

Youth Employment in 2025: Trends Reshaping the Next Gen Workforce in Ontario and Canada

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WHO WE ARE

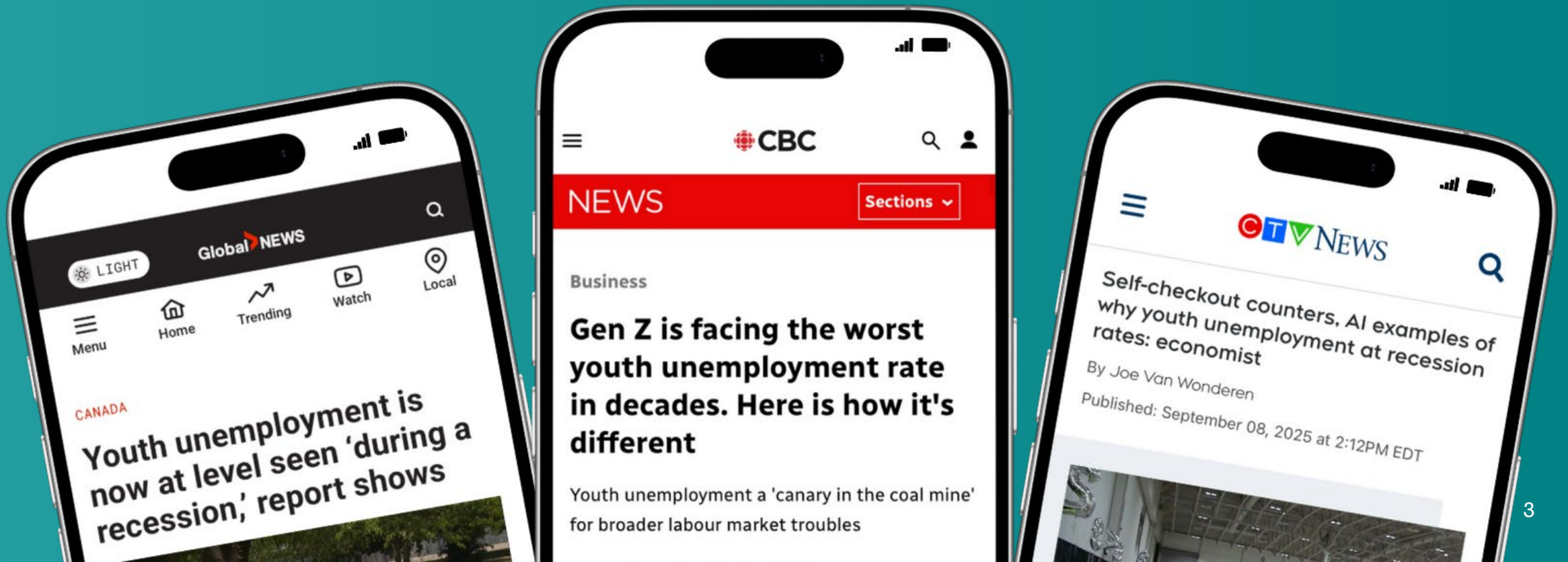
LMiC's role in a dynamic landscape

Canada's labour market information ecosystem is dynamic, with contributions from governments, organizations, researchers, and private firms. We enhance collaboration, align priorities, and make labour market information more accessible.



