WESTERN ONTARIO
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WORKFORCE STRATEGY

WOWC REGION:

Demographic, Economic and Housing Trends and Projections

Canada

EMPLOYMENT ONTARIO

Ontario

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WOWC Region: Demographic trends

Collectively, the WOWC region has come through a decade of strong economic and population growth. There are some areas within the region that have struggled more than others but overall, since the recession of 2008, the WOWC region has featured a strong economy. As shown in Figure 1, the population started to grow again in 2010 and has been increasing ever since. There are 1.66 million people living in the WOWC region as of 2020. Across the 15 counties, including the separated municipalities, the population is now 2.85 million.

Figure 1: Population growth over the previous 20-year period, WOWC region
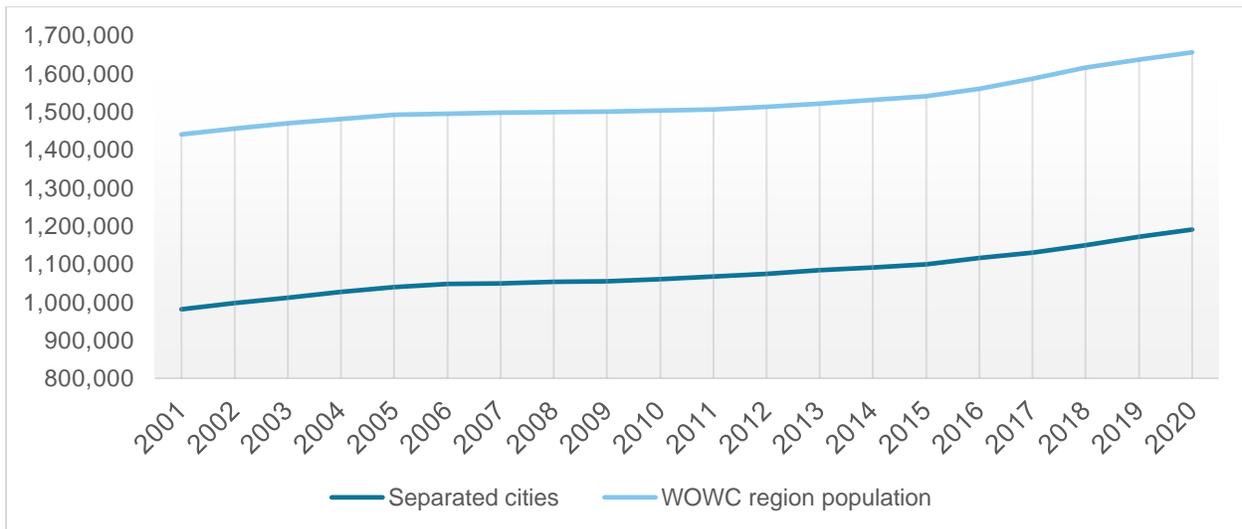
Source: Statistics Canada Table: 17-10-0139-01.

Figure 2 shows the population growth rates in the region in five-year increments. In the last five- and ten-year periods, the cumulative growth rates in the WOWC region were similar to that in the larger cities. In the past five years, the WOWC region has witnessed population growth of 7% close to the 8% growth in the separated cities. Over the past ten years, the population growth rate in the WOWC region was 10%.

**Figure 2: Population growth rates in five-year increments, WOWC region**

Source: Statistics Canada Table: 17-10-0139-01.

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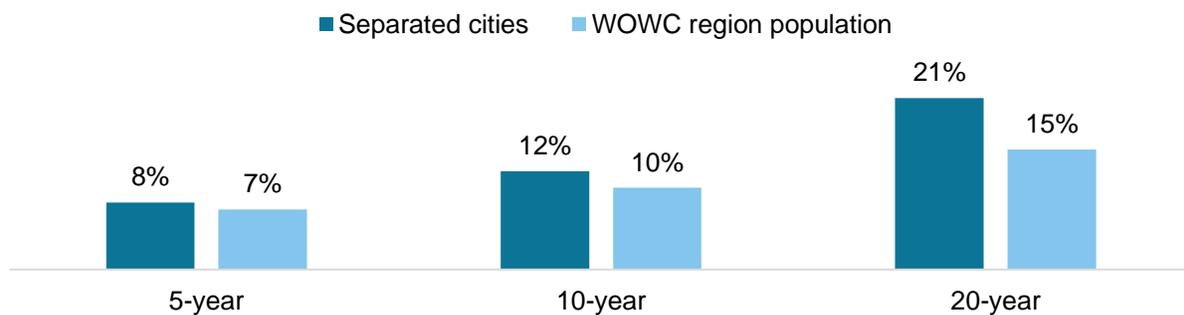
Sources of population growth

Natural population growth (births minus deaths)

Across the region, natural population growth has declined in recent years. In 2010, for every 1,000 in the population, there were 36 people via natural population growth (births less deaths). By 2020, the natural population growth rate had dropped to only 23 per 1,000. Natural population growth added 9,300 to the WOWC region population in 2010 but by 2030 the annual increase is only 6,500; a decline of 30%. Norfolk, Chatham-Kent, Essex, Lambton, Huron and Grey counties have all experienced negative natural population growth in recent years. As a result, natural population growth was not a major factor in the growth of the regional population in recent years.

Figure 3: Natural population growth rate per 1,000 population, WOWC Region
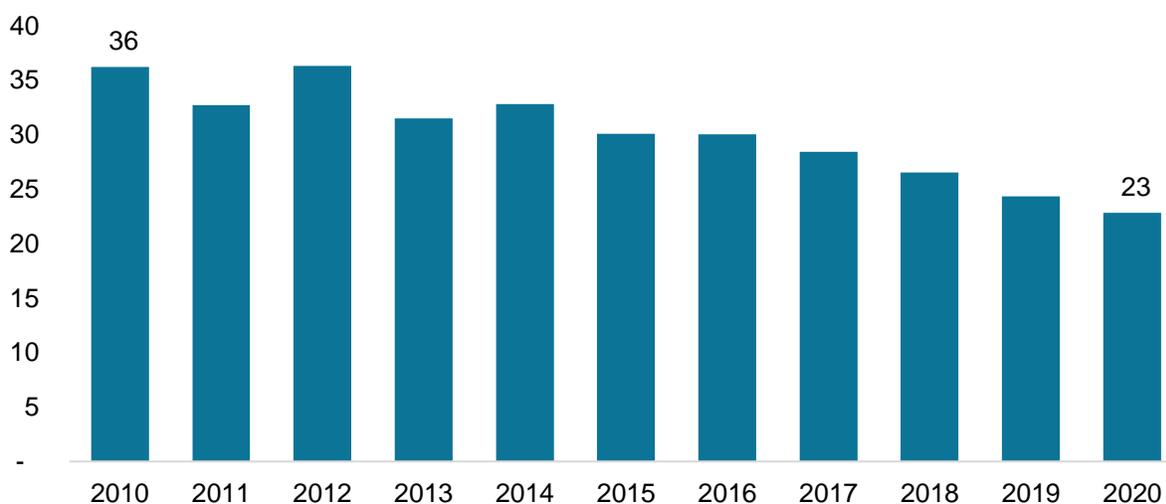
Source: Statistics Canada Tables: 17-10-0139-01 and 17-10-0142-01.

