

# The Workforce Behind the Premiums: Insurance Industry Labour Market Dynamics in Toronto

Mahjabeen Mamoon | March 2025



## Acknowledgements

I would like to extend my sincere appreciation to the individuals who contributed to the development of the report, “The Workforce Behind the Premiums: Insurance Industry Labour Market Dynamics in Toronto”. Within our own organization, I am grateful for the guidance and support provided by John MacLaughlin, Kevin Stolarick, Megha Parhar and Dominic Chan. Their expertise and commitment have been invaluable in shaping the trajectory of this report. I would also like to express my gratitude to the external stakeholders and insurance industry experts who generously dedicated their time and resources to this study enriching our research through interviews and engaging conversations via email or phone. It is important to emphasize that any mistakes or inconsistencies found in the report are solely the fault of the author and are not a reflection of the excellent insights provided by these esteemed individuals. Their collective efforts have significantly contributed to the depth and quality of our findings.

## Author’s Bio

Mahjabeen Mamoon is an economist by training with experience in socio-economic research and teaching. Her extensive academic background in Economic Development and Policy Analysis and research experience in Development Economics, the Canadian labour market and other social issues allows her to provide clearly thought-out recommendations to senior management. She has a proven track record of using data from a diverse business and functional areas through insightful ways to aid informed action. Mahjabeen has been involved in the workforce development policy and programs since 2016 and has the capacity to engage stakeholders to develop innovative solutions to complex issues facing the Canadian labour market. Working at TWIG, she has had the opportunity to cultivate strong connections with different levels of government, unions, employment service providers, educational and training institutions. She has an international experience working as a lecturer in economics, teaching undergraduate level Applied Mathematics and Development Economics courses. Her research works have appeared in the International Journal of Economics and Finance and the World Review of Business Research.

An aerial photograph of the Toronto skyline, featuring the CN Tower prominently on the right side. The image shows a mix of modern glass skyscrapers and older buildings, with a body of water in the foreground. The sky is clear and blue.

## About the Toronto Workforce Innovation Group

Toronto Workforce Innovation Group (TWIG) is a non-profit and independent research organization devoted to finding and promoting solutions to employment-related problems in the Toronto Region. Our Board of Directors is comprised of passionate leaders from Toronto's business, industry, and non-profit communities. Our staff are committed to action-based research and data analysis that can be used by the workforce development system to support Toronto's vibrant and diverse economy. Toronto Workforce Innovation Group (TWIG) is a leading-edge research and partnership organization responding to the diverse needs of local communities and businesses in the area of workforce development. It is one of the 26 similar planning groups tasked by the Ministry of Labour, Immigration, Training and Skills Development (MLITSD) of Ontario to work closely with our local economies. As Toronto's Workforce Planning Board, we conduct dynamic labour market research, disseminate information and convene stakeholders to address workforce development trends, gaps and opportunities. Among similar organizations in Toronto, our multistakeholder approach is unique, we work on issues across many sectors and engage stakeholders from a wide range of perspectives including federal government departments, provincial government departments, industry, training institutes, labour groups, and special interest groups to address skills and labour market information needs. Our research is an on-going and continuous process that includes our numerous consultations and focus groups with employment/training service providers and job seekers in addition to the deep data dive that informs our publications. We work to ensure that Toronto's workforce has the skills and talent it needs to meet the demands of a changing economy.



## Executive Summary

Insurance was once seen as a dull, necessary expense—something people grudgingly purchased and rarely thought about unless they needed to file a claim. From the 1970s through the early 2000s, buying insurance meant sitting down with a local Broker, flipping through policy brochures, and making decisions based on limited options. Today, the industry has transformed entirely—insurance is now a digital-first sector where consumers compare policies online, get instant quotes, and interact with AI-powered chatbots. With a flood of TV and social media ads from companies like Onlia, Sonnet, and Belairdirect, insurance is more accessible than ever, but also more competitive and technology driven. This shift has also fundamentally changed the composition of the industry, with increasing demand for professionals with expertise in data science, artificial intelligence, and digital marketing. Traditional roles such as Underwriters and Claims Adjusters are evolving to incorporate data analytics and automation, while new technology-focused positions are emerging to manage digital transformation.

The research outlined in this paper presents a comprehensive view of the insurance industry within Toronto's Census Metropolitan Area (CMA), highlighting its significant growth and evolving challenges. The Insurance Carriers industry is experiencing robust expansion, driven by post-COVID economic recovery, technological advancements, regulatory changes, and market diversification, leading to increased employment since 2021. In contrast, the Agencies, Brokerages, and Other Insurance-Related Activities sector faces more stagnant growth due to regulatory changes, the rise of online platforms, and a lack of capital to invest in digital transformation. Many smaller Brokerages struggle to compete with larger firms and direct-to-consumer models that leverage AI and automation to offer competitive pricing and streamlined services. Despite these shifts, demand for skilled professionals remains strong, particularly in roles that align with the industry's digital transformation.

The fundamental difference between an Insurance Carrier and a Brokerage lies in their roles in the industry. Carriers are companies that underwrite policies, assume risk, and manage claims. They set premiums based on actuarial calculations and regulatory guidelines. Brokerages, on the other hand, act as intermediaries, working with multiple carriers to find the best policies for clients. While Brokers traditionally helped customers navigate complex coverage options, direct-to-consumer sales and regulatory changes have diminished their role, forcing many to shift towards advisory and risk consulting services.

The transition towards a technology-driven business model has fundamentally changed consumer interactions, emphasizing speed, transparency, and personalization. Companies increasingly rely on data analytics to refine their offerings, improving customer satisfaction and operational efficiency. This shift has amplified the need for highly educated professionals, particularly in specialized roles such as actuaries and data scientists, reinforcing the industry's movement toward more knowledge-intensive functions.

Artificial intelligence (AI) is further transforming the insurance landscape by automating routine tasks such as claims processing, fraud detection, and risk assessment. While AI increases efficiency, it also shifts the skill requirements within the industry, creating demand for expertise in machine learning, predictive analytics, and cybersecurity. As a result, traditional roles are evolving, and new job categories, such as AI specialists and digital risk analysts, are emerging. This technological shift necessitates continuous learning and adaptation, reinforcing the need for upskilling and specialized training programs.

In addition to technological shifts, legislative and regulatory changes have reshaped both Carriers and Brokers. Regulatory updates have increased transparency in pricing and underwriting practices, pushing carriers to take a more direct role in selling insurance products. Compliance requirements and consumer protection policies have also altered how Carriers assess risk and price policies, leading to increased reliance on data-driven decision-making. This shift has disrupted the historical Broker-carrier model, where Brokers primarily acted as intermediaries. While Brokers remain crucial for advising clients on complex policies, many are now adapting by offering value-added services, such as risk consulting and specialized coverage solutions. However, smaller Brokerages face challenges in meeting these new demands, contributing to slower growth in the sector.

Beyond employment, insurance plays a vital role in everyday life and is integral to industry stability, particularly in the face of climate change. As extreme weather events become more frequent, the demand for innovative risk mitigation and climate-related insurance products continues to rise, further cementing the industry's significance.

Toronto is not just a key player in Canada's insurance industry, it is the insurance capital of the country and a globally recognized financial hub. The city is home to the headquarters of major insurance firms, attracting international investment and talent. The insurance industry is a key driver of Toronto's financial sector growth, contributing significantly to employment, innovation, and the broader economy. As the industry continues to evolve, Toronto's role as a global leader in insurance will only strengthen, offering opportunities for businesses, workers, and policymakers to shape its future.

#### Key Findings:

The Insurance Carriers industry is growing, while Agencies and Brokerages face stagnation due to regulatory changes, digital disruption, and limited capital for modernization.

- AI and automation are reshaping roles, requiring expertise in data analytics, machine learning, and cybersecurity.
- Consumer expectations have shifted towards digital, with companies investing in personalization and efficiency.
- Legislative and regulatory changes have altered both the Carrier and Broker industries, leading to greater direct engagement by Carriers and evolving Broker roles.
- The demand for specialized skills, particularly in actuarial science, data science, and risk assessment, is increasing.
- Climate change is driving new insurance products and expanding the industry's role in risk mitigation.

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An aerial photograph of a flooded street in Toronto. A red Toronto Fire truck is on the right side of the road. A white car is on the left side of the road. The water is deep and murky. The street has yellow and black diagonal markings. There are trees and buildings in the background.

## Preface

In July of last year, Toronto was hit by a relentless downpour, with hours of torrential rain overwhelming the city's drainage systems and turning streets into rivers. Within a matter of hours, underpasses were submerged, basements filled with water, and vehicles were left stranded in deep pools of floodwater. The sheer volume of rainfall—measured in dozens of millimeters falling in mere minutes—was too much for aging infrastructure to handle, leaving entire neighborhoods grappling with one of the most devastating flash floods in recent memory. By the time the waters receded, the city had suffered over CA\$940 million in insured losses, making it one of the costliest weather-related disasters in Canadian history.

For homeowners, overland flood insurance and sewer backup coverage were essential in covering damage to basements, personal belongings, and structural repairs. Businesses with commercial property insurance were able to recoup losses from damaged inventory, lost revenue due to closures, and cleanup costs. Meanwhile, auto insurance with comprehensive coverage helped vehicle owners repair or replace cars that were submerged or damaged by floodwaters.

Given the scale of the flooding, insurance companies played a vital role in the financial stability of affected communities, ensuring that individuals and businesses could rebuild without falling into debt. If Toronto had not been heavily insured, the economic impact would have been catastrophic, homeowners might have been forced to abandon their properties, businesses could have shuttered permanently, and the financial burden would have fallen largely on governments and taxpayers. With nearly a billion dollars in insured damages, insurance served as a critical safety net, helping the city recover and reinforcing the growing importance of climate risk coverage. As extreme weather events become more frequent and severe, insurance is no longer just a financial tool—it is on the front lines of climate change, adapting to new risks and helping communities stay resilient in an uncertain future.



## Introduction

In the dynamic heart of Canada's largest city Toronto, the insurance industry plays an indispensable role in maintaining and enhancing the city's financial landscape. The industry exemplifies a unique blend of economic reliability and forward-thinking innovation. This report, delves into the multifaceted insurance industry of Toronto, aiming to highlight its influence on the city's labour market landscape. By harnessing comprehensive data analysis on the industry's employment trends, wages, business counts, and job counts, the report offers comprehensive insights that can aid policymakers, industry leaders, and stakeholders in making informed decisions fostering growth and innovation in the industry.

Additionally, this report highlights key occupations within Toronto's insurance industry, providing valuable insights for current professionals, job seekers, and those considering a career pivot. By analyzing roles ranging from Insurance Agents and Underwriters to Claims Adjusters and Risk Managers, we aim to highlight the skills and qualifications most in demand. This analysis not only informs individuals about potential career opportunities but also helps them understand the evolving skills landscape.

To add a layer of depth to our quantitative data, the report also conducts one-on-one interviews with industry experts offering a narrative that captures the nuanced perspectives of those who steer and study this industry. This blend of quantitative analysis and qualitative insights depict what the insurance industry looks like today but also to envision what it could become tomorrow. These discussions provide invaluable insights into the challenges and opportunities that shape the industry.

Today, Toronto's insurance industry has been shaped by centuries of adaptation and innovation. It is a broad ecosystem encompassing everything from major domestic and international insurers to innovative start-ups that leverage cutting-edge technology to redefine risk management. The industry not only protects against traditional risks but also addresses complex modern challenges such as cyber threats, climate change, and pandemics.

This report charts the current landscape of the insurance industry in Toronto, focusing on its impact on local employment and business dynamics. Through a detailed analysis of the trend in the labour force, employment distribution by gender and age within key segments of the industry namely, (i) Insurance Carriers, and (ii) Agencies, Brokerages, and Other Insurance-Related Activities, the report explores various occupations in the industry, wage patterns, and business operations. This analysis is designed to equip stakeholders with the knowledge to drive future growth and workforce development, ensuring a robust understanding of the industry's trajectory and the challenges and opportunities that lie ahead.



## The Transformation of Toronto's Insurance Landscape

Toronto stands as a prominent hub in the global insurance industry, boasting one of the largest and most concentrated clusters of insurance companies, brokerages, and associated financial services. Toronto is home to one of the largest insurance hubs. This dense aggregation not only positions Toronto among the top-tier insurance markets worldwide but also underscores its pivotal role on the international stage. The city competes directly with other major global financial centers such as London, New York, and Singapore, thanks to its robust infrastructure, advanced regulatory environment, and the presence of a highly skilled workforce.

Canadian insurance traces its roots back to the 19th century and several elements collectively transformed the industry into a cornerstone of Canada's economy. As cities like Toronto, Montreal, and Halifax expanded, the need for financial services, including insurance to cover business and personal losses, grew. The construction of the Canadian Pacific Railway (1881-1885) and the increase in maritime activities created a greater need for marine and cargo insurance. Frequent major urban fires like the Great Fire of Saint John in 1877 and Toronto in 1904, highlighted the need for fire insurance, leading to the establishment of numerous local insurance companies. The growing awareness about the importance of protection against unexpected events has boosted the life insurance industry, with several Canadian companies emerging to serve this market.

The entry of British and American insurers into the Canadian market intensified competition, improved services, and contributed to industry modernization. As the industry expanded, so did the need for regulation. This led to the introduction of insurance acts that standardized practices and enhanced consumer trust.

The establishment of the first insurance company<sup>i</sup> in Montreal in 1804 marked a milestone, setting the stage for an industry that would grow robustly in response to the expanding economy. However, the history of the insurance industry in Canada reveals a fascinating shift of financial hubs from Montreal to Toronto over the decades, especially notable in the 1970s and 1980s. This shift was triggered by the election of the Parti Québécois (PQ) government in 1976, which pursued policies promoting Quebec nationalism, including the controversial 1980 Quebec sovereignty referendum and language laws like Bill 101.

These developments created concerns about political and economic stability, as well as the implications for conducting business in a bilingual or French-dominated environment. As a result, companies like Sun Life Financial (which officially announced its move to Toronto in 1978) and others opted to relocate their headquarters to Toronto, which was seen as a more stable and business-friendly city at the time. This migration contributed to Toronto's rise as Canada's financial hub, overtaking Montreal, which had held that position historically. Today, Toronto's insurance industry has been shaped by centuries of adaptation and innovation. It is a broad ecosystem encompassing everything from major domestic and international insurers to innovative start-ups that leverage cutting-edge technology to redefine risk management. The industry not only protects against traditional risks but also addresses complex modern challenges such as cyber threats, climate change, and pandemics.