WHY ARE WE TALKING ABOUT IT

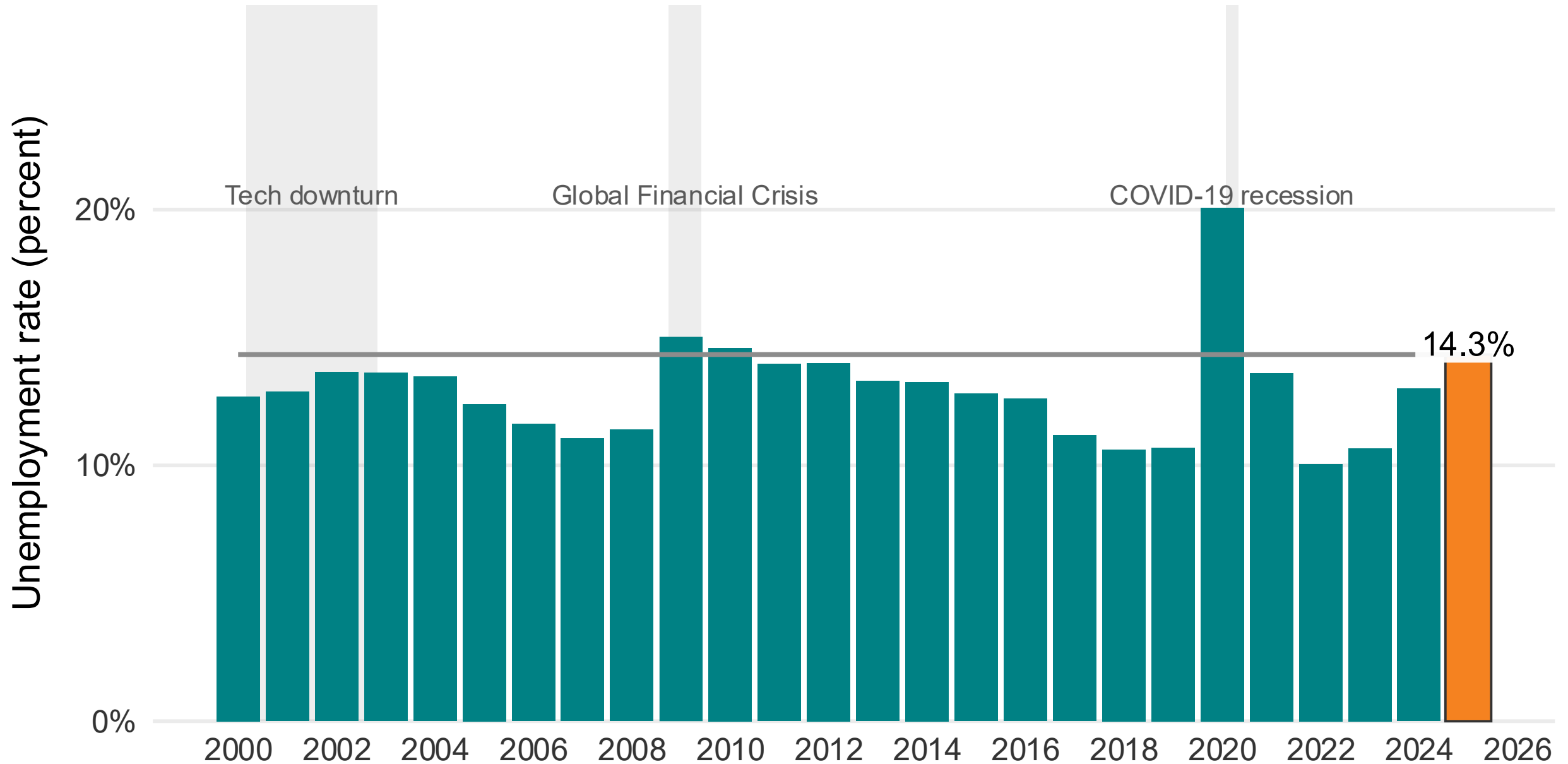
We need to talk about youth unemployment



Youth unemployment is at the highest level in 15 years!