Net intraprovincial migration

Attracting people from elsewhere in Ontario was the primary source of population growth in the WOWC region for the past 10 years. Intraprovincial migration represented 70% or more of net population growth in 14 of the 15 municipalities. Only Essex County was less reliant on net interprovincial migration to drive population growth. In that area, immigration is the primary source of population growth. As shown in Table 19, Grey, Simcoe, Bruce, Oxford and Norfolk all had high net intraprovincial migration rates in 2019/2020 while Lambton, Middlesex and Chatham-Kent had relatively lower net intraprovincial migration rates.

Net interprovincial migration

Only Essex County, Lambton County and Middlesex County attracted more population from outside Ontario (but within Canada) than was lost through outward migration. None of the counties lost significant population to other provinces. Dufferin County had the lowest net interprovincial migration rate at -24 per 10,000 population and Lambton had the highest at nine per 10,000.

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Immigration

Most of the municipalities in the WOWC region have a relatively low immigration rate. Essex and Middlesex stand out but most of the immigrants into those counties settle in the cities (Windsor and London respectively).

Net non-permanent residents

Chatham-Kent, Middlesex and Essex have relatively high non-permanent resident rates. The rest of the region attracts relatively few non-permanent residents.

Table 1: Sources of population growth, rates per 10,000 population (except the natural population growth rate), 2019/2020, WOWC region

Jurisdiction:	Natural population growth (births per 100 deaths)	Net interprovincial migration rate	Net intraprovincial migration rate	Immigrant rate	Net non-permanent residents rate
Dufferin	131	-24	114	18	-4
Wellington (excl. the City of Guelph)	130	-15	70	6	0
Norfolk	76	-15	158	13	0
Brant*	108	-2	112	20	11
Perth*	125	0	101	13	11
Oxford	128	-15	141	14	4
Elgin*	120	-6	123	14	2
Chatham-Kent	78	-2	46	10	32
Essex*	100	5	2	62	49
Lambton	85	9	36	13	18
Middlesex*	116	5	25	57	56
Huron	98	-2	79	9	-16
Bruce	107	-3	124	9	-5
Grey	83	-6	163	7	10
Simcoe (excl. Barrie and Orillia)	115	-15	158	13	0

*includes separated city data.

Source: Statistics Canada.

Table 2 compares each of the counties/jurisdictions to the Ontario level for each population growth component (in 2019/2020). The Ontario rate is set at 1.00. Any number above 1.00 means a higher rate for the population growth component and any number below 1.00 means a lower rate. Where noted the separated city data cannot be extracted from the figures. Net interprovincial migration was excluded from the table.

Only Dufferin, Wellington (excluding Guelph), Perth and Oxford counties have a higher natural population growth rates compared to Ontario overall. Norfolk and Chatham-Kent have very low rates relative to the provincial level at 39% and 37% below the provincial rate respectively.

The net intraprovincial migration rate compares the rates in the WOWC Region against the non-weighted average among the 49 counties across the province. Norfolk, Grey and Simcoe (excluding

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Barrie and Orillia) all have double the provincial average net intraprovincial migration rate. Wellington (excluding the City of Guelph), Chatham-Kent, Essex, Lambton and Middlesex all have below average net intraprovincial migration rates.

Every municipality in the WOWC Region has a lower immigration rate compared to the province overall. Essex has the top immigration rate in the region, but it was still 28% below the provincial level in 2019/2020. It is important to note that Toronto and Peel have immigration rates more than double the provincial level. In fact, those two counties attracted 63% of the province's immigrants in 2019/2020. Adding in York and Durham and the Greater Toronto region attracted nearly three-fourths of all immigrants to the province.

Finally, Table 2 also compares net non-permanent residents in the WOWC region to the province overall. Essex, Chatham-Kent, and Middlesex County attract more net non-permanent residents than the province overall. The other municipalities/counties attract relatively few non-permanent residents.

Table 2: Index of population growth sources, 2019/2020, WOWC region, Ontario = 1.00

Jurisdiction:	Natural population growth	Net intraprovincial migration rate	Immigrant rate	Net non-permanent residents rate
Dufferin	1.06	1.58	0.21	n/a
Wellington (excluding the City of Guelph)	1.05	0.97	0.07	0.00
Norfolk	0.61	2.19	0.15	0.00
Brant*	0.87	1.55	0.23	0.36
Perth*	1.01	1.41	0.15	0.38
Oxford	1.03	1.97	0.16	0.14
Elgin*	0.97	1.71	0.16	0.07
Chatham-Kent	0.63	0.64	0.12	1.09
Essex*	0.81	0.02	0.72	1.65
Lambton	0.69	0.51	0.16	0.62
Middlesex*	0.93	0.35	0.66	1.89
Huron	0.79	1.10	0.11	n/a
Bruce	0.86	1.72	0.10	n/a
Grey	0.67	2.27	0.08	0.34
Simcoe (excluding Barrie and Orillia)	0.93	2.19	0.15	0.00

*includes separated city data.

Source: Statistics Canada.

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WOWC Region: Workforce supply and demand through 2030

The WOWC region economy has been growing in recent years. According to EMSI, total employment across the region (excluding the separated cities) increased by more than 42,000 between 2010 and 2020, a 7% growth rate even considering the impact of COVID-19 in 2020[1].

WOWC had a slightly slower employment growth rate compared to the province overall (+7.9%) but well above the separated cities employment growth rate of 2.9% (Figure 4). ESMI estimates there were 645,000 people employed in the workforce across the WOWC region in 2020.

