agencies, with a focus on region-specific labour market opportunities
- Create apprenticeship and skills training programs in trades and other in-demand occupations
- Encourage employers to support participation through accommodation of disabilities, transportation options, and flexible work options
- Expand resources to improve mental and physical health for the community

For **educational institutions**



- Increase efforts to promote cooperation with employers to increase the relevance of education for available jobs
- Expand labour market education and access to labour market information for elementary, secondary and post-secondary students
- Increase financial support to attend post-secondary and providing co-op / internship opportunities

Considerations require participation by government, educational institutions, employers and the community (2/2)

For employers



- Collaborate with academia and government to identify in-demand skills and jobs
- Participate in the development of employment programs
- Considering more competitive benefits such as work from home opportunities, flexible scheduling, child care benefits, and transportation support
- Work to increase accommodations for those with health conditions
- Work to address discrimination in workplaces

For community organizations and employment agencies



- Increase visibility of career counselling services
- Promote training opportunities
- Highlight recruitment activities from employers
- Showcase opportunities from employers in different industries to help job seekers understand the skills required in each
- Provide specialized training and upskilling programs for individuals with health barriers

Thank you

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