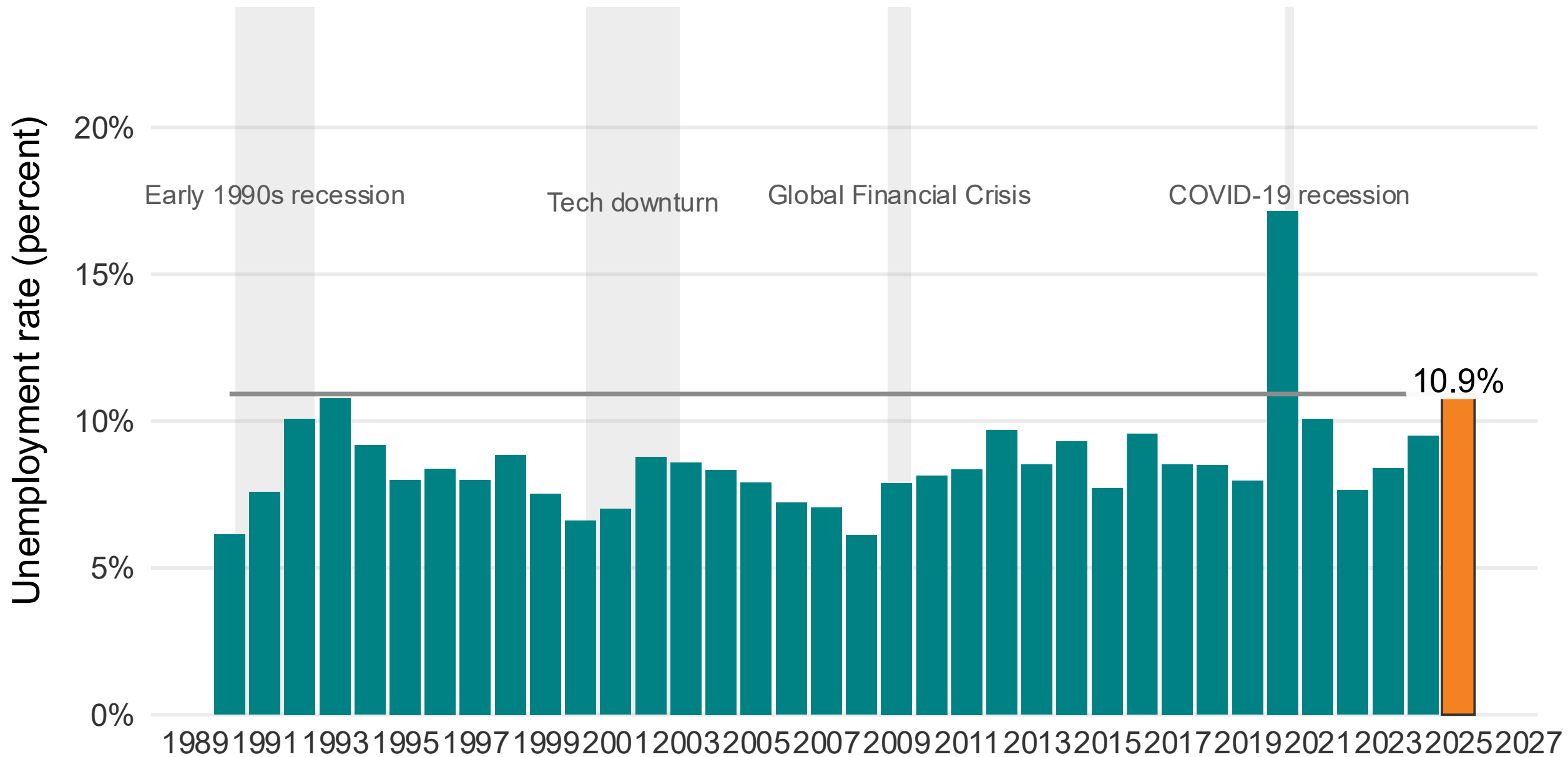
And it's telling us something about the changing demand for skills.

Youth unemployment is at the highest level in 15 years..



Source: Statistics Canada, Labour Force Survey. Calculations by LMIC.