Today, Toronto is not only a hub for insurance but also a major center for diverse financial services. The city hosts headquarters of several major insurance companies and contributes significantly to the national and international insurance markets.



## Leading Trends in Today's Insurance Industry

Over the years, the Canadian insurance industry has experienced a remarkable shift, driven largely by technological advancements and changing consumer expectations. Where interactions once required lengthy phone calls and office visits, the norm now revolves around digital platforms that emphasize speed, transparency, and personalization. Consumers can easily compare car and home insurance policies through websites and apps, making the process of finding the best deal far less dependent on individual brokers. Insurance companies are increasingly using data analytics to customize policies based on detailed personal information, such as driving behaviors, property locations, and even lifestyle choices.

The transformation has extended to customer service, where AI and chatbots now provide round-the-clock support. Tasks like policy inquiries and claims initiation, which used to involve cumbersome processes, are now streamlined through technology. For example, telematics and home monitoring systems are employed not just for personalized policy rates but also for offering discounts, thereby incentivizing safer driving and more secure home environments.

This digital transformation is profoundly affecting the skills needed within the industry. There's a growing demand for AI specialists, data analysts, software developers, and cybersecurity experts. Companies are seeking professionals who can manage and interpret the vast amounts of data they collect, as well as develop and secure the platforms through which they interact with customers. The rise of automated systems and AI in claims handling and underwriting has also reshaped job roles, making tech-savviness a crucial attribute for new hires.

Moreover, regulatory changes aimed at enhancing consumer protection and the fairness of insurance systems, like those recently seen in Ontario, require professionals who can navigate and implement these new guidelines effectively. For example, the Financial Services Regulatory Authority of Ontario ("FSRA") recently released their Proposed Guidance on Automobile Insurance Rating and Underwriting Supervision guidance. The Proposed Guidance uses a principles-based, outcomes-focused approach to automobile insurance rate regulation and underwriting rules and will affect all insurance companies and their intermediaries providing automobile insurance in Ontario.

These changes are intended to uphold principles of consumer protection and fairness, while promoting a competitive environment for insurers. This regulatory environment is pushing insurance companies to adopt more comprehensive risk management frameworks, thereby increasing the need for experts in risk assessment.

As severe weather events become more frequent and intense due to climate change, the industry's approach to risk assessment and pricing is also evolving. This has spurred a demand for professionals with expertise in data science, actuarial science, and environmental science, who can help develop insurance products that accurately reflect increased risks.

In essence, as the insurance industry continues to adapt to technological, regulatory, and environmental changes, the landscape of required skills and the overall labour market are also in flux. This presents both challenges and opportunities for professionals in the field, underscoring the need for continuous learning and adaptation.



## Understanding Insurance: A Simple Guide

In today's unpredictable world, managing financial risk is more important than ever. Insurance acts as a safeguard, protecting individuals and businesses from potential financial setbacks that can arise from unexpected events. Whether it's a minor car accident or a major natural disaster, having the right insurance can mean the difference between financial stability and distress. When you purchase insurance, you pay a premium either regularly or as a lump sum. This arrangement ensures that in cases of accidents or unforeseen events, the insurance company compensates you based on the agreed terms of the policy. It's crucial to understand the policy details, including covered risks, the claim process, and any deductibles, to ensure adequate coverage.

Here's a quick guide to understanding the different types of insurance available:

### **Personal Insurance**

- 🛡️ **Auto Insurance:** Provides coverage for financial losses following a vehicle accident. Essential for all drivers, it requires a valid driver's license and residency in Canada.
- 🛡️ **Home Insurance:** Covers property and personal belongings for homeowners. The scope of coverage can vary depending on the type of property and residency status.
- 🛡️ **Travel Insurance:** Essential for international travel, covering emergency medical situations, trip cancellations, and losses such as baggage theft or damage.
- 🛡️ **Life Insurance:** Ensures financial security for beneficiaries after the policyholder's death. It's crucial to select the appropriate type for your needs.
- 🛡️ **Mortgage Loan Insurance:** Covers mortgage payments in cases of illness, disability, or death, helping to manage significant property investment risks.

### **Business Insurance**

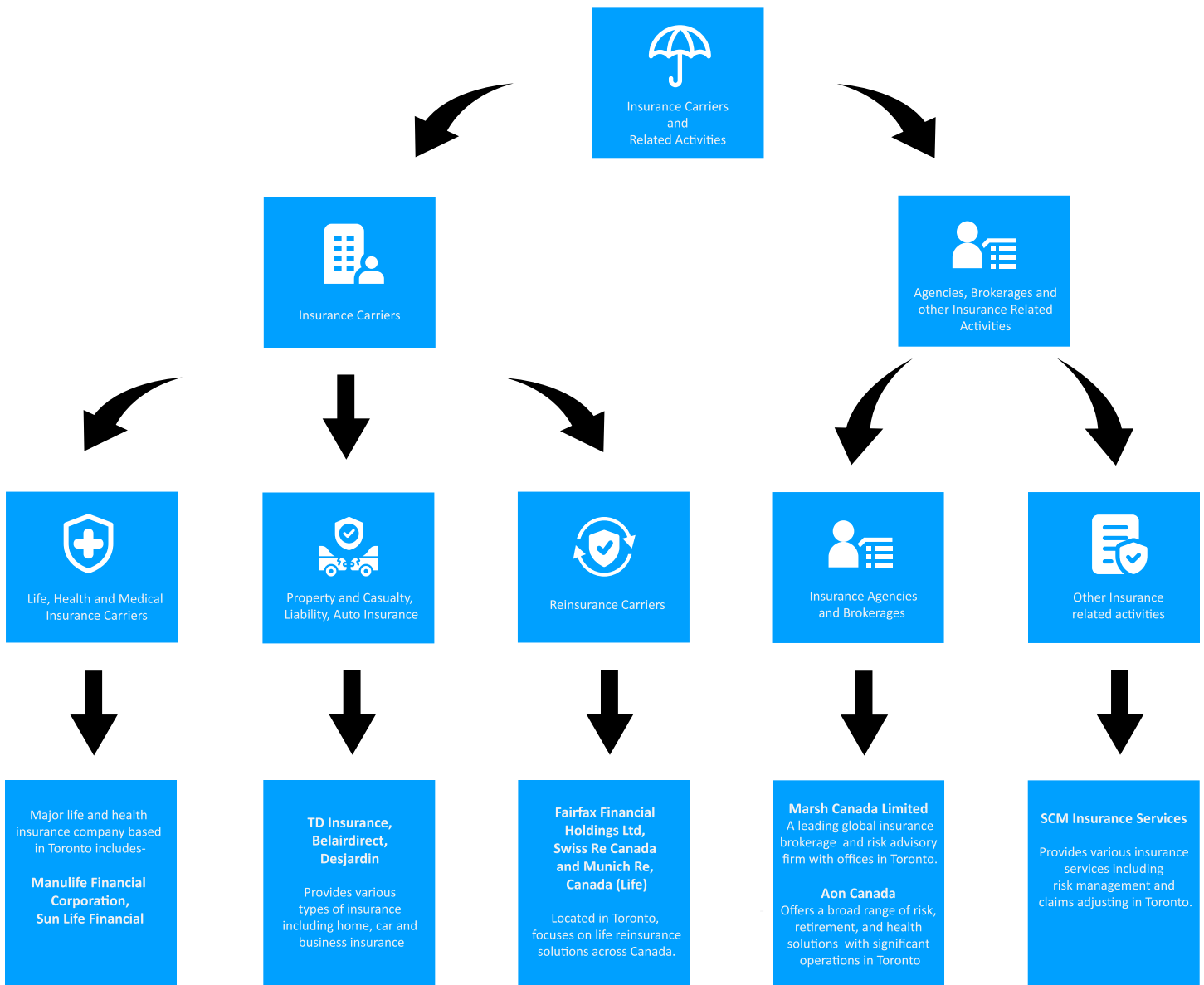
- 🛡️ **Property Insurance:** Protects business assets like buildings and inventory against losses from fires, natural disasters, and other events.
- 🛡️ **Business Interruption Insurance:** Compensates for income lost due to various disruptions, helping cover ongoing expenses and lost profits.
- 🛡️ **Liability Insurance:** Covers damages from negligence, defective products, or injuries occurring on business premises or through its operations.
- 🛡️ **Vehicle Insurance:** Necessary for business-owned vehicles, providing coverage against accidents and related legal issues.
- 🛡️ **Key Person Insurance:** Protects a business from the loss of crucial personnel due to death or incapacity, supporting continuity and financial stability.
- 🛡️ **Group Health Insurance:** Offers health benefits to employees, enhancing job satisfaction and loyalty while maintaining workforce productivity.

## Understanding the Insurance Industry Classifications

The insurance industry in Toronto can be categorized using a system called the North American Industry Classification System (NAICS)<sup>ii</sup>, which helps organize different economic activities into a clear structure. Think of it as a way to sort businesses into different family trees. Starting with a broad section labeled “Insurance Carriers and related activities”, which is a sub-sector of the sector “Finance and Insurance” the NAICS narrows down to more specific categories. Insurance Carriers and Related Activities covers all the companies involved in insurance, from those that issue policies to the ones that help manage them, like Agencies and Brokerages.

Figure 1 uses a flowchart to show how these parts fit together, making it easier to see how the insurance industry is structured by Statistics Canada’s North American Industry Classification System<sup>iii</sup>.

**Figure 1 - Mapping Key Players in Toronto’s Insurance Industry**





This report will highlight the two key segments of the insurance industry. These are:

*Insurance Carriers:* Insurance carriers create the insurance products (think of them as the ‘manufacturers’). They are also known as the insurance company or the insurer and sell their products through Agents, Brokers or directly to consumers or both. This segment focuses on establishments that undertake the underwriting of life, health, and property/casualty insurance policies and those involved in reinsurance. These entities manage risk by pooling and investing premiums to cover future claims.

The rise of the internet and digitization has fundamentally changed how insurance is bought and sold, enabling Insurance Carriers to bypass traditional Brokers and go directly to consumers. Online platforms, comparison tools, and AI-driven underwriting have made it easier for consumers to research, purchase, and manage policies without needing an intermediary.

*Agencies, Brokerages, and Other Insurance Related Activities:* This segment comprises establishments primarily engaged in acting as Agents or Brokers in selling insurance policies and offering services that facilitate the insurance process.

Many Brokerages in Toronto still maintain brick-and-mortar retail locations, with storefronts found across the city, but their presence has significantly declined from a time when they were a fixture in nearly every neighborhood. Once the dominant way to purchase insurance, these offices have dwindled as digital platforms and direct-to-consumer models have reshaped the industry, reducing the reliance on in-person transactions.

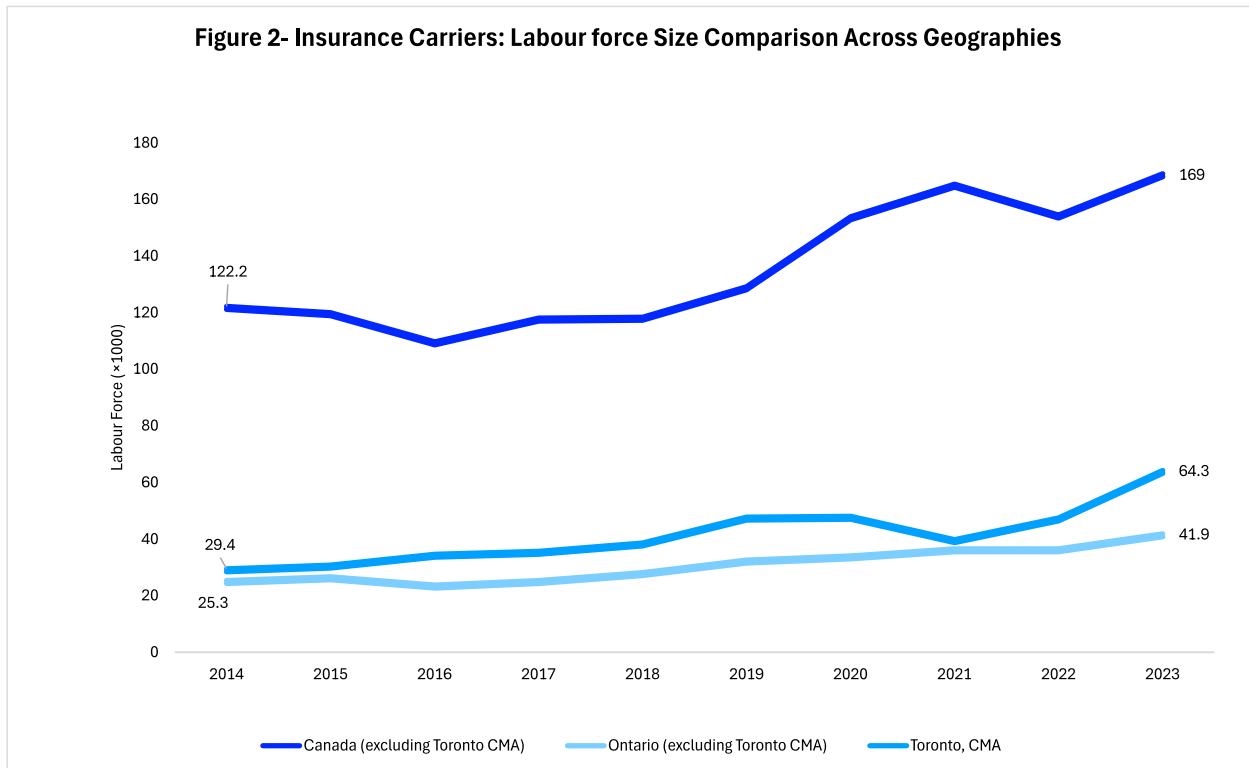
These two segments of the insurance industry are fundamental to understanding the dynamics of the insurance market in Toronto. This selective focus allows for a detailed exploration of the core functions that define the insurance industry’s contributions to Toronto’s economy.