Figure 4: Employment growth rate, 2010 to 2020*

Ontario — 7.9%
WOWC region — 7.0%
Separated cities — 2.6%
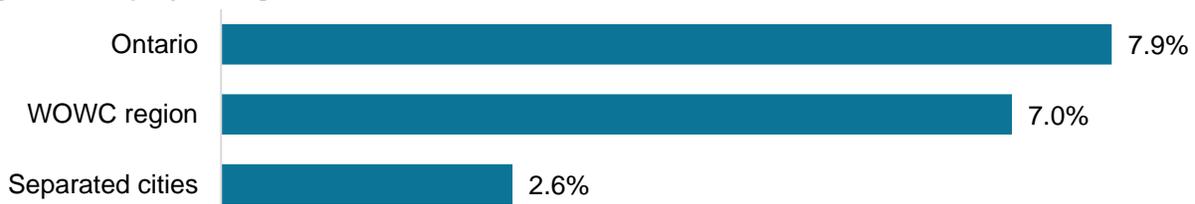
*Includes the impact of a decline in employment in 2020 due to the Covid-19 pandemic.
Source: EMSI.

Across the WOWC region, the structure of the economy shifted over the decade. There were considerably more people employed in construction, health care, manufacturing, wholesale trade and professional services in 2020 than in 2010.

In 2020 there were over 49,000 employer businesses/organizations across the WOWC region (excluding the separated cities). The economy has a higher concentration of firms in agriculture, utilities, construction and manufacturing compared to the country overall. There are nearly 8,000 firms in the construction sector, nearly 5,600 in retail trade and 4,400 in other/personal services.

The WOWC region is a manufacturing powerhouse with 40% more manufacturing firms compared to the country overall and nearly twice as much employment in the sector. There are more than 2,700 different manufacturing firms with employees across the region including 544 in fabricated metal product manufacturing, 416 in machinery manufacturing, 178 in furniture and related product manufacturing, 177 in wood products manufacturing and another 256 in food manufacturing (Figure 5).

In 2020 there were an estimated 97,000 people working in the manufacturing sector across the WOWC region making manufacturing the largest employment sector by a wide margin (health care was next with 70,000 workers).

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[1] EMSI's estimates of employment declined in 2020 compared to 2019. It is important to note that many employees that might have been laid off were still with their employers in 2020 due to the Canada Emergency Wage Subsidy (CEWS) and other support programs.
According to Statistics Canada, total employment in 2020 across the three economic regions related to the WOWC region (London, Windsor-Sarnia and Stratford-Bruce) only saw a modest 4.8% decline in total employment between 2019 and 2020.

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Figure 5: Number of manufacturers by selected sub-sector, WOWC region (2020)*

Sub-sector	Number
Fabricated metal products	544
Machinery	416
Food	256
Miscellaneous manufacturing	229
Furniture and related products	178
Wood products	177
Transportation equipment	152
Non-metallic mineral products	142
Plastics and rubber products	109
Printing and related activities	107
Chemicals	103
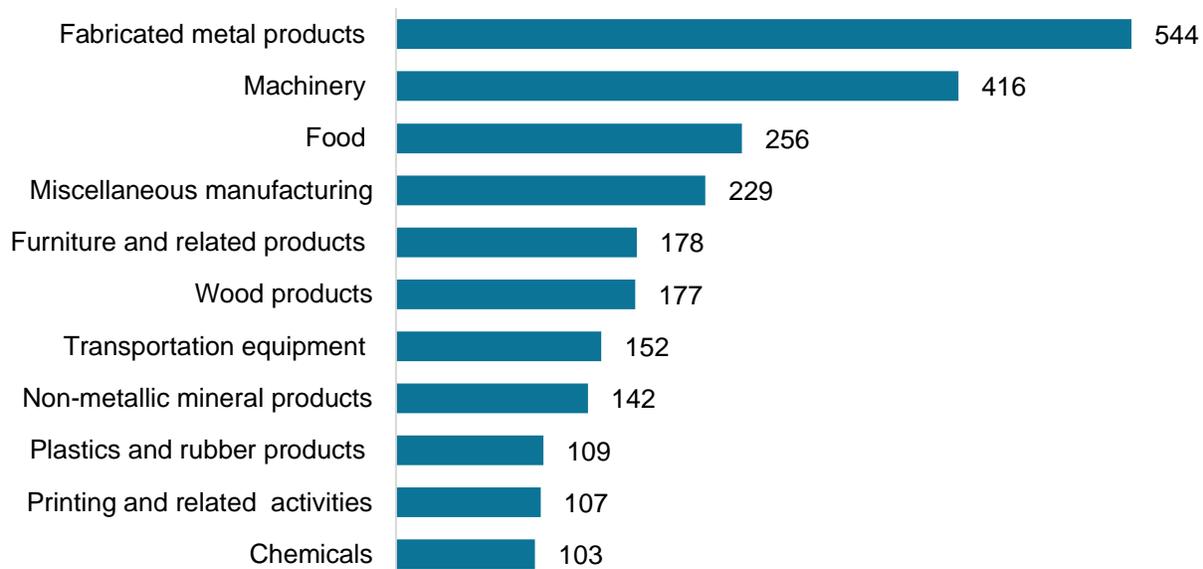
*with employment. Source: Statistics Canada location counts, June 2020.

Other than manufacturing and health care, other top employment sectors include retail trade (68,000), construction (64,000), agriculture/forestry (43,000) and accommodations and food services (35,000).

Location Quotient analysis compares the concentration of employment in the subject jurisdiction (in this case the WOWC study area) to that of a larger area (in this case Canada). The Location Quotient analysis shows the WOWC region economy has a relatively high concentration of workers in the agriculture, utilities, construction and manufacturing compared to the rest of the country (Table 3).

On a relative basis, the WOWC region has considerably less employment in sectors such as finance and insurance, professional services, education, and public administration. These services tend to be clustered in the larger cities in the region.