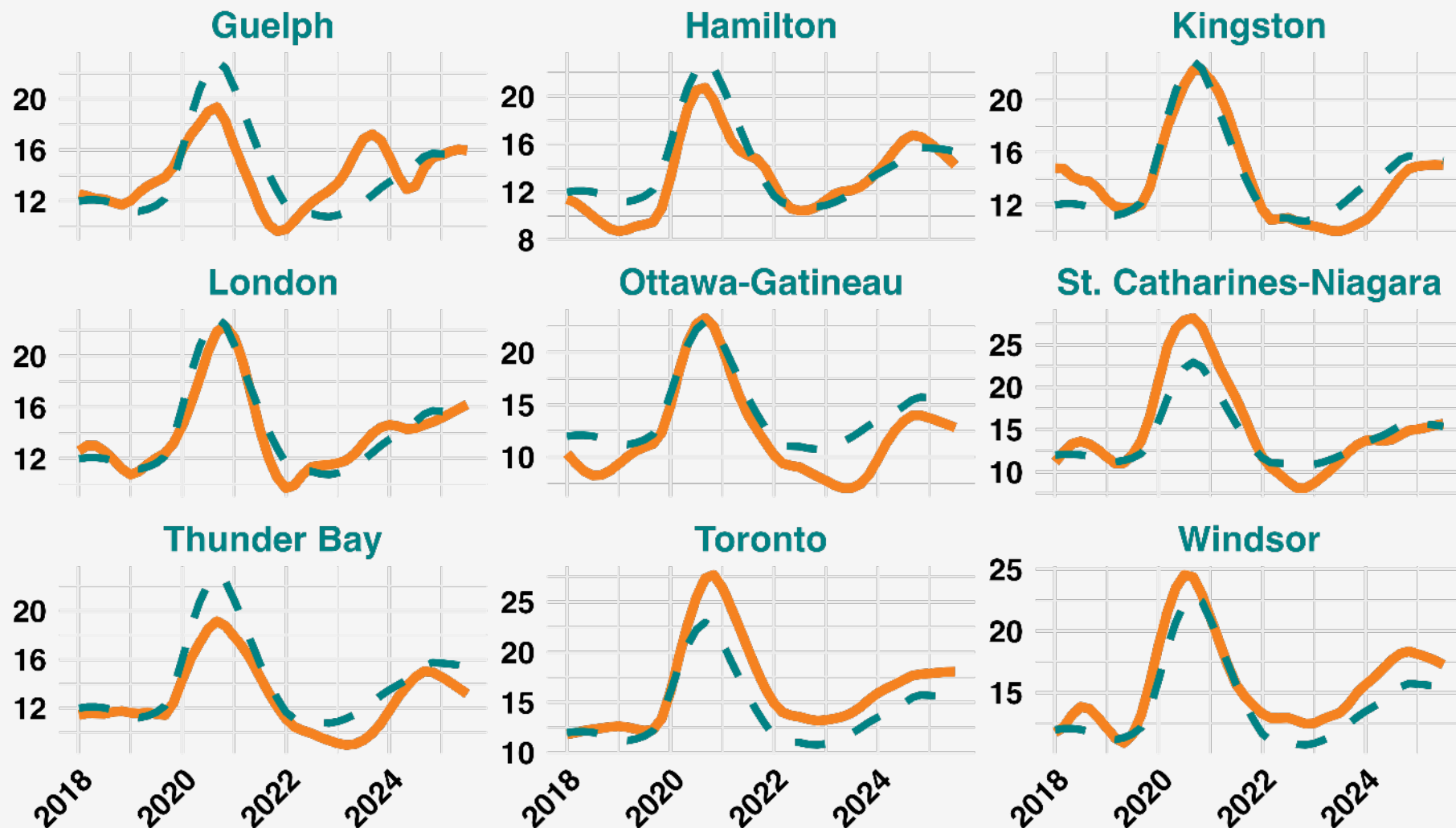
..and for youth with a bachelor's degree, the highest in 30 years



Source: Statistics Canada, Labour Force Survey. Calculations by LMIC.

The kids aren't alright

Youth unemployment is elevated again across Ontario CMAs



Unemployment rate (%), ages 15-24 — CMA — Canadian average

Source: Statistics Canada (2025), seasonally adjusted (LMIC calculations)

What's driving youth unemployment?

