

Building Ontario's Future: One Million University Graduates Needed to Drive Innovation and Growth

Highlights of the 2026 Stokes Economics'
Report on Labour Market Demand from
2026 to 2035

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Overview

The Council of Ontario Universities commissioned Stokes Economics (Stokes) to provide occupation-demand projections for university-educated workers for the period 2026 to 2035. Stokes forecasts that over one million (1,004,864) new university-educated workers will be needed over the next decade to fill job openings in occupations for which a university education is typically required or preferred.

These findings highlight the critical role Ontario's universities play in producing the highly skilled talent required to drive economic growth, research and innovation. These findings also underscore the critical importance of expanding university capacity to meet labour market needs. Failure to meet the demand for increased university graduates poses a structural risk to Ontario's economic growth and long-term prosperity. To that end, Ontario universities welcome the [government's investment](#) of \$1.7 billion to increase 70,000 postsecondary spaces with the balance of 40,000 additional being allocated this summer.

Key Findings

The table below presents the projected net demand for university-educated workers from 2026 to 2035 in Ontario. These projections include both new labour force requirements resulting from economic growth and the need to replace workers leaving the labour force due to retirement or death.

Job Category	Average Annual Demand	Total Demand 2026–35	% Share
STEM: Natural and Applied Sciences and Related Occupations	21,298	212,980	21.2
Health Sciences (Physicians, Nurses, Other Health Professions)	14,900	148,999	14.8
Business, Finance, and Administration	19,532	195,316	19.4
Education, Law and Social, Community and Public Services	16,338	163,377	16.3
Legislative and Senior Management	6,103	61,025	6.1
Art, Culture, Recreation and Sport	2,421	24,213	2.4
Other Management Occupations	7,205	72,045	7.2
Other Occupations	12,691	126,909	12.6
Total Demand	100,488	1,004,864	100

Overall, Ontario will require more than a million new university-educated workers between 2026 and 2035 to meet labour market demand in sectors that are central to Ontario's economic growth, innovation agenda,

¹ This document summarizes key findings from 2026 Stokes Economics Report on market demand for university graduates prepared for the Council of Ontario Universities (May 2026).

and competitiveness.² This demand for university graduates is distributed across sectors that are key priorities for our economy.

- Science, Technology, Engineering, and Mathematics (STEM) occupations are projected to generate the largest demand for talent, with an estimated 212,980 job openings over the forecast period. University graduates in these fields will be at the forefront of the AI revolution—developing new technologies, advancing scientific discovery, and ensuring artificial intelligence is deployed safely, ethically, and in ways that benefit society. Their expertise will also be critical to advancing innovation in life sciences, critical minerals, agri-food, advanced manufacturing, cybersecurity, and defence, helping Ontario build a more productive, competitive, and resilient economy for the future.
- Health-related occupations are projected to require 148,999 additional university graduates over the forecast period, equivalent to 43.7% of the current health workforce and significantly higher than the 31% average across all occupations. The ability to educate, recruit, and integrate this next generation of health professionals will be essential to meeting growing patient needs, supporting an aging population, advancing medical innovation, and building a more resilient, efficient, and responsive health-care system for the future.
- Business, Finance and Administration occupations are projected to require 195,316 university graduates, equipping Ontario with the skilled professionals needed to fuel business growth, entrepreneurship, financial expertise, and organizational leadership across key sectors of the economy.

Methodology

Demand for university education is driven by both employers and prospective workers. For employers, education serves as a signal that candidates possess not only the technical knowledge required for a position, but also the capacity to learn and adapt. This helps organizations improve hiring outcomes, reduce mismatches, and increase productivity.

For prospective students, demand for higher education is largely tied to stronger employment outcomes. Individuals with a university degree tend to earn higher incomes on average and experience lower unemployment rates over their lifetimes. Over the past 35 years, the average unemployment rate for

² Economic modeling includes some short-term disruptions from external factors including trade and technology which are projected to slow Ontario's economy in the interim. Overall, it is forecasted that more than a million universities graduates will be needed over ten years.

individuals aged 25 and older with a university degree was 4.7%. This compares favourably with the average unemployment rate of 6.9% for high school graduates and the overall economy-wide average of 6.2%³.

The Stokes Economics March 2026 Ontario Regional Outlook provides the economic backdrop for the employment and occupational forecasts used in this report. This model relies on data from the 2021 Census and various Statistics Canada datasets, including the Labour Force Survey.

The standard method of sorting occupations --the National Occupation Classification (NOC) system was applied with updated data for the 2026 study. It breaks occupations down into 516 groups of similar jobs. The occupations can then be aggregated into larger groupings for different levels of analysis. The NOC 2021 also contains a skill classification system based on the degree of Training, Education, Experience and Responsibilities (TEER) to categorize occupations. Three TEER groups were leveraged for this study, in order to assess demand for jobs where a university degree is typically required or preferred.

Critical Role of Ontario Universities

The forecast highlights the critical role Ontario's universities play in producing the highly skilled talent required to drive economic growth, research and innovation. These finding also underscore the critical importance of expanding university capacity to meet labour market needs over the next decade. Universities are posed to meet this challenge but their ability to respond is shaped by policy, funding, and enrolment caps. Without proactive measures to expand capacity and align with labour market needs, shortages will intensify—particularly in critical sectors such as STEM and health care.

Ontario needs to educate and train more university graduates today for the jobs, industries, and technologies that will drive tomorrow's economy. The Ontario government is responding to this need with an investment of \$1.7 billion to create 70,000 more postsecondary spaces -- 30,000 spaces announced earlier this year and 40,000 being allocated this summer.

Historically, the importance of education has increased as the economy evolves. The proportion of the Ontario population with a university certificate, diploma or degree at a bachelor's level or above has risen over time. This share has risen from 26% in 2006⁴ to 36.8% in 2021⁵ for those aged 25 to 64. This reflects strong student demand and societal need for students who have the skills and competencies that better

³ Statistics Canada, Unemployment rate, participation rate and employment rate by educational attainment, annual). Last updated May 1, 2026. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410002001> (accessed May 1, 2026).

⁴ Statistics Canada, Highest level of educational attainment for the population aged 25 to 64. Last updated 25 November 2009. <https://www12.statcan.gc.ca/census-recensement/2006/dp-pd/hlt/97-560/pages/page.cfm?Lang=E&Geo=PR&Code=01&Table=1&Data=Dist&Sex=1&StartRec=1&Sort=2&Display=Page>

⁵ Statistics Canada, Focus on Geography Series, 2021 Census of Population. Last updated 9 Sept 2025. <https://www12.statcan.gc.ca/census-recensement/2021/as-sa/fogs-spg/page.cfm?lang=E&topic=11&dquid=2021A000235>

meet the demands of today's changing economy. Since 2020, the number of Ontario high school students applying to an Ontario university has increased by 17%.

Government support will be crucial if the province is to meet this growing demand. Without increasing funded spaces, the Ontario economy would experience increased skill shortages. Shortages in fast-growing sectors, such as health care and advanced technologies, will have disproportionate impacts on economic growth, productivity, and our competitiveness. Failure to meet the demand for increased university graduates could pose a structural risk to Ontario's long-term economic growth. Addressing these challenges will require action now.

The province's commitment to invest in 40,000 additional spaces in high-demand programs is an important step toward addressing Ontario's growing demand for highly skilled talent. Aligning these new spaces with the occupations projected to experience the greatest demand will help ensure Ontario has the university-educated workforce needed to drive innovation and technological change, improve productivity, and support long-term economic growth.

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