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Table 3: Firms, employment and growth projections, WOWC Region

NAICS	Firms	Index CAN=1.00	Employ-ment (2020)	% of total	Location Quotient
Unclassified	2,414		8,823	1%	0.96
11 - Agriculture, forestry, fishing and hunting	4,572	2.41	42,634	7%	**3.32**
21 - Mining, quarrying, and oil and gas ext.	130	0.40	2,730	0%	0.39
22 - Utilities	93	1.69	10,839	2%	**2.55**
23 - Construction	7,994	1.40	63,956	10%	**1.39**
31-33 - Manufacturing	2,729	1.39	97,130	15%	**1.85**
41 - Wholesale trade	1,915	0.88	29,000	4%	1.00
44-45 - Retail trade	5,575	1.01	67,862	11%	0.98
48-49 - Transportation and warehousing	2,555	0.93	29,010	4%	0.90
51 - Information and cultural industries	454	0.63	5,985	1%	0.49
52 - Finance and insurance	1,508	0.93	12,601	2%	0.45
53 - Real estate and rental and leasing	1,765	0.81	10,000	2%	0.74
54 - Professional, scientific and tech. services	3,441	0.60	26,456	4%	0.55
55 - Management of companies and enterprises	162	0.63	725	0%	0.19
56 - Administrative and support*	2,096	1.01	32,716	5%	1.00
61 - Educational services	396	0.68	30,257	5%	0.64
62 - Health care and social assistance	3,608	0.76	69,990	11%	0.88
71 - Arts, entertainment and recreation	719	0.98	11,792	2%	1.05
72 - Accommodation and food services	2,743	0.85	34,888	5%	0.96
81 - Other services (except public admin)	4,372	1.01	30,649	5%	**1.10**
91 - Public administration	161	0.52	26,874	4%	0.65
Totals	49,402		644,917		

The firm concentration index (CAN = 1.00) compares the relative share of firms in the region relative to the country overall. A number more than 1.00 shows there are more firms in the region, adjusted for size.

The Location Quotient compares the relative share of employment by industry to the country overall. A number more than 1.00 shows a higher reliance on the industry in the region.

Sources: Statistics Canada, EMSI and Mellor Murray Consulting estimates.

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WOWC region workforce demand projections through 2030

Over the next decade, total employment across the WOWC region is expected to rise by over 51,000, a growth rate of 8%. The sectors with the fastest expected growth over this period are:

- Health care
- Construction
- Manufacturing
- Retail trade
- Administrative and support services

Table 4 below summarizes the projected employment growth between 2020 and 2030 as well as the potential retirement and the combined estimated workforce demand over the decade.

Based on the age profile of the workforce, there could be 162,700 people potentially exiting the workforce due to their age, over the next decade. The sectors expecting to lose the most to retirement include retail trade, manufacturing, health care, construction and agriculture.

Combined, workforce demand will be an estimated 213,900 (162,700 from replacement and 51,200 from growth).

On a sector basis, manufacturing is expected to have highest demand with some 29,900 jobs that will need to be filled over the decade. Health care is next with 28,300 followed by construction at 21,300.

These sectors are all strategically important to the economy. If manufacturing jobs cannot be filled it will reduce private sector economic activity in the region and the taxes municipalities need to sustainably fund public services. If health care jobs cannot be filled those jobs could be moved to other jurisdictions forcing longer commutes for local residents. If construction jobs cannot be filled it will exacerbate housing development in the region.

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Table 4: Firms, employment and growth projections, WOWC Region

NAICS	Projected employment (2030)	Net change	% change (2020-2030)	Potential retirements (by 2030)	Est. workforce demand by 2030
Unclassified	9,559	736	8%	1,465	2,202
11 - Agriculture, forestry, fishing and hunting	40,027	-2,607	-6%	13,170	10,563
21 - Mining, quarrying, and oil and gas ext.	3,134	404	15%	707	1,111
22 - Utilities	12,012	1,174	11%	2,525	3,699
23 - Construction	70,321	6,365	10%	14,939	**21,304**
31-33 - Manufacturing	103,134	6,005	6%	23,917	**29,922**
41 - Wholesale trade	31,603	2,604	9%	7,944	10,548
44-45 - Retail trade	72,000	4,138	6%	16,148	20,286
48-49 - Transportation and warehousing	31,652	2,643	9%	9,634	12,277
51 - Information and cultural industries	6,326	341	6%	1,488	1,829
52 - Finance and insurance	14,508	1,907	15%	3,428	5,335
53 - Real estate and rental and leasing	11,134	1,133	11%	3,445	4,578
54 - Professional, scientific and tech. services	29,409	2,953	11%	8,004	10,958
55 - Management of companies	965	240	n/a	266	506
56 - Administrative and support*	35,993	3,277	10%	9,078	12,355
61 - Educational services	32,231	1,974	7%	7,331	9,305
62 - Health care and social assistance	81,197	11,206	16%	17,059	**28,265**
71 - Arts, entertainment and recreation	12,301	509	4%	2,691	3,200
72 - Accommodation and food services	36,938	2,050	6%	4,705	6,756
81 - Other services (except public admin)	33,814	3,165	10%	7,922	11,087
91 - Public administration	27,860	986	4%	6,778	7,764
Totals	696,119	51,202	8%	162,646	213,849

*includes waste management and remediation services.

Potential retirements are Mellor Murry estimates based on the share of workers over the age of 55.
Sources: Statistics Canada, EMSI and Mellor Murray Consulting estimates.

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WOWC Region: In-demand occupations through 2030

The analysis is based on the following definitions:

> **Growth demand** represents the net increase in total employment by occupation expected between 2020-2030.

> **Replacement demand** is the potential retirements from the workforce between 2020-2030.

> **Wage +/-** is an index showing how each occupation's average wage compares to the overall average (set at 1.00). Any occupation above 1.00 pays above the average wage.

> The data sources for this analysis are Statistics Canada, EMSI and Mellor Murray Consulting estimates.

It is very important to recognize that the EMSI employment estimates are based on where people work and not where they live. For example, in Dufferin County there were an estimated 72 people employed as legislators or senior managers in 2020 (NOC 001). From the 2016 Census, Statistics Canada reported 405 people living in Dufferin County were employed as legislators or senior managers. As a result, most of the individuals living in Dufferin County working as legislators or seniors must be commuting out of the county for work each day. From the 2016 Census, 56 percent of people living in Dufferin who did not work from home commuted outside the county for work.

For the purposes of the WOWC region workforce development strategy, the focus is on employers located in the WOWC region not those employers located outside the region.

The WOWC region's top occupations in demand are shown in Table 5 including growth and replacement demand through 2030. Motor vehicle and transit driver (truck drivers and related occupations) is the top 3-digit National Occupational Classification (NOC) in-demand occupation with an estimated 11,900 jobs that will need to be filled between 2020 and 2030: 2,200 from growth demand and 9,700 from replacement demand.

Health care accounts for two of the top seven occupational groups in demand. Managers in agriculture (farm managers) is the second highest occupation in-demand with over 8,500 expected openings over the 10-year time frame. Retail trade, manufacturing and construction-related occupations are represented in the top 25 as are food services and several professional occupational groups.

The top 25 in-demand occupations represent over 105,000 jobs that will need to be filled across the region between 2020 and 2030. Of the top 25 in-demand occupations, 11 offer below average wages and eight are at significantly lower wages (30% below or less).