WHAT'S DRIVING IT

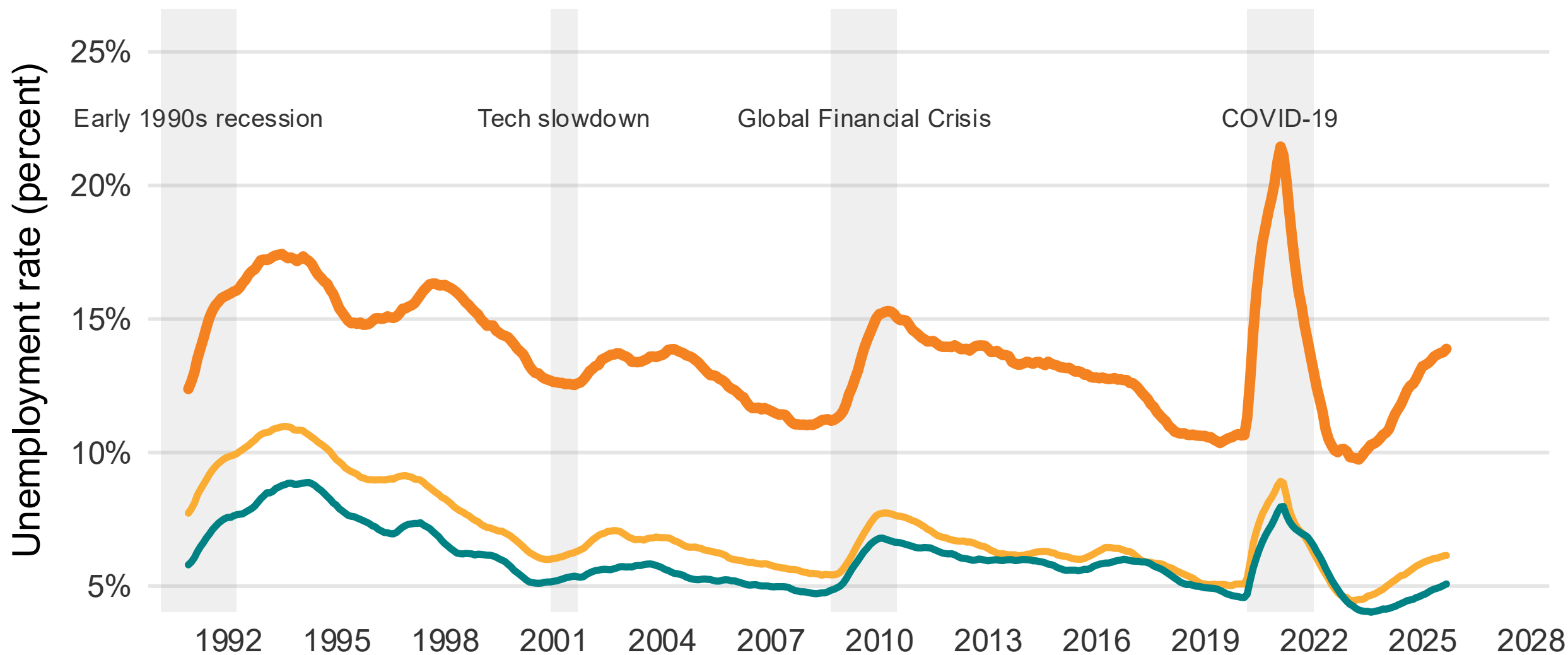
Economic uncertainty

- During economic downturns, youth see a steeper rise in unemployment than other age groups.



Youth are hardest hit during economic downturns

Age group 15 to 24 years 25 to 44 years 45 years and over



Source: Statistics Canada, Labour Force Survey. Calculations by LMIC.