## Analysis of Labour Distribution Trends Across Key Segments of the Insurance Industry

Ontario and Toronto are the principal epicenters for insurance-related activities within Canada. Labour Force Survey data from 2014 reveals that Ontario comprised 36% of the national workforce in the Insurance Carriers industry and 44% in Agencies and Brokerages. By 2023, Ontario's proportion had increased to 46% and 47%, respectively. Additionally, Toronto's prominence within Ontario's insurance industry has strengthened significantly; in 2023, the city accounted for 61% of Ontario's workforce in Insurance Carriers and 49% in Agencies and Brokerages. This data not only highlights Toronto's central role but also underscores its position as a dominant force in the industry, firmly establishing Ontario and Toronto as the heart of Canada's insurance industry workforce.

### Labour Force Size: Insurance Carriers and Agencies and Brokerages

This section delves into the evolving landscape of the size of the labour force within two critical segments of the insurance industry: (i) Insurance Carriers and (ii) Agencies, Brokerages, and Other Insurance Related Activities. By examining annual data spanning from 2014 to 2023, this section uncovers the nuanced dynamics of these segments across different geographic delineations—specifically, Canada and Ontario excluding Toronto CMA, and Toronto CMA itself. This analysis highlights the distinctive growth patterns and challenges faced by these key segments of the insurance industry and the pivotal role of Toronto CMA as a central hub influencing broader industry trends.

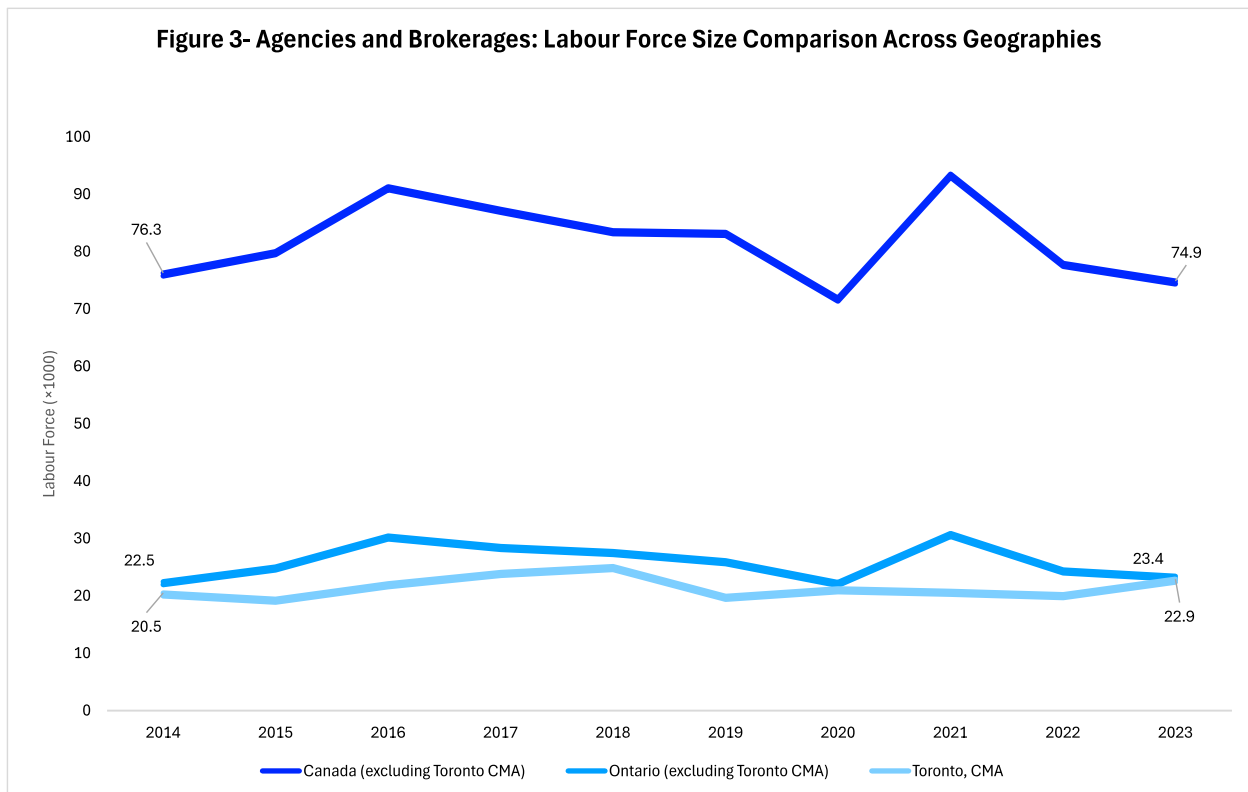


Source: Labour Force Survey

As illustrated by Figure 2, the robust growth of the labor force in the Insurance Carriers industry within the Toronto CMA, has more than doubled from 29,400 in 2014 to 64,300 in 2023. While



the insurance labour force also grew in other parts of Canada, the relatively modest growth in Ontario outside of Toronto suggests a centralization of industry activities in the Toronto CMA.



Source: Labour Force Survey

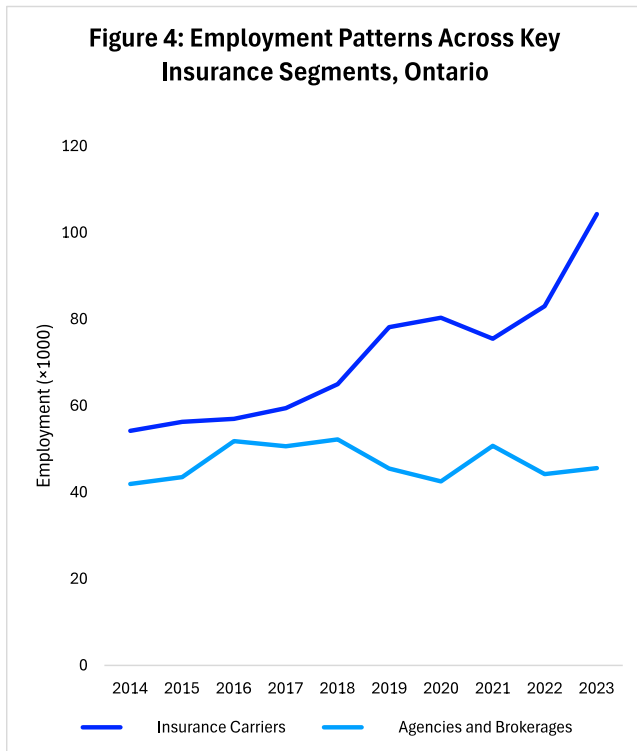
Compared to the Insurance Carriers, the Agencies and Brokerages growth has been far less dramatic and been relatively stagnant (see Figure 3), reflecting shifts towards digital platforms. The increasing use of comparison tools and digital brokers has made it easier for customers to bypass traditional brokers and agencies, leading to slower workforce growth in this industry.

Insurance Carriers, tasked with underwriting and managing complex financial portfolios, require more specialized staff to handle increasing data analysis, risk assessment, and compliance needs. In contrast, the Agencies and Brokerages might be experiencing saturation or more significant impacts from technological efficiencies. This divergence between the two key segments of the insurance industry highlights a shift toward greater centralization of insurance operations within Carriers, while intermediary services face potential disruption. This data findings align with discussions held with industry experts, who also noted more pronounced growth among Carriers than in Agencies and Brokerages.

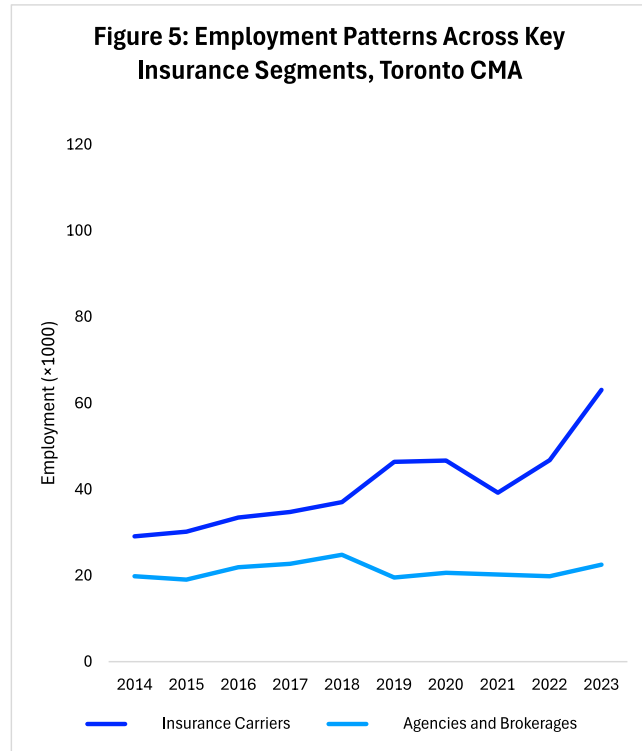
With the insurance industry experiencing growth, particularly in Toronto, there is a need to ensure that the workforce can meet the industry's evolving demands. Workforce development programs could focus on skill development initiatives by collaborating with educational institutions and training centers to develop curriculums that align with the skills that are increasingly demanded by employers such as data analysis, cybersecurity, and digital marketing.

## Employment Trend in Key Segments of the Insurance Industry

The last ten years have been transformative for the insurance industry in Ontario, with Toronto showing significant shifts in employment dynamics as the industry responds to digital innovation and market demands.



Source: Labour Force Survey



Source: Labour Force Survey


**Insurance Carriers:** Employment in the Insurance Carriers has seen consistent growth in Ontario and Toronto CMA as depicted in Figure 4 and Figure 5 respectively, indicating a strong, steady expansion, particularly from 2021 onward, growth rates in employment accelerated significantly. Employment in Ontario rose from 75,500 in 2021 to 104,300 in 2023, and in Toronto, from 39,200 to 63,100 over the same period.

### Factors Contributing to Employment Growth in Insurance Carriers

**Post-COVID Economic Recovery:** The period from 2021 to 2023 was marked by recovery from the COVID-19 pandemic, which had initially caused widespread economic disruptions. The insurance industry, critical in providing stability during uncertain times, saw an increased demand for insurance products as individuals and businesses sought to mitigate new risks associated with the pandemic. This demand boost could explain the rise in employment as companies expanded their workforce to handle increased workload, customer service, and claims processing.

**Technological Investments:** Substantial investments in technology to improve operational efficiency and customer engagement might initially require more human resources to integrate and manage these new systems. Expanding into new, complex product areas, such as cyber insurance or specialized commercial policies, which require additional specialized staff.





*Expansion and Diversification:* Expansion into new markets and diversification of insurance products to include extreme weather-related policies require additional expertise and support staff.

*Agencies, Brokerages, and Other Insurance-Related Activities:* Employment in Agencies and Brokerage shows more fluctuations<sup>iv</sup> and often stagnant growth in employment. This segment for Ontario were 41,900 in 2014, employment peaked in 2016 at 51,800 before declining to 45,600 in 2023. In Toronto CMA, employment ranged from 19,900 in 2014, reaching a peak in 2018 at 24,800, before experiencing declines and a moderate recovery to 22,500 by 2023.

*Factors Contributing to Fluctuations in Employment of Agencies and Brokerages:*

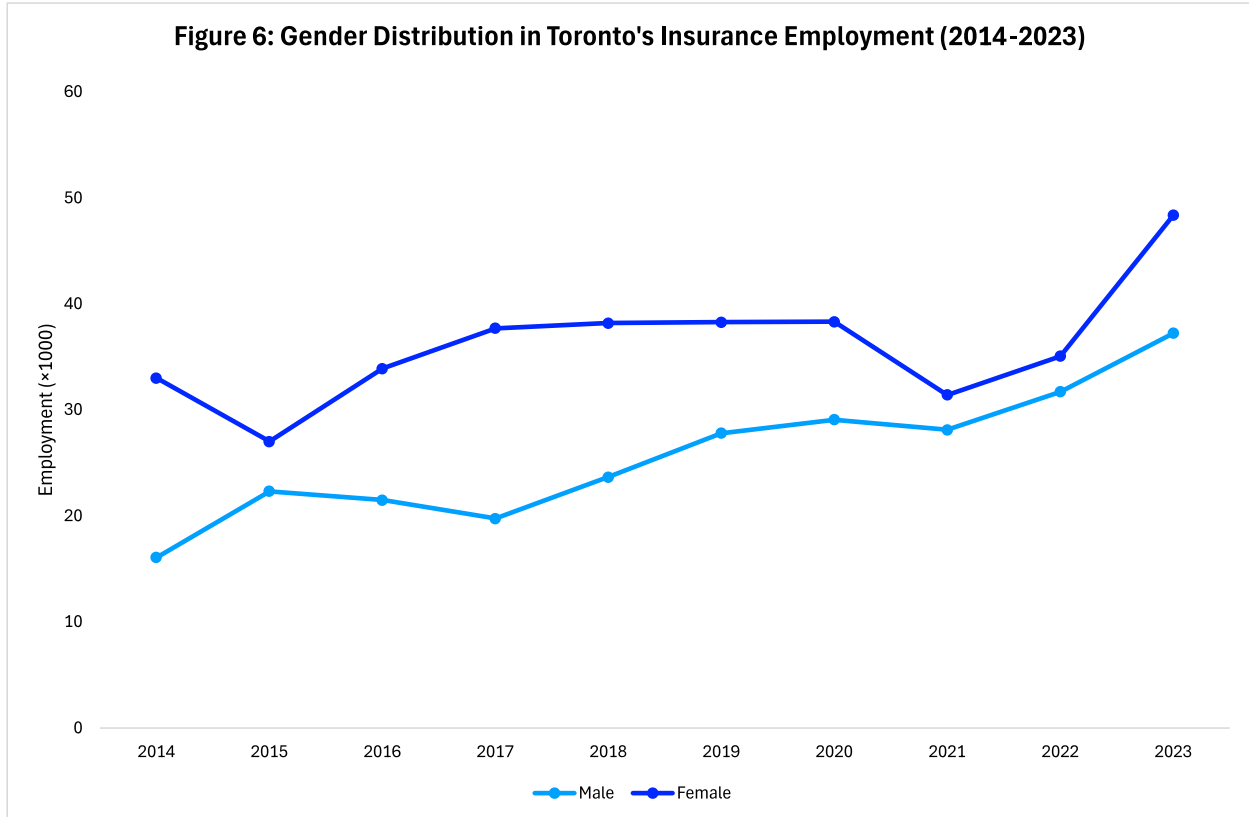
*Market Consolidation:* The fluctuation in employment numbers could reflect market consolidation where smaller agencies merge or are acquired by larger firms, potentially reducing the number of individual agencies but stabilizing or increasing employment in surviving firms.