Table 5: Top 25 in-demand occupations by 3-digit NOC, by 2030

Occupational group:	2020 workforce	Growth demand (2030)	Replacement demand (2030)	Total workforce demand	Wage +/-
Motor vehicle and transit drivers	23,135	2,209	9,728	**11,936**	0.84
Managers in agriculture/horticulture	20,818	- 1,175	9,682	**8,508**	0.62
Cleaners	17,118	563	5,419	**5,982**	0.56
Assisting occupations in support of health svcs	12,918	2,937	2,382	**5,319**	0.70
Retail salespersons	16,718	951	4,283	**5,234**	0.52
Managers in construction and facility operation and maintenance	11,554	1,954	3,020	**4,974**	1.50
Professional occupations in nursing	9,450	2,250	2,282	**4,532**	1.40
Retail and wholesale trade managers	13,138	864	3,611	**4,475**	1.27
Machining, metal forming, shaping/erecting trades	12,279	2,051	2,332	**4,384**	1.20
Machine operators and related workers in mineral and metal products manufacturing	12,241	1,685	2,367	**4,051**	1.05
Sales and account representatives - wholesale trade (non-technical)	9,275	1,358	2,553	**3,910**	1.35
Machinery and transportation equipment mechanics (except motor vehicles)	10,802	1,207	2,481	**3,688**	1.55
Paraprofessional occupations in legal, social, community and education services	12,595	1,676	1,867	**3,543**	0.68
Contractors and supervisors, maintenance trades and heavy equipment and transport operators	7,913	1,059	2,225	**3,283**	1.63
Contractors and supervisors, industrial, electrical and construction trades and related workers	8,746	1,302	1,968	**3,270**	1.43
Cashiers	11,779	1,192	1,925	**3,118**	0.28
Food counter attendants, kitchen helpers and related support occupations	15,214	1,616	1,485	**3,102**	0.30
Administrative and regulatory occupations	9,646	- 45	2,850	**2,806**	1.14
Other sales support and related occupations	9,777	1,076	1,727	**2,803**	0.42
Finance, insurance and related business administrative occupations	7,521	- 86	2,869	**2,783**	0.98
Secondary and elementary school teachers and educational counsellors	16,324	552	2,227	**2,779**	1.31
Insurance, real estate and financial sales occs	6,062	510	2,186	**2,697**	1.20
Agriculture and horticulture workers	12,709	- 77	2,763	**2,686**	0.47
Human resources and business service professionals	6,668	965	1,694	**2,659**	1.47
Auditors, accountants and investment professionals	7,497	439	2,194	**2,633**	1.94

Sources: Statistics Canada, EMSI and Mellor Murray Consulting estimates.

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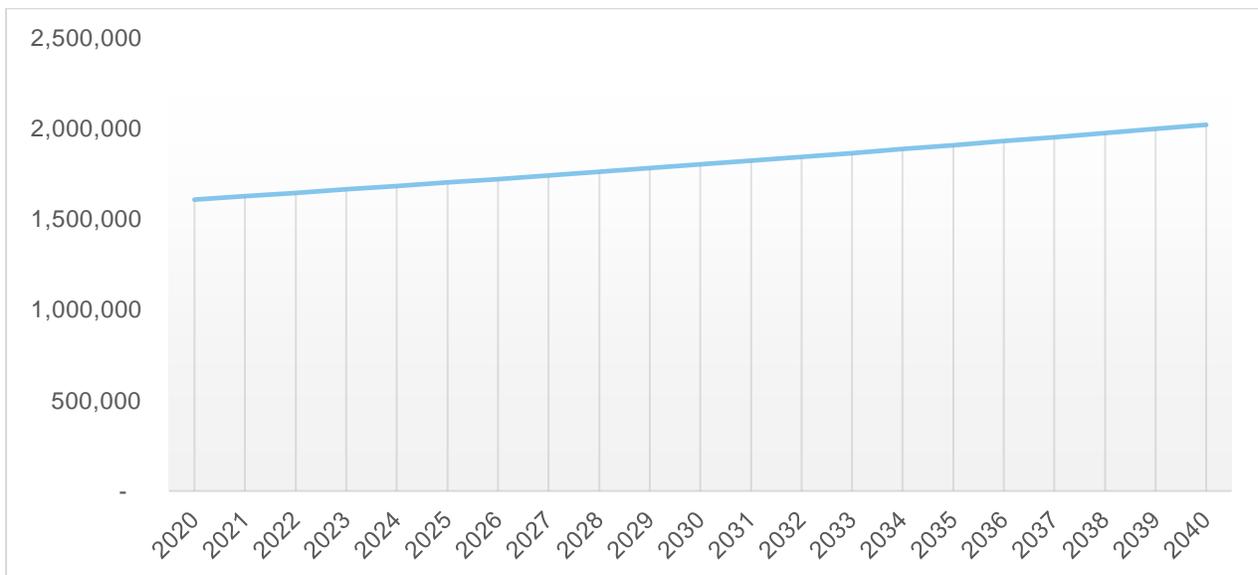
WOWC Region: Population projections through 2040

The Ontario Ministry of Finance is projecting the municipalities in the WOWC region collectively will grow strongly over the next 20 years. To determine the projected growth for the WOWC region, the separated cities were excluded. Between 2020 and 2030, the combined WOWC region population is projected to rise by nearly 195,000 (+12%) and by 412,622 through 2040 (+26%). The working age population (15-64) will rise more slowly than the overall population due to the growth in the population 65+ over the same period. The good news is the population aged 15-24 is expected to increase modestly over the period, although considerably less than the population 65+.

If achieved, this level of population growth will be enough to meet a growing workforce demand over the next 20 years.

The strong population growth will require considerable growth management in terms of housing development, immigrant settlement and support, etc.

Figure 6: Population growth projection, WOWC region, 2020-2040

Sources: Derived using Statistics Canada population data and Ontario Ministry of Finance projections (Spring 2021).

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WOWC Region: Projected net new households by 2041

Using Ontario Ministry of Finance population forecasts by Census Division, the Smart Prosperity Institute recently published estimates of housing demand in five-year increments over the next three decades[2]. The type of housing demand was broken down by either low and medium density (refers to buildings below five storeys) or high density (buildings with five storeys or higher). Table 6 shows the forecast by county and five-year increment.