WHAT'S DRIVING IT

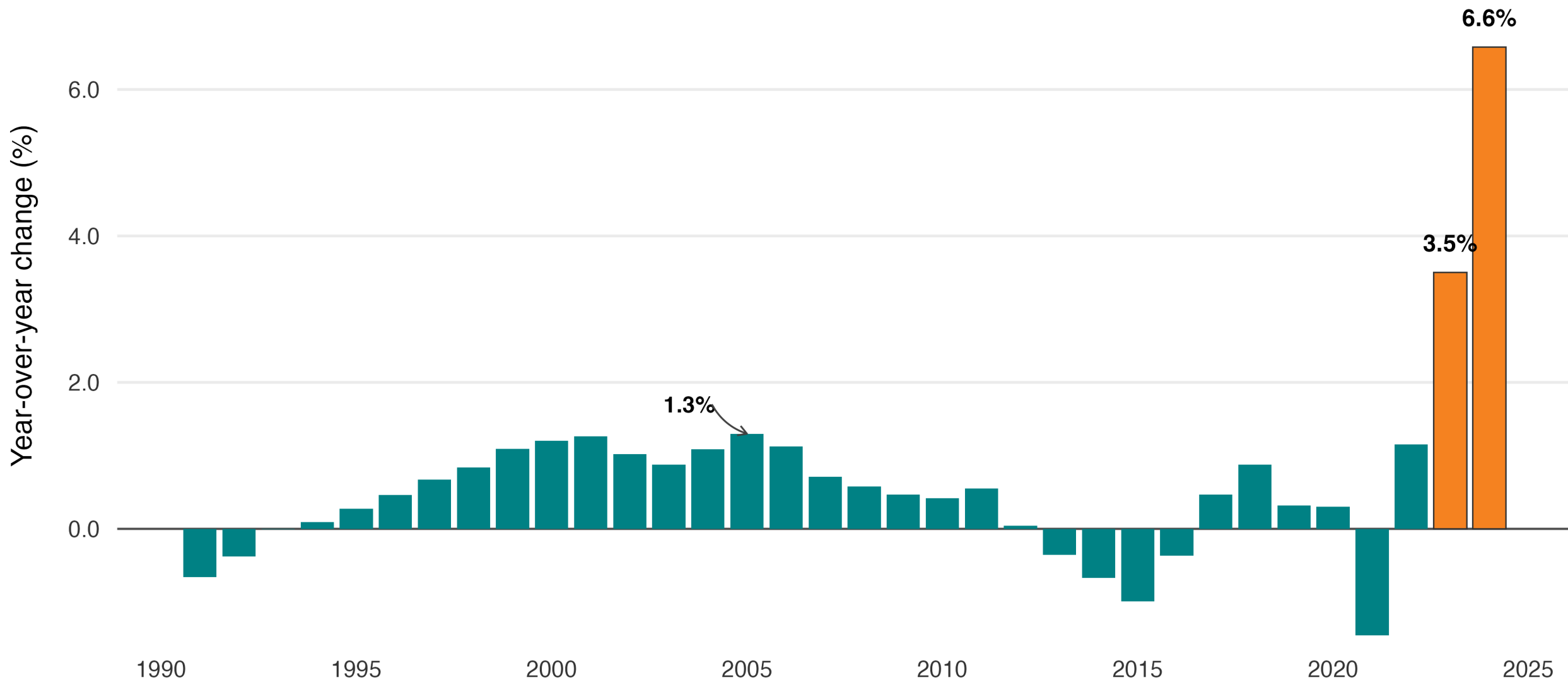
Demographic pressures

- The youth population has seen rapid growth over the last couple of years.



Youth population surged in 2023 and 2024

Annual year-on-year change in population aged 15–24



Source: Statistics Canada, Labour Force Survey (Population). Calculations by LMIC.