*Increased Online Platforms:* The rise of online insurance platforms may reduce the need for traditional brokerage services, impacting employment. However, specialized brokerages that have adapted to online models might regain or increase their staffing to manage these new systems.

*Economic Sensitivity:* Agencies and brokerages are highly sensitive to economic cycles. The fluctuating economic recovery, consumer confidence, and changing insurance needs directly impact their employment levels.

## Gender Distribution Trends in Employment

Figure 6 provides a snapshot of gender composition within the insurance industry in Toronto. It shows a positive trend in employment numbers for both male and female workers in the insurance industry in Toronto's Census Metropolitan Area (CMA) from 2014 to 2023. However, female employment consistently exceeded male employment throughout the period.



Source: Labour Force Survey

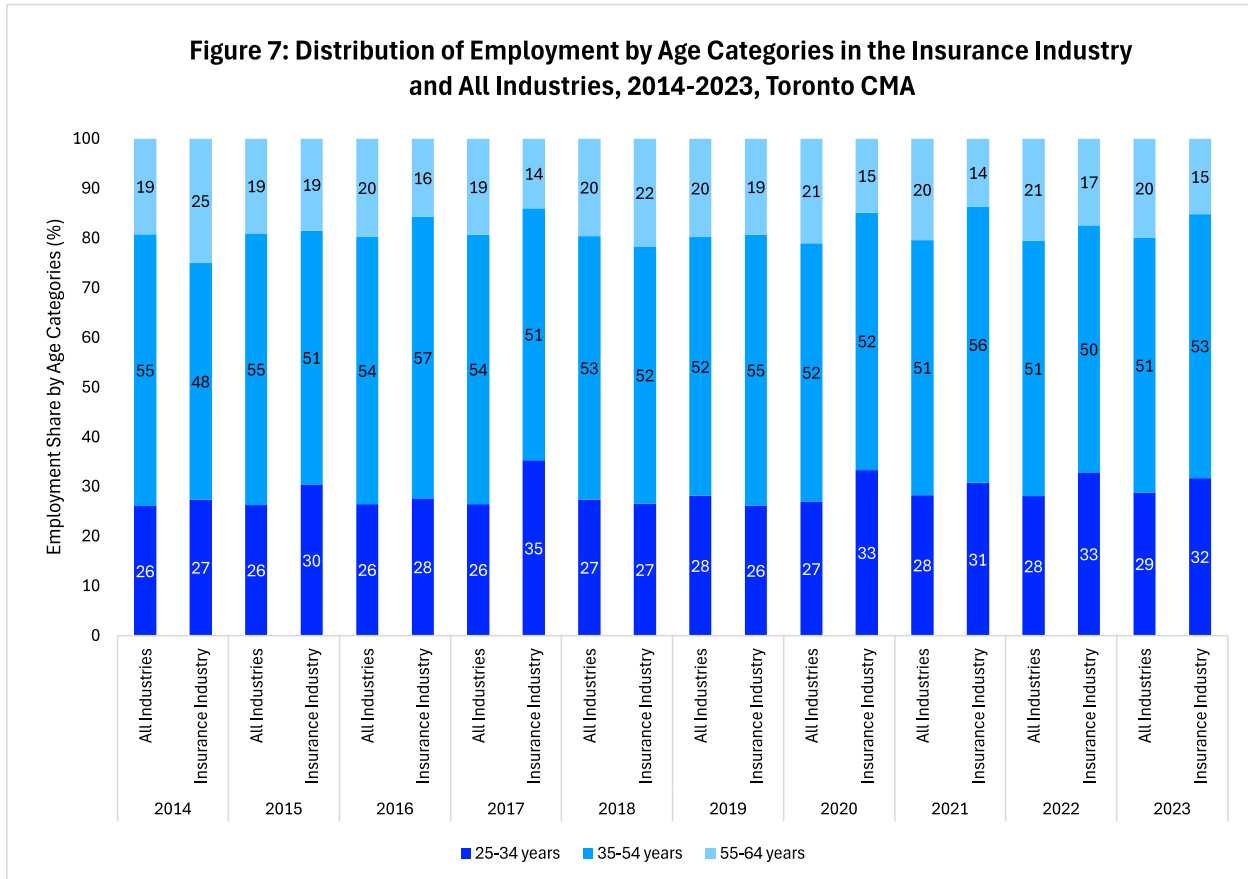
The figure shows a steady rise in employment numbers for men from 2014, starting below 20,000 and reaching almost 40,000 by 2023. Female employment began higher than male employment at 33,000 in 2014 and demonstrated a more significant growth, especially noticeable from 2021 onwards reaching close to 50,000 by 2023. This indicates that the insurance industry has traditionally been an option for women looking for a meaningful career in finance due to industry efforts to become more inclusive and to create equitable opportunities.

This overall upward trend in both male and female employment suggests stability and a growing capacity of the industry to support and expand its workforce. This is driven by factors such as economic expansion, technological advancements in insurance services, and increased demand for insurance products.



## Employment Share by Age Categories

The demographic makeup of employees in an industry reveals significant insights into the industry’s workforce. By analyzing the employment share across different age categories, stakeholders can better understand the workforce dynamics at play, enabling more effective planning for recruitment, retention, and retirement processes.



Source: Labour Force Survey

Figure 7 analyze the distribution of employment by age groups-25 to 34 years (youth), 35 to 54 years (prime working age), and 55 to 64 years (near retirement) within Toronto’s insurance industry, and compare these trends to the overall employment patterns across all industries over the decade spanning from 2014 to 2023<sup>y</sup>.

While the overall share of younger employees (24-34 years) in all Industries has shown relative stability, the insurance industry has demonstrated more fluctuations and a generally higher share of employment in this age group. This indicates a strategic focus within the insurance industry on attracting younger talent, due to the need for digital skills or innovative thinking that younger employees can bring. The insurance industry should continue to build on this momentum by enhancing its attractiveness to younger professionals. Offering training in emerging technologies within insurance can help capitalize on their technical skills and integrate them effectively into the workforce.

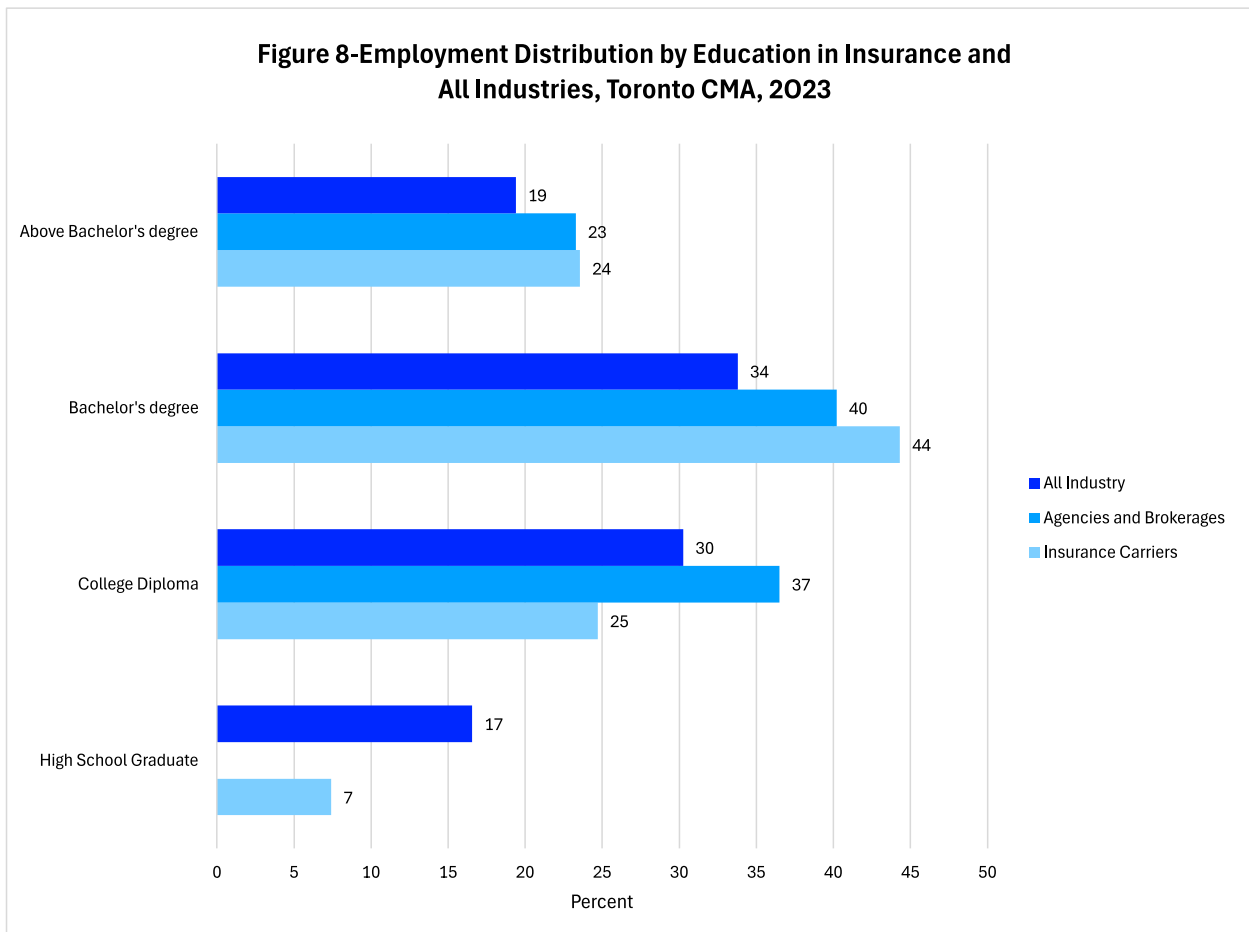
The insurance industry has shown more variability in the employment share of prime working age employees (35-54 years) compared to the steadier decline observed in all industries. This

could reflect the industry-specific cycles of hiring and layoffs during economic downturns or structural changes within the sector.


The insurance industry exhibits a sharper decline in the share of near-retirement age employees (55-64 years) compared to a more gradual increase in all industries. This divergence suggests that the insurance industry may be facing challenges in retaining older workers, due to rapid digitization. These technologies often replace or drastically change traditional roles, which can be more challenging for older employees who may have less experience with these new tools. The rapid pace of digitization could be leading to a skills mismatch, where the skills of older workers are less aligned with the new technological requirements. Another factor could be retirement trends. Employees in the insurance industry may be opting for retirement earlier due to attractive pension plans or buyout packages. In contrast, the percentage in all industries with a slight increasing trend, possibly reflecting broader societal trends such as delayed retirement.

### ***Employment Distribution in Insurance Industry by Levels of Education***

The distribution of employment by educational levels shows the educational qualifications most prevalent among industry professionals, offers critical insights into the industry's talent and its alignment with educational attainment. Figure 8 reports the employment distribution by educational attainment in Insurance Carriers and Agencies and Brokerages in Toronto CMA in the year 2023.



Source: Labour Force Survey



Insurance Carriers exhibit a lower percentage of High School Graduates (7%) compared to the overall industry average (17%). This suggests a higher barrier to entry, where roles often require at least some post-secondary education due to the technical nature of the work. Furthermore, there is a notable demand for professionals with Above Bachelor's degrees (24%), significantly higher than the overall industry average (19%), indicating a need for specialized knowledge and skills in high-level decision-making and policy development.

Agencies and Brokerages, on the other hand, show a higher prevalence of College Diplomas (37%) compared to Insurance Carriers (25%). This segment places a strong emphasis on practical, skill-specific training that diploma programs provide, preparing individuals for roles in underwriting, brokerage, and claims.

Both segments demonstrate a higher reliance on Bachelor's degrees (44% for Carriers and 40% for Brokerages) compared to the industry average (34%). This underscores the industry's preference for a solid educational foundation in specialized areas pertinent to insurance.

To support the demand for highly educated professionals, Toronto offers a range of educational programs tailored to the insurance industry. For example, Humber College's Insurance Management-Property and Casualty (P&C) one year graduate certificate program prepares graduates for management roles in the property and casualty sector, covering fundamentals across underwriting, loss adjusting, risk management, and more. The curriculum includes business communications, insurance accounting, and customer service, with a strong focus on experiential learning.

Seneca College's two-year program Business Insurance Diploma in cooperation with the Insurance Institute of Canada (IIC), is designed with input from national insurance firms, focusing on brokerage, underwriting, and claims within the general insurance industry.

Centennial College's Insurance Management two-semester graduate certificate program is aimed at college or university graduates, focusing on claims investigations, adjusting, underwriting, and brokering in the property and casualty sector.

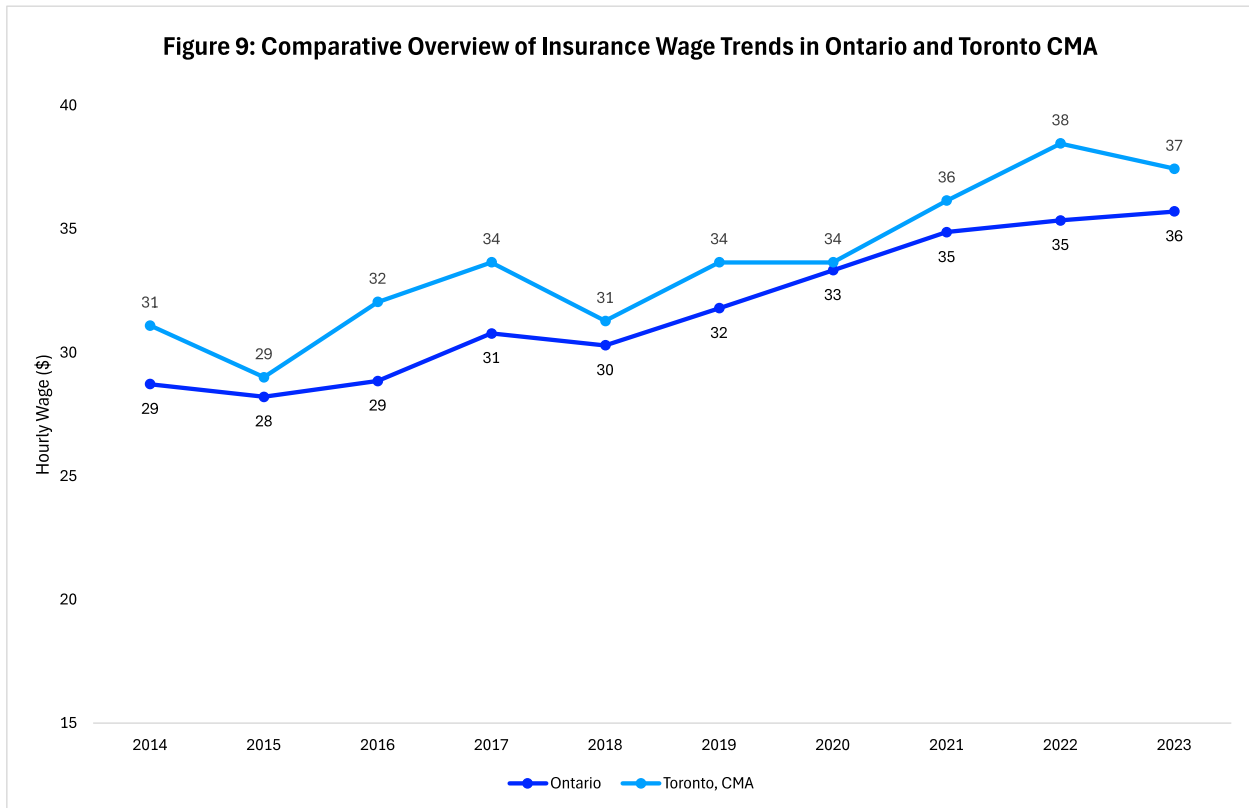
University of Toronto's Master of Financial Insurance (MFI) program is designed for students with strong backgrounds in statistics, actuarial science, economics, or mathematics, focusing on statistical methods, financial mathematics, and insurance modeling.