Table 6: Projected Net New Households, five-year increments, by type

Census Division:	Projected Net New Households Low & Medium Density				Projected Net New Households High Rise Apartment			
	2021-2026	2026-2031	2031-2036	2036-2041	2021-2026	2026-2031	2031-2036	2036-2041
Brant	3,615	3,497	3,417	3,255	473	470	412	376
Bruce	1,887	1,654	1,616	1,667	-	-	-	-
Chatham-Kent	955	705	557	427	105	96	75	51
Dufferin	2,760	2,808	2,745	2,642	118	133	144	147
Elgin	2,649	2,394	2,301	2,166	117	114	115	104
Essex	10,899	8,354	7,660	7,131	1,621	1,273	1,151	1,007
Grey	2,651	2,367	2,287	2,236	155	156	156	134
Huron	1,681	1,397	1,247	1,220	-	-	-	-
Lambton	1,212	709	645	502	293	235	203	139
Middlesex	15,828	12,388	11,853	11,391	4,433	3,223	3,211	3,036
Norfolk	3,381	2,650	2,393	2,274	65	60	49	38
Oxford	4,118	3,926	3,805	3,667	322	348	360	340
Perth	2,343	2,160	2,027	1,903	105	124	139	133
Simcoe	20,849	18,608	17,489	16,191	1,131	1,104	1,052	991
Wellington	9,791	9,413	9,117	8,809	859	832	828	789

Source: Smart Prosperity Institute.

Table 7 below combines the low and high density net new household forecasts by five-year increment. In all Census Divisions, the Smart Prosperity Institute is forecasting housing demand will remained sustained but in most counties the period with the largest demand will be the 2021-2026 timeframe. Dufferin is the only county in the WOWC region expected to see more net new households in 2026-2031 compared to 2021-2026.

Housing demand (similar to net household formation) is correlated to population growth but is influenced by many other factors including age of the population, family size, etc. In this case, the Smart Prosperity Institute is anticipating new household formation to decline modestly through 2041 even though overall population will continue to grow in most regions.

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[2] Source: Smart Prosperity Institute. (October 2021). Baby Needs a New Home: Projecting Ontario's Growing Number of Families and their Housing Needs.

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Table 7: Projected Net New Households, five-year increments, all types

Census Division:	2021-2026	2026-2031	2031-2036	2036-2041	Total through 2041
Brant	4,088	3,968	3,829	3,631	15,516
Bruce	1,887	1,654	1,616	1,667	6,824
Chatham-Kent	1,060	801	632	478	2,971
Dufferin	2,878	2,941	2,889	2,789	11,497
Elgin	2,766	2,508	2,416	2,270	9,960
Essex	12,520	9,627	8,811	8,138	39,096
Grey	2,806	2,523	2,443	2,370	10,142
Huron	1,681	1,397	1,247	1,220	5,545
Lambton	1,505	944	848	641	3,938
Middlesex	20,261	15,611	15,064	14,427	65,363
Norfolk	3,446	2,710	2,442	2,312	10,910
Oxford	4,440	4,274	4,165	4,007	16,886
Perth	2,448	2,284	2,166	2,036	8,934
Simcoe	21,980	19,712	18,541	17,182	77,415
Wellington	10,650	10,245	9,945	9,598	40,438

Source: Smart Prosperity Institute.

The assumption throughout the development of the WOWC region workforce development plan is that population growth outside the separated cities will be similar to growth inside the cities. For the most part this has been the trend in recent years across the WOWC region. In fact, some areas have grown faster outside the separated cities.

Using this assumption, Table 8 below apportions the Smart Prosperity Institute (SPI) projected net new households in the WOWC region by jurisdictions. The Smart Prosperity Institute is a credible and respected national research network and policy think tank based at the University of Ottawa.

On a relative basis, Wellington County (excluding the City of Guelph), Simcoe County (excluding Barrie and Orillia), Dufferin County and Norfolk County are expected to see the most formation of new households over the next 20 years.

SPI is projecting very little new household formation in Chatham-Kent and Lambton County. As discussed in the main body of the Findings and Issues report, both Chatham-Kent and Lambton County (along with other jurisdictions in the WOWC region) will need faster population growth than these projections if they are to meet workforce demand in the years ahead.

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Table 8: Projected Net New Households, five-year increments, all types

	Occupied private dwellings (2016)	Projected Net New Households				
		2021-2026	2026-2031	2031-2036	2036-2041	Total net new households
Brant County (excl. Brantford)	13,505	1,047	1,016	981	930	3,975
Bruce County	28,870	1,887	1,654	1,616	1,667	6,824
Chatham-Kent	43,175	1,060	801	632	478	2,971
Dufferin County	21,915	2,878	2,941	2,889	2,789	11,497
Elgin County (excl. St. Thomas)	18,410	1,455	1,319	1,271	1,194	5,240
Essex County (excl. Windsor)	67,420	5,307	4,081	3,735	3,450	16,572
Grey County	39,560	2,806	2,523	2,443	2,370	10,142
Huron County	24,195	1,681	1,397	1,247	1,220	5,545
Lambton County	54,480	1,505	944	848	641	3,938
Middlesex County (excl. London)	26,905	2,868	2,210	2,133	2,042	9,254
Norfolk County	26,010	3,446	2,710	2,442	2,312	10,910
Oxford County	44,265	4,440	4,274	4,165	4,007	16,886
Perth County (excl. Stratford and St. Marys)	13,835	1,103	1,029	976	917	4,025
Simcoe County (excl. Barrie and Orillia)	117,580	14,081	12,628	11,878	11,007	49,595
Wellington County (excl. Guelph)	33,190	4,145	3,987	3,870	3,735	15,738
WOWC Region	**573,315**	**49,710**	**43,515**	**41,126**	**38,760**	**173,111**

Source: Derived by Mellor Murray using Smart Prosperity Institute Census Division forecasts.

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Types of Housing Required: Considerations

Using the SPI projections, the WOWC region will need over 173,000 new housing units by 2041. As mentioned above, the projections are likely low for places like Chatham-Kent and Lambton County and possibly Brant, Bruce, Elgin, Huron and Perth counties.

Whether it is 173,000 or more, it is important to understand the types of housing needed to meet demand in the years ahead. As developed in detailed in the Findings and Issues Report, there are many different demand profiles and supply options.

The type of housing will depend on factors such as:

- Household income level: The amount of monthly household income heavily influences the type of housing that can be afforded.

- Age: Young people just starting out in their careers need a specific kind of housing to address their lifestyle and budgets.

- Where the person is coming from: Many immigrants are not arriving with enough money to pay for a large down-payment on a house.