Supply and demand are out of sync

WHAT'S DRIVING IT

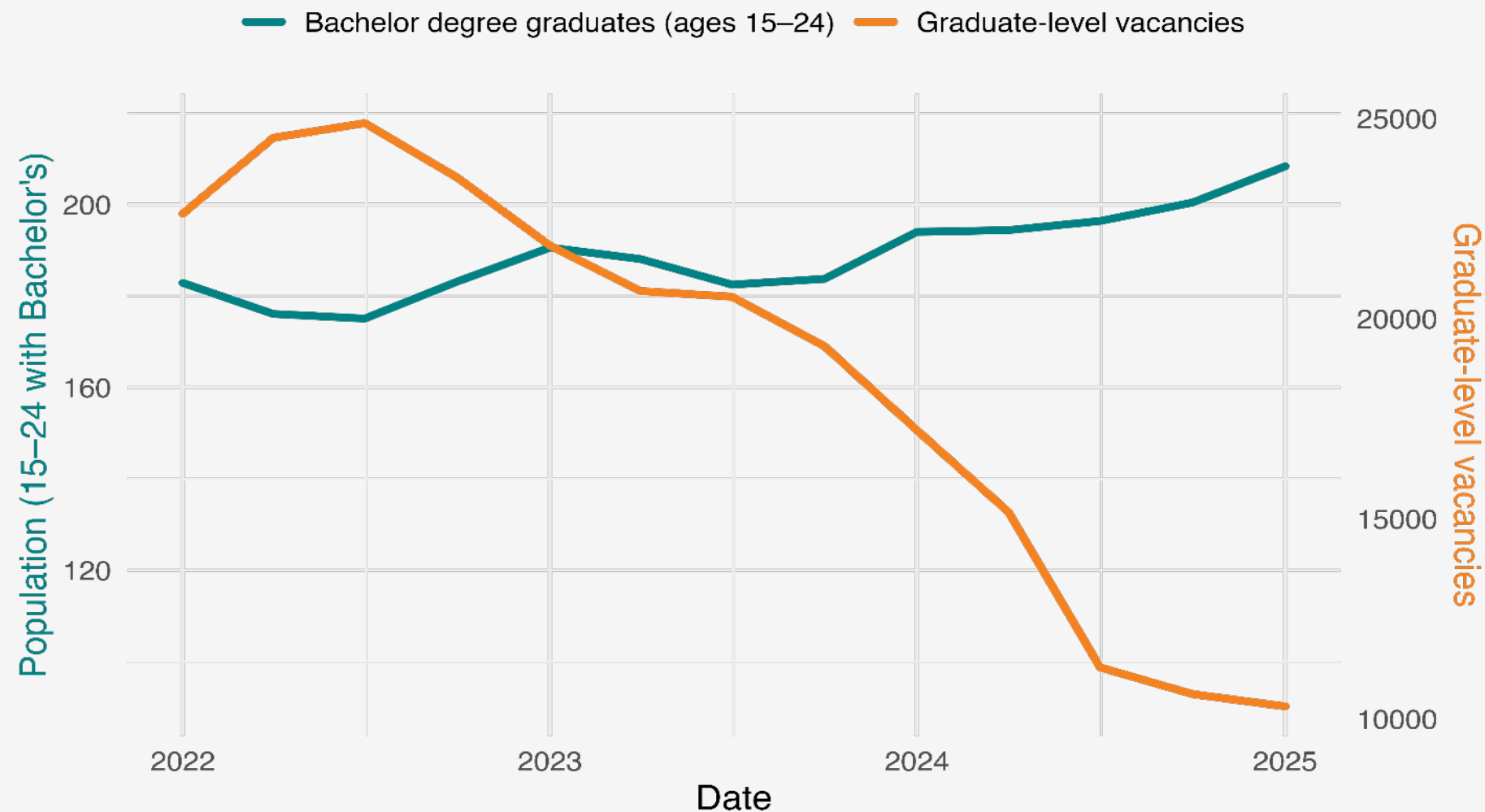
Labour mismatch

- More students are choosing university programs, even as demand grows for college and polytechnic grads.
- Over time, this has created a mismatch between the workers available and the jobs employers need to fill.



Supply, meet demand

In Ontario, graduate-level vacancies have fallen while the number of bachelor's degree grads continues to rise



Source: Statistics Canada (2025), LMIC calculations

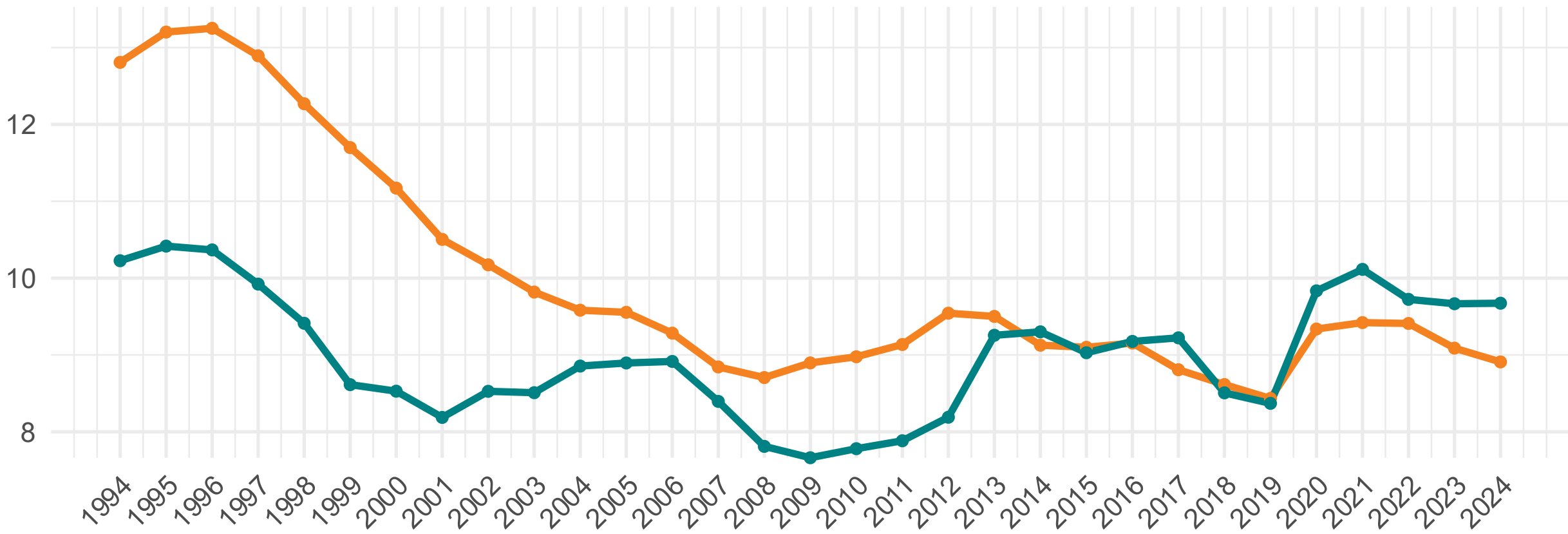
The times they are a-changin'

Youth unemployment rate of bachelor's degree holders has surpassed that of certificate or diploma holders

Unemployment rate (15 to 24 years of age, percent)

Unemployment rate (ages 15–24)