These programs reflect Toronto's strategic approach to fostering a skilled workforce capable of meeting the complex demands of the insurance industry. By aligning educational opportunities with industry needs, Toronto not only enhances the local talent pool but also positions itself as a competitive player in the global insurance market.



## Trend in Insurance Industry Wage Across Regions

This section examines the hourly wage in the insurance industry, spotlighting disparities and trends over the last decade 2014-2023 in Ontario and Toronto, CMA.



Source: Labour Force Survey

Both Ontario and Toronto CMA have seen a general upward trend in the median hourly wage over the decade. However, Toronto consistently exhibits higher wage rates compared to the Ontario average, which suggests a regional premium on wages due to the higher cost of living or the concentration of more specialized or senior roles in the city. While Ontario shows a modest increase in 2023, Toronto CMA shows a slight decline in wages in 2023. This could suggest a market adjustment or increased competition in the area.

The general upward trend in wages makes the insurance industry an attractive option for job seekers, and students which may help address talent shortages. These trends and observations suggest a robust demand for insurance professionals in Ontario, particularly in Toronto, influenced by both regional economic conditions and broader industry dynamics.



## Toronto's Insurance Industry: A Detailed Look at Key Occupations and Labour Market Insights

The insurance industry in Toronto is not just a market of policies and premiums but a landscape of diverse and skilled occupations. In this section, we take a closer look at these roles, understanding how they fit into the broader labour market.

In this report, we have specifically chosen to focus on five key occupations within Toronto's insurance industry for a more detailed discussion. Each of these occupations plays a pivotal role in the functioning and success of the insurance industry, contributing unique skills and insights that drive the industry forward. These roles include:

*Agents and Brokers:* Both Agents and Brokers act as intermediaries between insurance buyers and the insurance market and can offer insurance quotes on different policies. Both are licensed to sell insurance products while following provincial and federal regulations.

An Insurance Agent represents one or more insurance companies and sells their policies for a commission. Their job is to represent the insurance company in the transaction while also helping customers find the right coverage. There are two types of insurance Agents-Captive Agents, who work for a single insurance company and Independent Agents, who work for several different insurance companies and can offer a wider range of insurance products.

Brokers, meanwhile, represent the consumer and offer them expert advice. They have no obligation to sell policies from one insurance company or another, meaning they can shop around to find the best policies at the best prices according to their clients' needs. Since brokers don't represent insurance companies, they can't bind coverage on behalf of an insurer when purchasing insurance. They must hand over the account to an insurer or insurance agent to complete the transaction.

*Adjusters and Claims Examiners:* These are the industry's detail detectives, investigating each claim with a keen eye. They serve as the critical link between policyholders and the insurance company, meticulously reviewing claims to ensure just settlements.

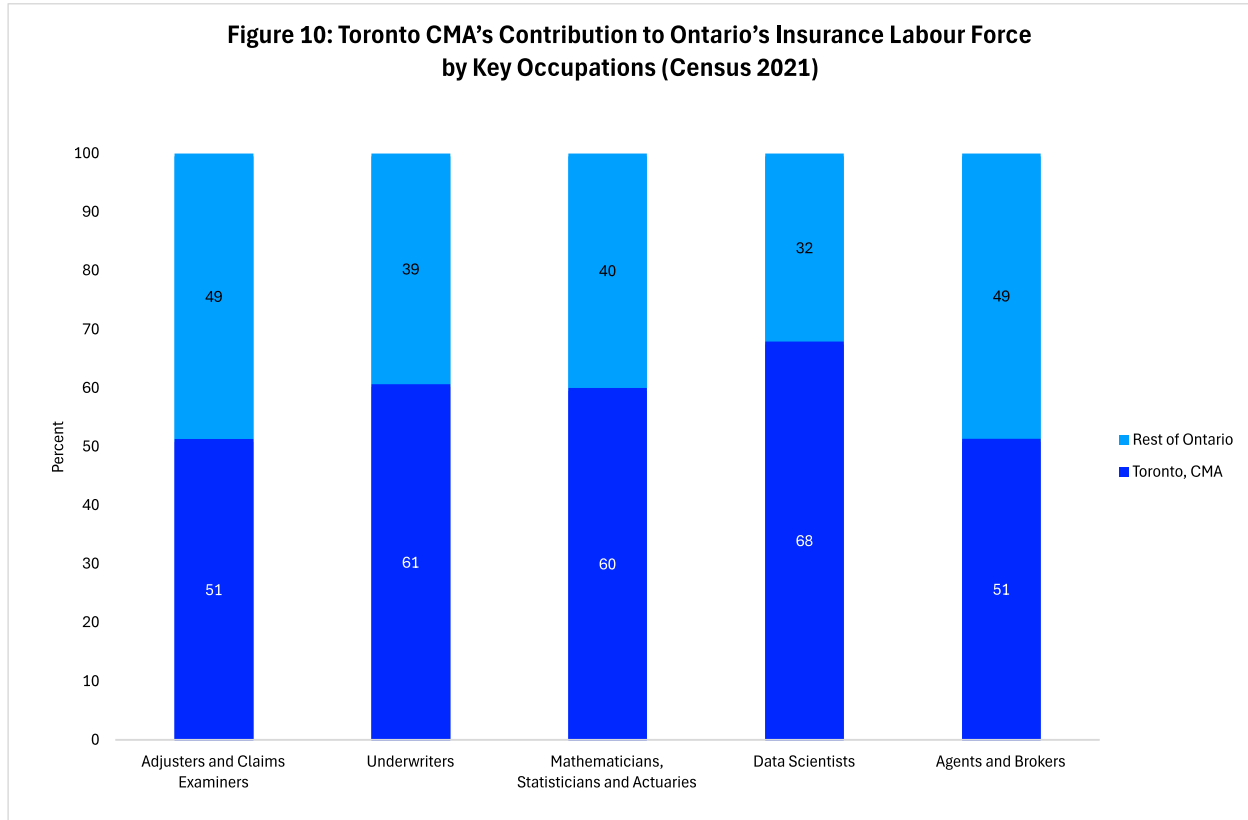
*Underwriters:* Underwriters are the risk evaluators. Their decisions dictate the economic viability of insurance policies, safeguarding the insurer from potential losses while providing necessary coverage to clients.

*Mathematicians, Statisticians, and Actuaries:* The trio of Mathematicians, Statisticians, and Actuaries are the masterminds of prediction and probability in the insurance world. They apply mathematical and statistical models to forecast future claims and pricing risks, thereby shaping the strategic framework of policy offerings.

*Data Scientists:* Data Scientists are the modern alchemists of the insurance industry, turning raw data into gold. By harnessing advanced analytics and machine learning, they extract insights that inform product development, customer segmentation, and risk assessment strategies.

## Exploring Toronto CMA's Role in Ontario's Insurance Occupations: Census 2021

Figure 10 offers a snapshot from the 2021 Census, highlighting how Toronto's metropolitan area plays a crucial role in staffing the insurance industry across key occupational categories. This analysis reflects the concentration of talent in the region and further highlights Toronto's pivotal position in insurance in Ontario's broader economic landscape.



Source: Statistics Canada, Census 2021

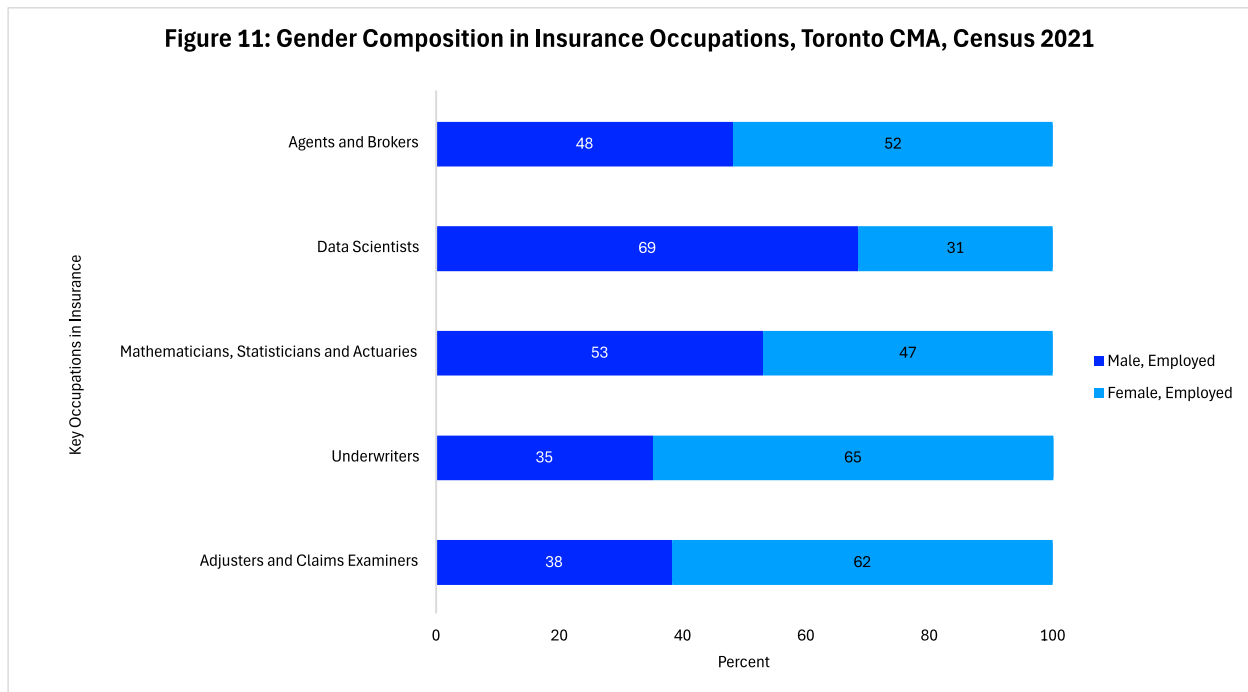
The distribution is nearly even for Adjusters and Claims Examiners as well as Agents and Brokers, with 51% in Toronto and 49% in the rest of Ontario. This suggests that while Toronto is important, there is a widespread need for sales and client service roles across both urban and rural settings, accommodating consumer needs directly. The share of Underwriters (61%) and Mathematicians, Statisticians and Actuaries (60%) supports Toronto's status as a strategic decision-making center for insurance policies and risk assessment, financial modeling, and insurance product development. The highest concentration of Data Scientist labour force (68%) within Toronto suggests a strong emphasis on data-driven decision-making and innovation in insurance products and services, leveraging advanced analytics and big data technologies that are more prevalent in urban centers.

Given the high concentration of specialized roles like Actuaries and Data Analysts in Toronto, there's potential to develop Toronto as an innovation hub for the insurance industry. Establishing specialized training institutes or innovation labs that collaborate with local universities and tech companies could drive forward-thinking practices and technology adoption within the sector. There is also potential for the adoption of remote and hybrid work strategies, which can tap into this local talent pool without necessitating physical relocation.



## Exploring Gender Composition in Toronto's Insurance Jobs: 2021 Census Insights

Figure 11 below highlights intriguing patterns that suggest varying degrees of gender representation across different roles within the insurance industry.



Source: Statistics Canada, Census 2021

In roles such as Adjusters and Claims Examiners and Underwriters, there is a noticeable majority of female employees, with around 62% and 65% respectively. These roles involve handling claims, assessing damages, negotiating settlements, and maintaining detailed records—tasks that align well with skills that women are traditionally more likely to excel. For Underwriters, the need for meticulous attention to detail and risk assessment capabilities might also align more with educational paths traditionally pursued by women in fields like Business and Finance.

Conversely, the Data Scientist role demonstrates a significant male majority, with approximately 69% male employees. This aligns with broader trends seen across STEM fields, where technical roles that require heavy quantitative skills and programming are predominantly male. This could reflect deeper systemic issues such as gender biases in STEM education and career paths that deter women from entering and remaining in these fields.

Mathematicians, Statisticians, and Actuaries, and Agents and Brokers show a more balanced gender representation, though still slightly skewed towards males in the former and females in the latter. The balance in these roles suggests that there might be less of a perceived barrier for entry or continuation for either gender, possibly due to the nature of the work which blends technical skills with client interaction.