- Stage in life: Retirees/older residents can look for different housing compared to when they had children at home.

Income levels

Table 9 shows the jobs that are expected to be created over the 2020 to 2030 timeframe in the WOWC region (from growth and replacement demand). Across the region over 108,000 jobs are expected to be created in occupations that offer below average wages with 52,500 jobs that pay less than 70% of the average wage in Ontario. Historically many of these jobs would have been filled by students or local young people starting out in their careers. Increasingly these jobs are being filled by inward migrants and immigrants that will need attainable housing. It is important to ensure there is appropriate housing for these individuals.

The other important issue is the need for housing based on evolving family needs. A young person just starting out could live at home or in a simple apartment. Immigrants moving into the region for employment in agriculture, tourism or manufacturing could start out in a dormitory style housing and then transition into other more expensive housing as their circumstances evolve. The older population may want to downsize after becoming empty nesters.

Increasing the supply and options for rental housing will also be important. Most newcomers prefer to rent for a few years until they are able to purchase and settle longer term. As was shown above, only 20% of households were tenant households as of the 2016 Census and in some WOWC region jurisdictions the share was as low as 14%. The supply of tenant households will need to increase to meet the growing demand.
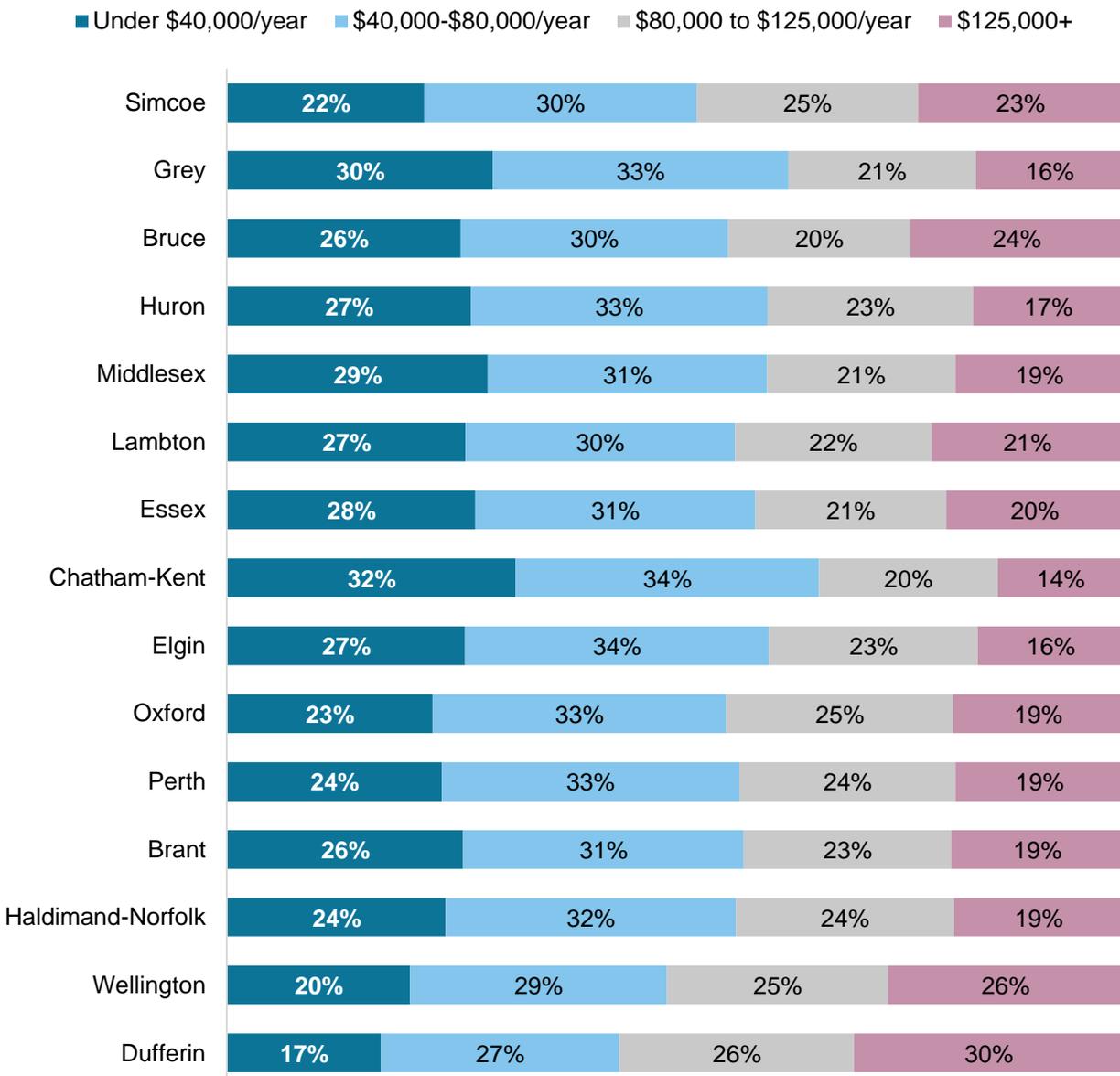
Table 9: Jobs to be filled by income level, 2020-2030

Jurisdiction:	30%+ below average	70% to 100% of average	Up to 30% above average	30% or more above average
Brant County (excluding Brantford)	1,479	1,729	849	1,561
Bruce County	2,845	2,568	1,676	3,824
Chatham-Kent	3,749	3,903	2,595	3,679
Dufferin County	1,668	1,842	1,067	2,229
Elgin County (excluding St. Thomas)	1,459	1,568	869	1,443
Essex County (excluding Windsor)	5,322	6,103	4,345	5,271
Grey County	4,422	3,918	2,151	4,485
Huron County	2,744	2,410	1,030	2,180
Lambton County	4,402	4,972	3,115	5,601
Middlesex County (excluding London)	3,227	3,012	1,479	2,512
Norfolk County	2,498	2,370	982	2,036
Oxford County	4,831	6,749	3,191	4,862
Perth County (excluding Stratford and St. Marys)	2,249	1,651	873	1,792
Simcoe County (excluding Barrie and Orillia)	8,346	8,407	5,803	10,546
Wellington County (excluding Guelph)	3,292	4,579	2,543	4,354
WOWC Region	**52,533**	**55,781**	**32,568**	**56,375**
Percentage of total employment:				
Brant County (excluding Brantford)	26%	31%	15%	28%
Bruce County	26%	24%	15%	35%
Chatham-Kent	27%	28%	19%	26%
Dufferin County	25%	27%	16%	33%
Elgin County (excluding St. Thomas)	27%	29%	16%	27%
Essex County (excluding Windsor)	25%	29%	21%	25%
Grey County	30%	26%	14%	30%
Huron County	33%	29%	12%	26%
Lambton County	24%	27%	17%	31%
Middlesex County (excluding London)	32%	29%	14%	25%
Norfolk County	32%	30%	12%	26%
Oxford County	25%	34%	16%	25%
Perth County (excluding Stratford and St. Marys)	34%	25%	13%	27%
Simcoe County (excluding Barrie and Orillia)	25%	25%	18%	32%
Wellington County (excluding Guelph)	22%	31%	17%	29%
WOWC Region	**27%**	**28%**	**17%**	**29%**

Source: Average wage levels by occupation taken from the 2016 Census.