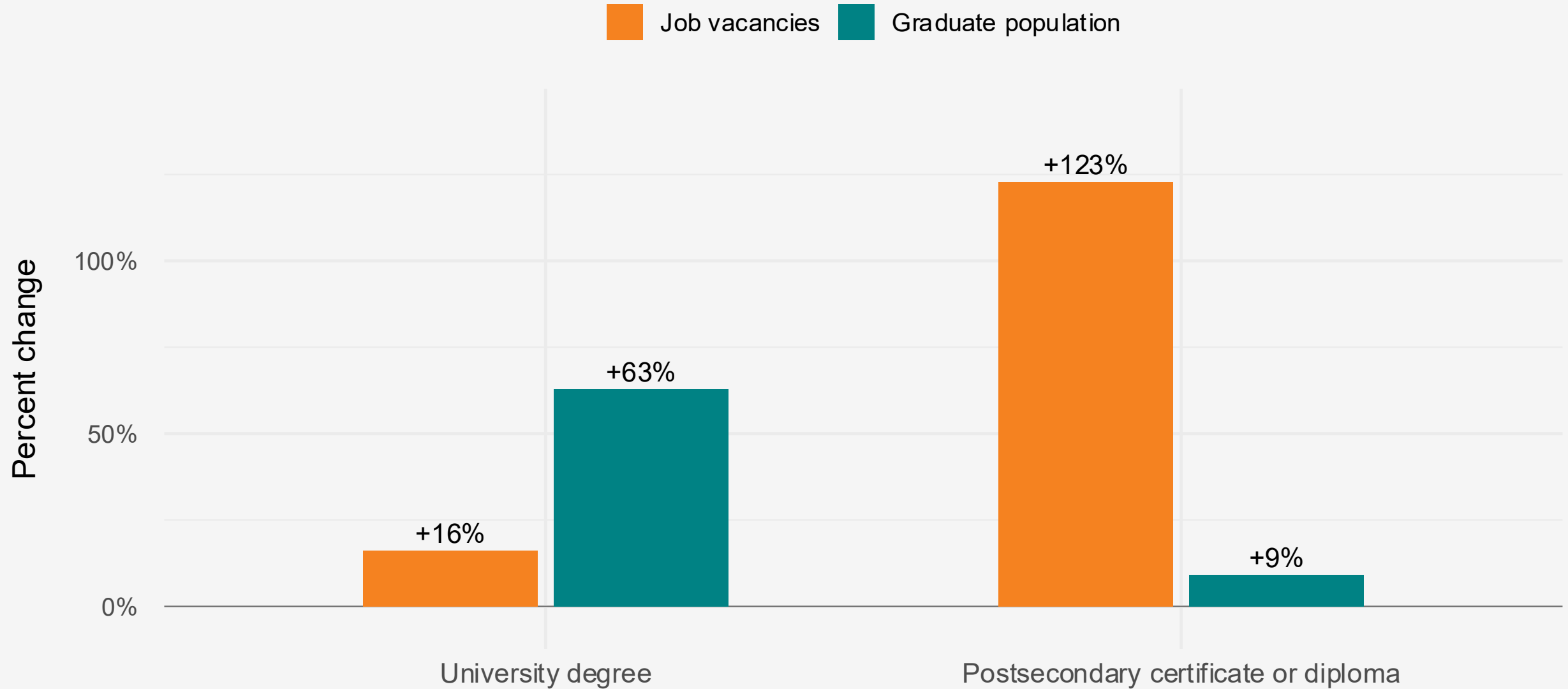
● Bachelor's degree ● Post-secondary certificate or diploma



Source: Statistics Canada (2025); LMIC calculations

Supply and demand

Growth in job vacancies (orange) and graduate population (teal)
by credential type between Jan 2016 and Jan 2025



Source: Statistics Canada; LMIC calculations

What can we do?

Provide high-quality, timely labour market information!

Recognize, celebrate and share the value of in-demand credentials

- We need new graduates to replace mature and retiring workers.
- We need new graduates for national and local green economy and infrastructure projects.
- Let's let youth and grads know how and where they are most needed.



Make sure graduates know how to use AI at work

- The labour market impact of AI / emerging tech is subject to debate, but it's not going away.



Give students work integrated learning (WIL) opportunities

- There is growing evidence of the positive impact of WIL on labour market outcomes, particularly for bachelor's students.



Improve data to improve policy responses

- Governments and educators can adapt training programs and supports more quickly when high-frequency data show where youth are struggling, and where opportunities arise.



Thank you for listening.

For more information or to continue the conversation, please contact:



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