The discrepancy in gender distribution between roles like Mathematicians, Statisticians, and Actuaries, which exhibit a more balanced gender representation, and Data scientists, which remain male-dominated, can indeed seem confusing at first. However, several factors contribute to why Data Science might not see the same level of gender parity. Firstly, Data Science often

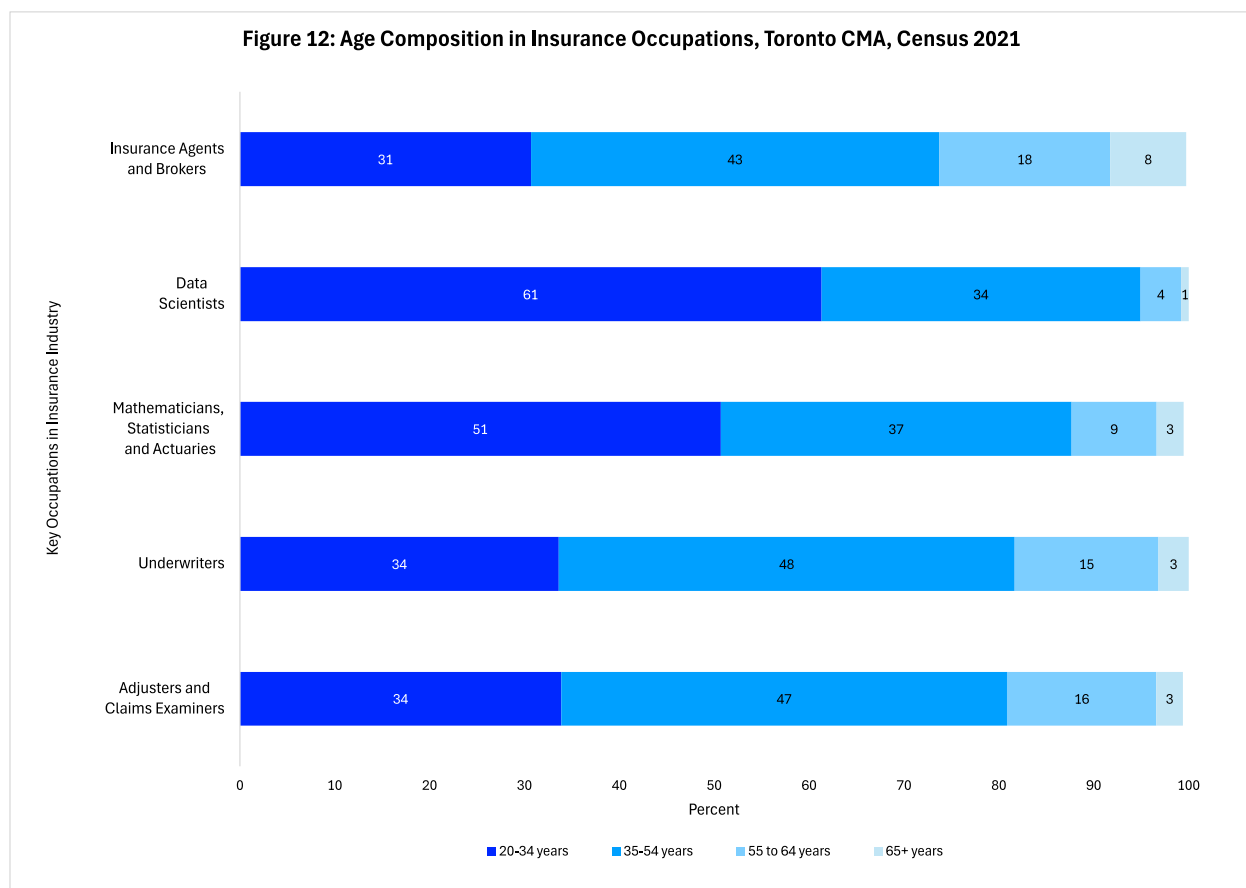


requires a deep understanding of complex algorithms, machine learning techniques, and programming skills. Historically, computer science and related fields have had lower female participation rates, which might carry over into Data Science.

While the foundational skills in Mathematics and Statistics are shared with the fields of Mathematicians, Statisticians, and Actuaries, the additional technical requirements in Programming and Computer Science may be a contributing factor. Data Science is a rapidly evolving field where the required skill sets and technologies can change quickly. This fast pace can be a barrier for those who take career breaks, which are more common among women due to family responsibilities. Keeping up with the latest technologies, tools, and methods can be challenging, impacting long-term career progression for women.

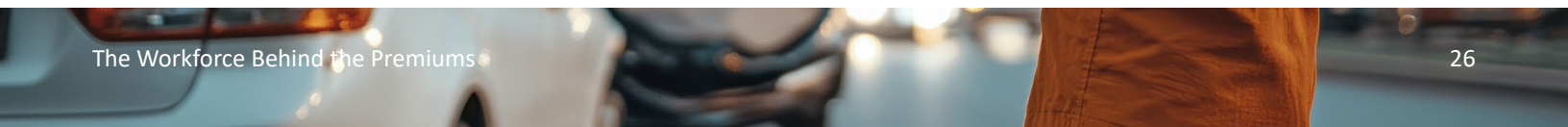
### ***Exploring Age Composition in Toronto's Insurance Jobs: 2021 Census Insights***

Using Census 2021 data, Figure 12 below provides insights on the age demographics within different occupational roles in insurance industry in Toronto CMA.



Source: Statistics Canada, Census 2021

Figure 12 shows that occupations like Data Scientists (61%) and Mathematicians, Statisticians and Actuaries (51%) have a significantly younger age profile (20-34 years) compared to other roles. This suggests a relatively recent establishment and growth of this role within the insurance industry, driven by the increasing reliance on big data and analytics. The small percentages of older workers also suggest it's a recent and rapidly evolving field.





Conversely, traditional roles such as Agents and Brokers (43%), Underwriters (48%), Adjusters and Claims Examiners (47%) demonstrate a heavier concentration of the mid-career demographic (35-54years) age range, signaling an impending generational turnover or it could be that these jobs are not as attractive to young people.

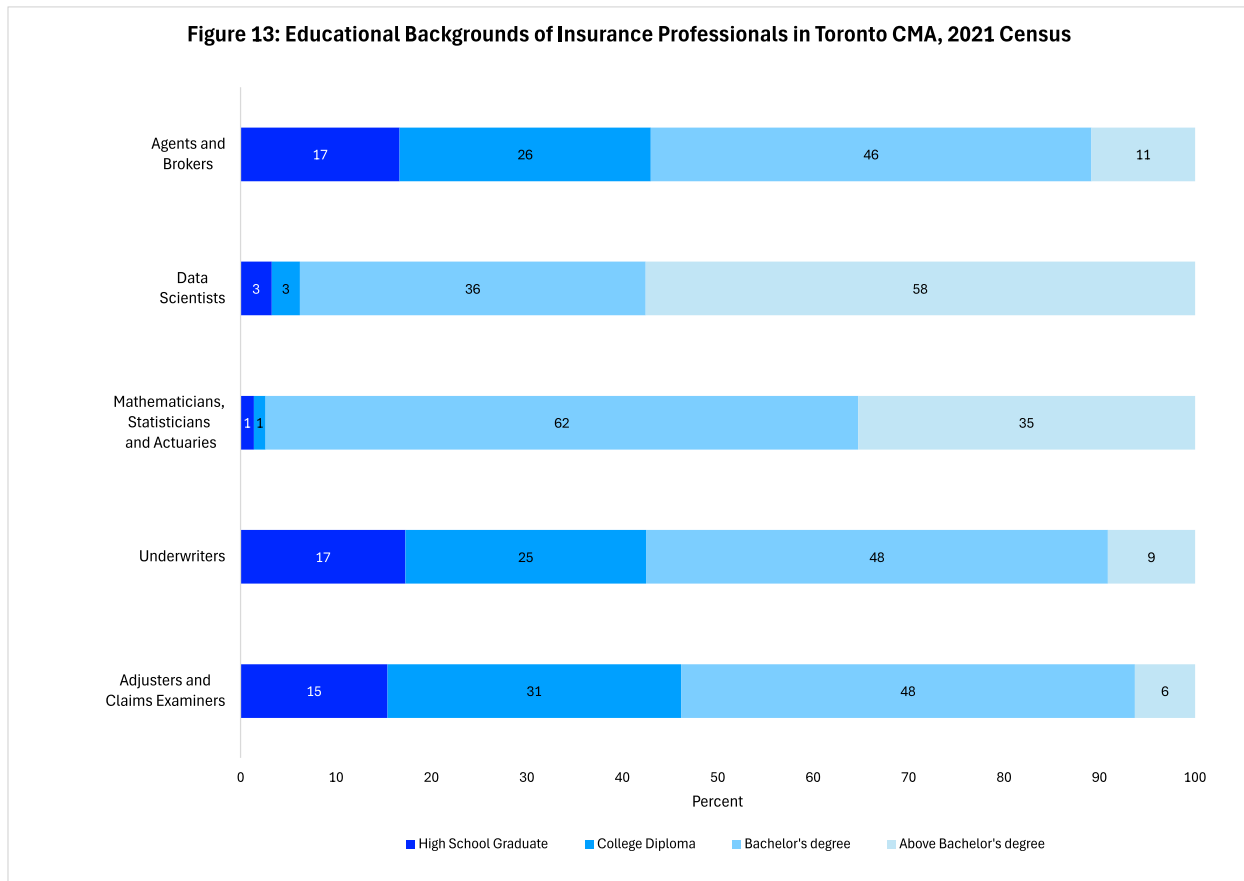
The chart shows that occupations like Data Scientists (61%) and Mathematicians, Statisticians and Actuaries (50%) have a significantly younger age profile (20-34 years) compared to other roles. This suggests a relatively recent establishment and growth of this role within the insurance sector, driven by the increasing reliance on big data and analytics.

Conversely, traditional roles such as Agents and Brokers (44%), Underwriters (48%), Adjusters and Claims Examiners (48%) demonstrate a heavier concentration of the mid-career demographic (35-54years) age range, signaling an impending generational turnover.

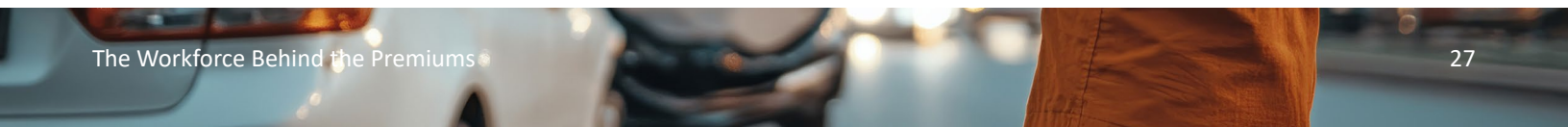
The age distribution suggests a need for targeted recruitment strategies to attract younger talents into aging roles like underwriting and claims examination, while also creating pathways for advancement and retention for mid-career professionals in Data Science and Actuarial roles.

### ***Educational Background of Insurance Professionals in Toronto CMA, 2021 Census***

The 2021 Census data reveal the diverse educational backgrounds of insurance professionals in Toronto CMA, highlighting the range of qualifications that contribute to the industry's dynamics.



Source: Statistics Canada, Census 2021







Using Figure 13, the following can be summarized about the educational backgrounds of Insurance industry professionals in Toronto, CMA:

**Higher Education Prevalence:** There's a clear trend towards higher education in more specialized roles like Data Scientists and Actuaries, where a significant percentage hold Above Bachelor's degree at 58% and 35% respectively. This reflects the technical and analytical nature of these roles which require advanced mathematical and statistical skills.

**Bachelor's degree as a Standard:** For Adjusters, Claims Examiners, and Underwriters, the most common qualification is a Bachelor's Degree. This indicates that even roles traditionally viewed as less technical now require substantial formal education, likely due to the increasing complexity of the regulatory and business environments in which they operate.

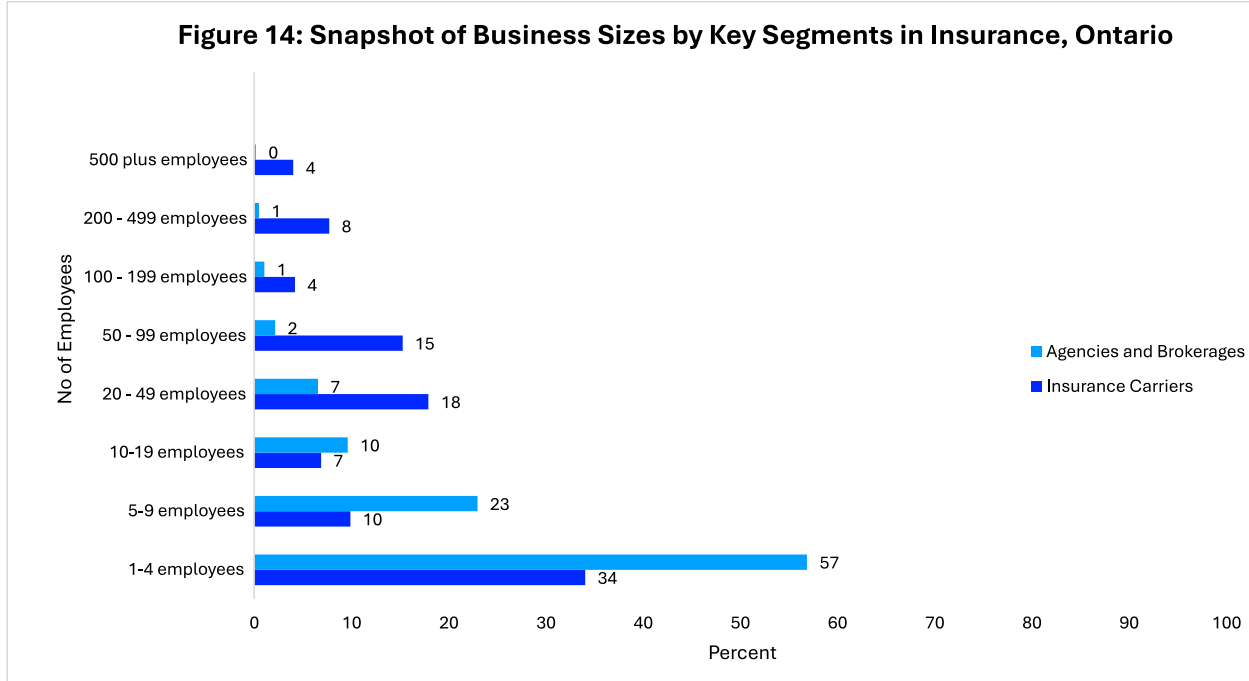
**Role of College Diploma:** These qualifications are significant for Adjusters and Underwriters, highlighting the industry's reliance on specific vocational skills that can be acquired through less than a four-year college degree. This pathway provides an important entry point into the industry for those without a traditional university education.

**Low Representation of High School Graduate:** Across all roles, except for Adjusters and Underwriters, there is minimal representation of professionals with only High School Graduate, suggesting that high school education alone is insufficient for most professional roles within the insurance industry in Toronto.