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Figure 7 shows households in the WOWC region by income level from the 2016 Census. This figure does not break out the separated cities. The figure shows that a large share of households in the region earned less than $80,000 per year in 2015 ranging from 66% in Chatham-Kent to a low of 43% in Dufferin County. In most municipalities across the WOWC region, at least half of the households have an average income under $80,000 per year. Many of these people will have built up equity in their housing but newcomers to the region and new entrants to the housing market may not.

Figure 7: Households by income level, 2016 Census

Legend: ■ Under $40,000/year ■ $40,000-$80,000/year ■ $80,000 to $125,000/year ■ $125,000+

Municipality	Under $40,000/year	$40,000-$80,000/year	$80,000 to $125,000/year	$125,000+
Simcoe	22%	30%	25%	23%
Grey	30%	33%	21%	16%
Bruce	26%	30%	20%	24%
Huron	27%	33%	23%	17%
Middlesex	29%	31%	21%	19%
Lambton	27%	30%	22%	21%
Essex	28%	31%	21%	20%
Chatham-Kent	32%	34%	20%	14%
Elgin	27%	34%	23%	16%
Oxford	23%	33%	25%	19%
Perth	24%	33%	24%	19%
Brant	26%	31%	23%	19%
Haldimand-Norfolk	24%	32%	24%	19%
Wellington	20%	29%	25%	26%
Dufferin	17%	27%	26%	30%

Source: Statistics Canada 2016 Census.

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How much can households afford to spend on shelter costs? As is shown in Table 10, for household income at the average level or below, the maximum per month that can be spent on shelter without breaking through the 30% threshold is only $2,000/month and this includes rent/ mortgage payments and property taxes along with the costs of electricity, heat, water and other municipal services.

Table 10: Amount that can be spent on shelter costs, by household income level

Household income level:	Maximum to spend on shelter costs:
Under $40,000	Less than $1,000/month
$40,000 - $80,000	Between $1,000-$2,000/month
$80,000 to $125,000/year	Between $2,000-$3,100/month
$125,000+	Over $3,100/month

Shelter costs for owner households include, where applicable, mortgage payments, property taxes and condominium fees, along with the costs of electricity, heat, water and other municipal services. For renter households, shelter costs include, where applicable, the rent and the costs of electricity, heat, water and other municipal services.

Source: Statistics Canada.

Table 11 provides additional detail of affordability by household income using the CMHC affordability calculator.

Table 11: CMHC Affordability Calculations by Household Income

Annual Household Income	$40,000	$60,000	$60,000	$80,000	$80,000	
Down payment	$10,000	$10,000	$20,000	$10,000	$20,000	
Mortgage interest rate	2%	2%	2%	2%	2%	
Monthly expenses	$1,500	$1,500	$1,500	$1,500	$1,500	
Max affordable home cost	NA	**$151,693**	**$161,693**	**$200,000**	**$327,001**	
Max affordable rent	$1,000	$1,500	$1,500	$2,000	$2,000	
Annual Household Income	**100,000**	**100,000**	**100,000**	**$125,000**	**$125,000**	**$125,000**
Down payment	$20,000	$30,000	$40,000	$20,000	$30,000	$40,000
Mortgage interest rate	2%	2%	2%	2%	2%	2%
Monthly expenses	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500
Max affordable home cost	**$400,000**	**$502,309**	**$512,309**	**$400,000**	**$550,000**	**$650,000**
Max affordable rent	$2,500	$2,500	$2,500	$3,125	$3,125	$3,125

Derived using CMHC Home buying affordability calculator https://www.cmhc-schl.gc.ca/en/consumers/home-buying/calculators/affordability-calculator

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Appendix A: Sources and methodological considerations

- Firms by sector: Shows the number of firms/organizations with employees by two-digit NAICS industries. It is important to point out this represents unique establishments so a firm such as Tim Horton's could have multiple locations in a specific community and those locations would be showing up as individual restaurants. The index value (CAN = 1.00) shows the concentration of firms by industry adjusted for size. For example, if 5% of all firms in a community are in the construction sector compared to 2.5% across the country, the community would have an index value of 2.00 (or twice as many firms as a share of total firms).

- Employment in 2020 taken from EMSI, a data provider that estimates county and municipal-level employment. Importantly this is employment in the county or municipality not workers living in the county or municipality. In areas where there is a large urban centre nearby this is an important distinction.

- The Location Quotient value shows employment by industry compared to the country overall with the national level set at 1.00. Any number above 1.00 means a higher concentration of workers. In the tables, any LQ values 1.10 and higher are shown in red.

- The projected employment by 2030 is based on EMSI projections through 2028 and Mellor Murray estimates through 2030.

- Potential retirements by 2030 were derived using the employment by industry and age data from the 2016 Census, provincial trends since the Census and other factors. For example, a relatively high share of workers in the WOWC region remain in the workforce after the age of 65. That is factored into the analysis.

- Estimated workforce demand by 2030 represents the net number of jobs that will need to be filled by new workers. It does not represent all the job vacancies through 2030. For example, the manufacturing sector across the WOWC region has an estimated 97,000 workers. If that sector has an annual turnover rate of 5%, it would mean companies would need to fill nearly 5,000 positions before accounting for retirements or growth. The focus here is on the need to grow the workforce in the region to meet replacement (from retirement) and growth demand (from expansions).

- The population trends for each jurisdiction were developed using Statistics Canada annual estimates. This data is only available at the county (Census Division) or Census Metropolitan/Agglomeration areas). The geographic coverage area for each of the 15 jurisdictions is explained in each section. Not all of the 15 demographic profiles include the same information. Different components were highlighted in each jurisdiction based on their unique situation.

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