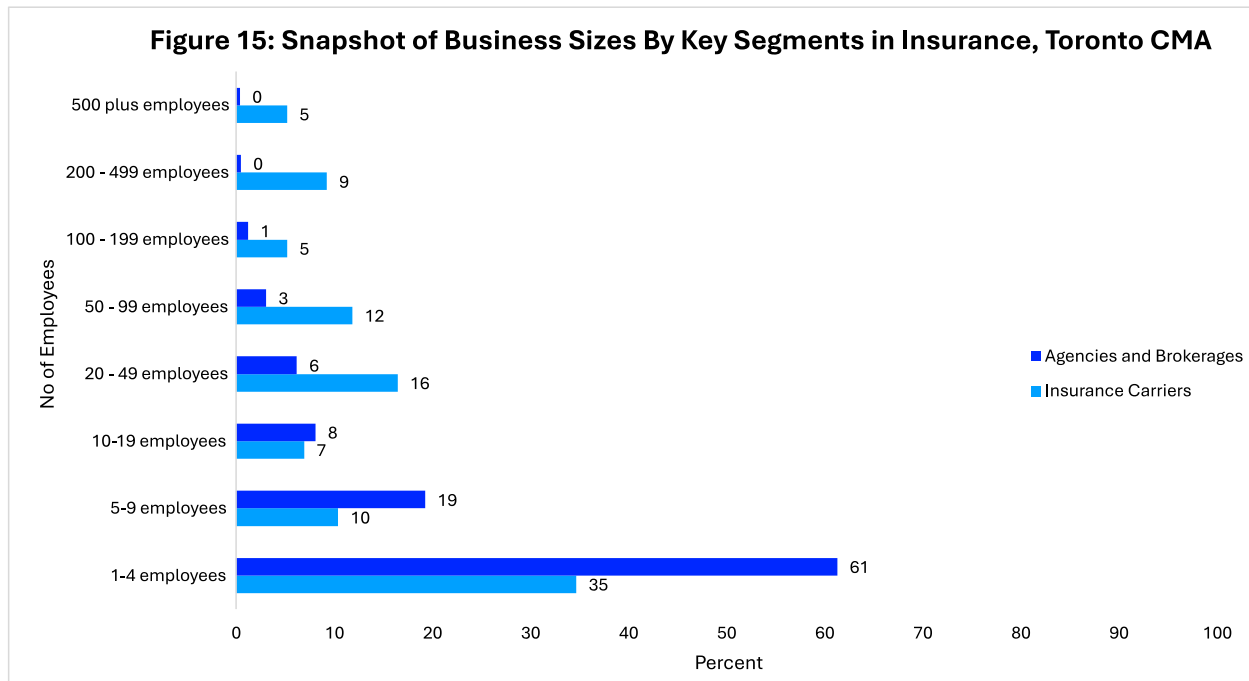
Census data reflects that Toronto's insurance industry professionals' points to a highly educated workforce with a strong emphasis on higher education for technical and analytical roles. The emphasis on higher education signals towards a competitive job market where advanced qualifications can be a key differentiator. Educational institutions and industry bodies may need to continue aligning their programs with the specific needs of the insurance industry, including the integration of new technologies and methodologies, to ensure that graduates are job ready.

## Insurance Industry Business Counts by Employee Size


Figure 14 and Figure 15 represents the number of businesses by employee size in Insurance Carriers and Agencies and Brokerages. Analysis covers both Ontario and the Toronto CMA as of December 2023. The businesses are categorized by employee size, ranging from 1-4 employees to 500+ employees.



Source: Statistics Canada, Canadian Business Counts, with employees, December 2023



Source: Statistics Canada, Canadian Business Counts, with employees, December 2023



In Toronto, the Insurance Carriers' is notably diverse in terms of business size. Micro-sized businesses, which employ between 1-4 employees, make up 35% of the industry indicating a significant presence of small-scale operations. Meanwhile, medium-sized businesses, with 20-99 employees, also form a considerable portion, representing 28% of the market. The larger businesses, those with 100 or more employees, account for approximately 19.65% of the industry, suggesting that well-established companies play a critical role in driving economic activity within the region.

Agencies and Brokerages in Toronto are predominantly composed of smaller businesses, with 61% falling into the micro-sized category. Businesses with 5-9 employees make up 19% of the industry. Larger entities are relatively rare, indicating a highly fragmented market landscape dominated by numerous small players.

Insurance Carriers in Ontario also shows a high percentage of small businesses, comprising 34% of the industry. However, there is a higher representation of medium to large businesses, those with 20 or more employees, compared to Toronto. This suggests a stronger presence of mid-sized to large companies across the province.

For Agencies and Brokerages in Ontario, the market structure is slightly more varied than in Toronto. While still predominantly small, with 57% of businesses being the smallest size and 23% having between 5-9 employees, the proportion of larger businesses is marginally higher. This points to a more diverse business size distribution throughout Ontario, although it remains an industry characterized by smaller enterprises.

Larger Insurance Carriers contribute significantly to economic stability and growth, providing stable jobs and potentially more career growth opportunities. The presence of these firms in both geographies indicate robust industry health. The structure of the industry, with many small players, might foster innovation and competition, particularly in providing specialized services or leveraging technology to disrupt traditional models.



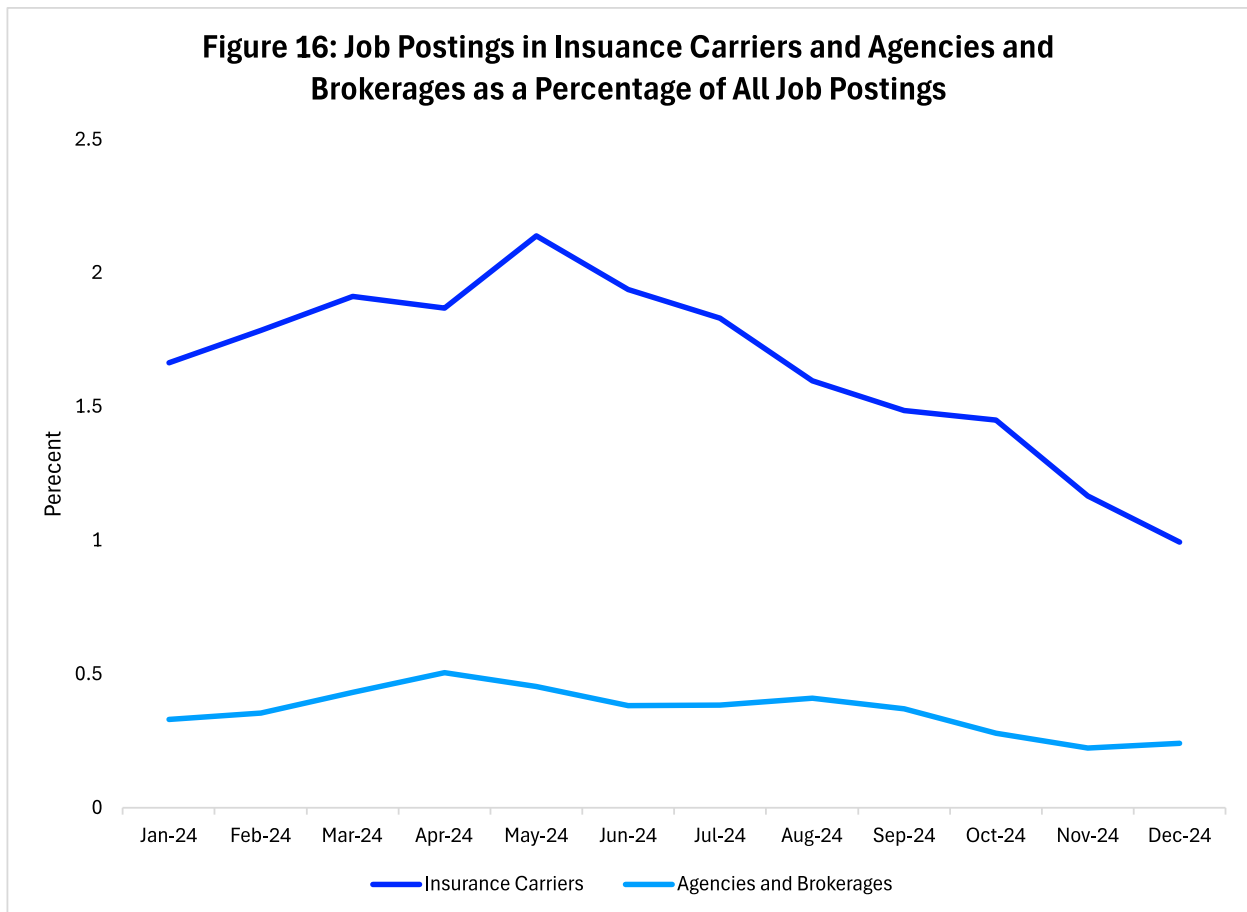
## Job Posting Dynamics in the Insurance Industry, City of Toronto

### **Key Insurance Segments: Job postings, Average Posting Duration and Number of Companies Hiring**

This section provides a detailed examination of job posting trends within Toronto's insurance industry from April 2022 to December 2024, utilizing data from the Jobs TO platform. It focuses specifically on two key segments within the insurance industry: Insurance Carriers, with 16,727 active and 16,656 new job postings, and Agencies and Brokerages, with 4,254 active and 4,223 new job postings. This data is juxtaposed against the broader job posting metrics for all industries, which show 969,078 active and 961,809 new job postings.

The insurance industry plays a significant role in Toronto's labor market dynamics. Insurance Carriers represent approximately 1.73% of all active job postings, while Agencies and Brokerages account for about 0.44%. Notably, the Insurance Carriers segment exhibits a substantial volume of both active and new job postings, indicating a robust demand for professionals. The minimal discrepancy between active and new postings in these categories suggests a vibrant job market characterized by a predominance of new opportunities rather than reposts. This vigorous job posting activity could also be indicative of high turnover rates or substantial shifts in skill requirements driven by technological advancements or regulatory changes. Consequently, professionals in this field may need to continually enhance their skills to stay competitive.

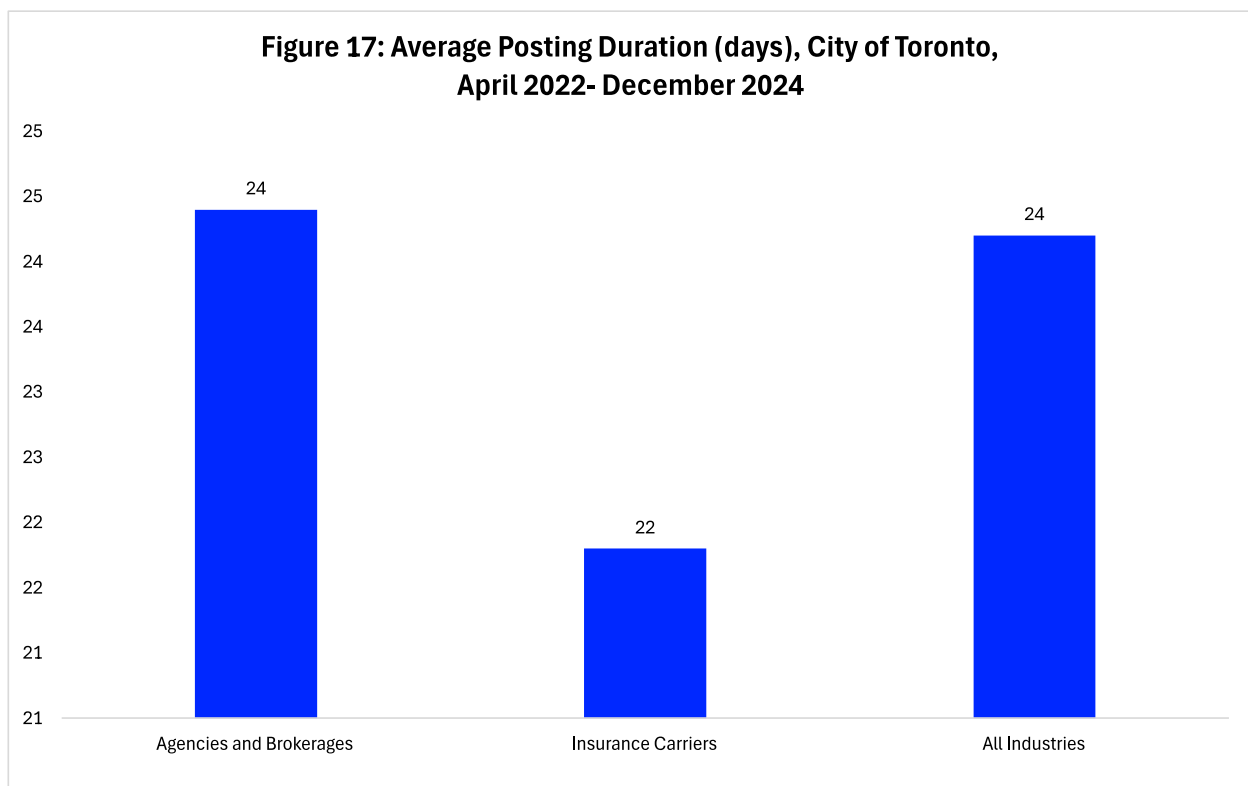
Figure 16 depicts a 12-month trends in job postings for the Insurance Carriers and Agencies and Brokerages industries as a percentage of all job postings in Toronto from January 2024 to December 2024.



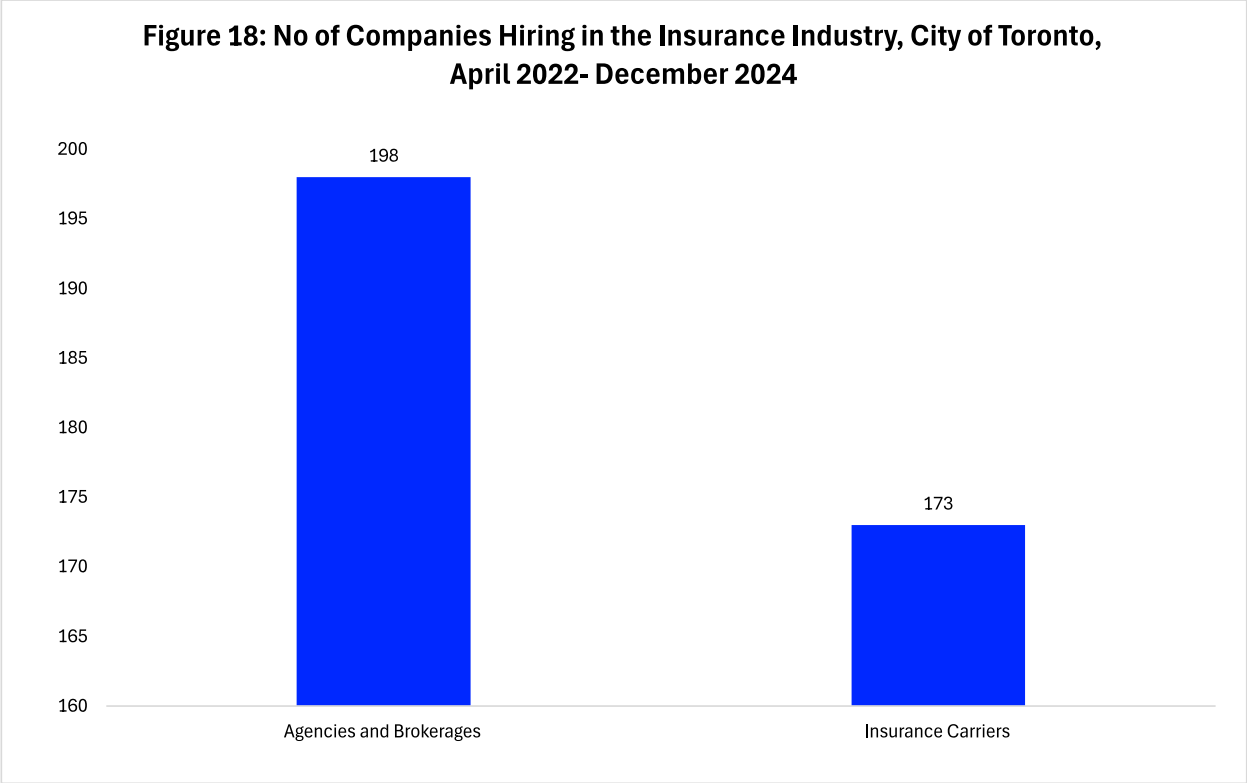
Source: Statistics Canada, Canadian Business Counts, with employees, December 2023

Considering the overall market dynamics where job postings across all industries increased from January to July 2024 and then declined, the increase in Insurance Carriers' job postings as a proportion of total job postings from January to May 2024 reflect specific sectoral needs that outpaced general market trends. This could have been driven by industry-specific factors such as regulatory changes, new product launches, or strategic expansions. The decline in Insurance Carriers' job postings as a proportion of total job postings from June onwards, even as the overall market was still on the rise until July, suggests that the initial drivers of growth were either temporary or were adjusted for in operational strategies. The subsequent decline aligns more closely with the overall market decline post-July, indicating that external market forces or a saturation point might have influenced hiring practices.

The relative stagnation in Agencies and Brokerages' job postings proportion, despite the overall market growth, suggests that the demand in this area is less sensitive to general economic conditions. This could be due to a steady demand for their services, which are essential but not necessarily expansive in nature. Their stability in job postings could also indicate that they have reached a market equilibrium where new hires are primarily for replacement rather than for expansion.



Source: JobsTO



Source: JobsTO

Average job posting durations as reported by Figure 17 can provide insights into the health of the job market within these industries, showing how quickly companies are able to attract and hire suitable candidates. Faster hiring could signal a more competitive and active market, while longer durations might suggest challenges in finding the right match or perhaps less urgency in filling positions.

Job postings in the Insurance Carriers sector tend to fill slightly faster (22 days) compared to the overall average (24 days). This suggests a relatively higher efficiency in filling vacancies or a higher demand for jobs within Insurance Carriers, which leads to quicker hires. Job postings in Agencies and Brokerages have same duration (24 days) compared to the overall average.

**Job Type and Duration Trends in Insurance**

This section dissects the job posting numbers within the insurance industry of Toronto from April 2022 through December 2024, focusing specifically on the nature of employment—whether full-time or part-time—and the duration of these engagements—permanent, contract, or temporary. The aim is to offer a granular view of job posting dynamics in Insurance Carriers and Agencies and Brokerages in Toronto.

**Table 1 : Job Type and Duration Trends in Insurance, City of Toronto, April 2022- December 2024**

	Job Type		Job Duration		
	Full-time	Part-time	Permanent	Contract	Temporary
Agencies and Brokerages	4,186	68	3,680	474	100
Insurance Carriers	16,337	390	14,075	1,903	749

Source: JobsTO





Overall, the job posting data as reported by Table 1 reflects a strong demand for stable, full-time, and permanent positions in Toronto’s insurance industry. This supports Toronto’s status as a stable and mature job market within the industry, attracting talent looking for long-term employment. Part-time Positions are significantly fewer, indicating that the roles requiring continual professional engagement and regulatory compliance are less suitable for part-time arrangements.

Contract and Temporary jobs are more prevalent in Insurance Carriers compared to Agencies and Brokerages. This could be due to the project-specific needs or the introduction of new systems and technologies requiring temporary specialized skills. This is particularly relevant in Toronto, where technological advancements and digital transformations are influencing traditional business models.

**Top In-Demand Occupations by Job Posting in Insurance, City of Toronto**

As Toronto continues to serve as a hub for the insurance industry, analyzing the distribution of jobs across key occupational groups becomes essential. Table 2 reports the top occupations by job counts in insurance, from the period of April 2022 to December 2024 in Toronto. This can offer crucial insights for job seekers, educators, and industry leaders looking to align their strategies with the realities of the market.

**Table 2 : Top Occupations in the Insurance by Job Counts, City of Toronto, April 2022-December 2024**

Agencies and Brokerages		Insurance carriers	
Occupation	Job Count	Occupation	Job Count
Agents and Brokers	311	Senior Managers - financial, communications and other business services	760
Underwriters	183	Insurance Underwriters	712
Other Customer and Information Services Representatives	180	Financial and Investment Analysts	415
Administrative Officers	155	Administrative Officers	402
Administrative Assistants	151	Adjusters and Claims Examiners	374

Source: JobsTO

The job posting data on top in demand occupations reflects a dynamic and growing insurance industry in Toronto, with significant opportunities for employment across various levels and functions. It highlights a need for a diverse set of skills ranging from high-level managerial and financial analysis to client-facing and administrative support roles.

The high demand for Senior Managers and Specialized Financial roles such as Underwriters and Financial Analysts by Insurance Carriers reflects the industry requiring high-level financial expertise and leadership. The demand for Administrative Officers indicates a robust support structure needed to maintain customer relations and manage internal processes effectively.

For Agencies and Brokerages, the highest demand is for Agents and Brokers, which is fitting as these roles are directly involved in the selling and managing of insurance policies, acting as the face of the insurance service to customers. This mirrors the sales-oriented nature of these firms and their focus on expanding client bases in a competitive metropolitan market like Toronto. Similar to Carriers, there is also significant demand for underwriters and administrative support, highlighting the need for risk assessment expertise and efficient administrative systems to manage client interactions and back-office processes.

**Job Market Linguistic Requirements in Insurance Industry, City of Toronto**

Table 3 below reports job postings categorized by language requirements within Toronto’s insurance industry, from April 2022 to October 2024.

**Table 3 : Job Market Linguistic Requirements in Insurance Industry, City of Toronto, April 2022-October 2024**

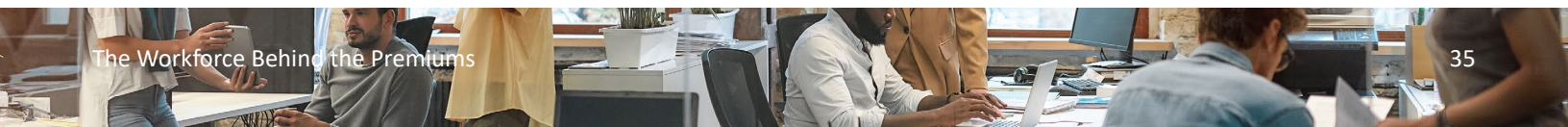
Insurance carriers		Agencies and Brokerages	
Language	Job Posting	Language	Job Posting
Bilingual Language Jobs (English and French)	4,858	Bilingual Language Jobs (English and French)	868
Mandarin Language Jobs	83	Mandarin Language Jobs	70
Chinese Language Jobs	41	Chinese Language Jobs	49
Spanish Language Jobs	38	Cantonese Language Jobs	29

Source: JobsTO

Insurance Carriers’ higher volume of job postings for Bilingual language categories compared to Agencies and Brokerages confirms their broader operational scope or a more varied customer base that these carriers serve.

Mandarin language jobs which take the third position, indicate a targeted approach to serve Mandarin-speaking clients. Also, as a proportion (since there are far few job postings for brokers) - this is notable. It is because of the traditional role of the broker as an intermediary and part of community (cultural or ethnic. It also aligns with a 2021 survey by Statistics Canada, that found that among the most common non-official mother tongues in Canada, Mandarin topped the list.

By detailing the demand for bilingual and Mandarin language skills, the data provides insights into the evolving linguistic needs of the industry. This breakdown helps understand how language proficiency influences hiring trends and shapes the workforce in Toronto’s competitive insurance market.





## Conclusion

This paper provides a comprehensive analysis of the insurance industry within Toronto's Census Metropolitan Area, highlighting developments and challenges faced by two crucial segments of the industry- Insurance Carriers and Agencies and Brokerages. Insurance Carriers has shown robust growth, solidifying Toronto's role as an increasingly significant hub for insurance activities. This expansion is primarily driven by the post-COVID economic recovery, significant investments in technology, and strategic market diversification, which have collectively led to a notable increase in employment from 2021 onwards.

In contrast, Agencies and Brokerages has experienced more static employment trends. This stagnation is largely due to the industry's shift towards online platforms and market consolidation. The shift toward a digitally driven business model, the rise of direct-to-consumer sales platforms allowing Insurance Carriers to bypass Brokers and Agents and offering policies directly to consumers has fundamentally changed consumer interactions and expectations, moving away from traditional methods to platforms that prioritize speed and transparency. Understanding this shift is crucial for grasping the evolving landscape of the industry, as companies increasingly rely on data analytics to tailor their offerings, thereby enhancing customer satisfaction and operational efficiency.

Direct-to-consumer sales platforms enable Insurance Carriers to offer policies directly to consumers, making them more appealing due to convenience and often lower costs. While direct purchasing is a growing trend, Agencies and Brokerages can remain relevant by focusing on value-added services such as risk management consulting, tailored claims assistance, and comprehensive policy reviews. These services go beyond mere sales to provide real benefits to clients, fostering loyalty and justifying the broker's role. Agencies and Brokerages must embrace technology not just for operational efficiency but to enhance customer interactions. Tools that provide better data analytics, customer relationship management, and personalized marketing can help brokers maintain a competitive edge.

Artificial Intelligence (AI) is significantly impacting the insurance industry by enhancing the efficiency and accuracy of underwriting, risk assessment, and fraud detection. This technological integration allows professionals to concentrate on strategic decision-making aspects. As AI technologies are further embedded into the industry, new roles are created for developing, managing, and overseeing these systems, highlighting the growing demand for AI specialists, data scientists, and roles focused on the governance of AI.

Moreover, AI is revolutionizing customer service and claims processing through the use of chatbots for initial interactions and machine learning models for assessing claims. This innovation not only improves efficiency but also allows human agents to focus on more complex or personalized service areas. AI and digital platforms are also transforming how insurance products are distributed, reducing the need for traditional sales roles while increasing the demand for expertise in digital marketing and online sales.



While AI may diminish jobs in some areas, it is likely to create new opportunities in others, especially for those proficient in technology. The net impact on employment will depend on how quickly the industry adopts AI, the nature of its applications, and the sector's ability to upskill current employees and attract new talent with the necessary technological competencies.

Toronto's educational landscape supports the insurance industry's evolving needs, with institutions like Seneca College, Humber College, and York University offering specialized programs tailored to the industry. These programs often include internships and co-op placements facilitated through partnerships with leading insurance companies, providing students with practical experience and helping them stay competitive in a rapidly evolving industry.

In summary, Toronto's insurance industry is well-equipped to navigate the complexities of a rapidly evolving global market. In the foreseeable future the Insurance Carriers industry will continue to grow and provide decent jobs. The industry's ability to adapt and integrate advanced technologies not only changes the means of service delivery and skill requirements but also offers a wealth of opportunities for career development and specialization, making it an essential component of the city's economic framework and a critical area for future research and policy development.

#### ***End notes***

- i. [https://www.swissre.com/dam/jcr:64b0fdca-f4d8-401c-a5bd-9c51614843c0/150Y\\_Markt\\_Broschuere\\_Canada\\_web.pdf](https://www.swissre.com/dam/jcr:64b0fdca-f4d8-401c-a5bd-9c51614843c0/150Y_Markt_Broschuere_Canada_web.pdf)
- ii. The North American Industry Classification System (NAICS) follows a hierarchical structure with five levels, helping categorize businesses based on their economic activities. It starts broadly with sectors (two-digit codes), then narrows down through subsectors (three-digit codes), industry groups (four-digit codes), industries (five-digit codes), and finally, Canadian industries (six-digit codes). For example, in insurance, we begin with 52 - Finance and Insurance (Sector), then 524 - Insurance Carriers and Related Activities (Subsector), followed by more specific categories like 5241 - Insurance Carriers and 5242 - Agencies, Brokerages, and Other Insurance-Related Activities, each further specified into industries like '52411 - Direct life, health, and medical Insurance Carriers' and '52421 - Insurance agencies and brokerages. This system allows for a structured way to analyze and compare industries at different levels of detail. In this paper, the term "insurance industry" is used broadly to encompass the entire sub sector 524 - Insurance Carriers and Related Activities.
- iii. Note that the NAICS are a statistical framework, organizing the economy into a hierarchical structure to facilitate data collection. However, the NAICS are an abstraction and may not always mirror how sectors are actually structured or how companies work.
- iv. Understanding the confidence intervals is crucial, especially when dealing with figures that appear to fluctuate. Accurate interpretation requires careful consideration of these intervals to avoid overestimating the importance of minor fluctuations in employment data due to sample size.
- v. In the interest of data integrity and reliability, the age groups 20-24 and 65+ years were excluded from this analysis because of partial data availability across the selected timeframe, focusing on the most consistently reported age categories.

