



# Labour Market Bulletin

Ontario

February 2021



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Ontario, including the regions of Hamilton—Niagara Peninsula, Kingston—Pembroke, Kitchener—Waterloo—Barrie, London, Muskoka—Kawarthas, Northeast, Northwest, Ottawa, Stratford—Bruce Peninsula, Toronto and Windsor—Sarnia.

## OVERVIEW

- Ontario's employment figures rose by 100,300 (+1.4%) from January to February, as the unemployment rate fell from 10.2% to 9.2%
- The Ontario accommodation and food services sector employment levels increased sharply by 12.2% (+34,900), boosted by the province's phased return to the five-colour coded framework that allows indoor dining for regions in the Green-Prevent to Red-Control levels
- The Toronto regional unemployment rate increased to 10.4% in February 2021, 5.2 percentage points higher than in February 2020

Employment in Ontario recovered strongly in February, aided in part by the phased loosening of provincial COVID-19 restrictions throughout the month, after the provincial job market had suffered a setback in January.

Ontario's employment figures rose by 100,300 (+1.4%) from January to February 2021, to 7.2 million. This contrasted with the 153,500 (-2.1%) net loss in provincial employment figures in January. Gains in part-time employment accounted for the majority of the net job gains in February, as part-time employment increased by 62,300 (+5.6%), while full-time employment rose by 38,000 (+0.6%).

Correspondingly, the Ontario unemployment rate fell, dropping from 10.2% to 9.2% in February, as unemployment levels fell by 75,900 (-9.5%). The Ontario unemployment rate reached its lowest level since March 2020, before the impacts of the pandemic were fully felt. The provincial employment rate and participation rate increased in February, with the Ontario job market observing positive gains throughout. However, looking at year-over-year trends, employment levels in February 2021 were still much lower than February 2020, with employment down by 305,300 (-4.1%) from 7.5 million a year ago.

Youth employment in Ontario expanded in February, as job figures increased by 23,100 (+2.7%) to 875,800 in February. Part-time employment for youth rose by 35,100, while full-time employment among youth fell by

12,000. Youth make up a large segment of the accommodation and food services sector, which saw significant employment gains in February, as the unemployment rate for youth fell to 20.9% in February from 21.8%.

The Canadian labour market expanded by 259,200 (+1.4%) to 18.5 million, while the national unemployment rate fell by 1.2 percentage points to 8.2%. This was the lowest unemployment rate in Canada since March 2020, following a similar pattern to Ontario. The employment gains were led by Quebec (+2.7%), Manitoba (+2.6%) and Ontario (+1.4%). However, employment levels in other provinces such as Newfoundland and Labrador (-6.8%) and New Brunswick (-0.7%) fell over the month. Employment figures in Canada are about 600K lower (-3.1%) than February 2020, when it was 19.1 million.

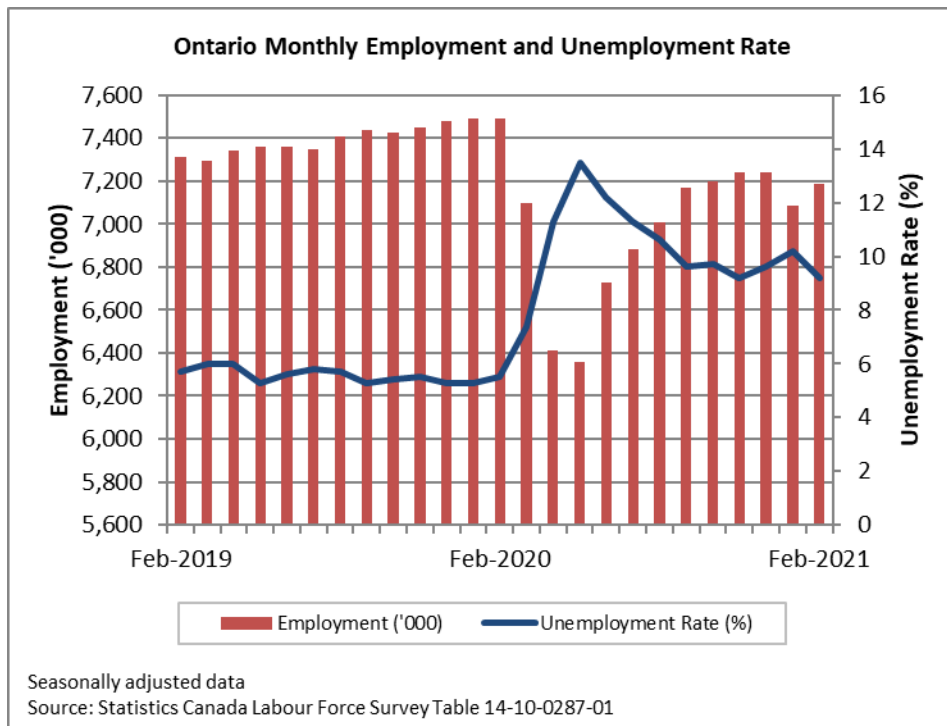
The United States (US) total nonfarm payroll employment increased by 379,000 (+0.3%) to 143.0 million in February, while the U.S. unemployment rate remained relatively flat at 6.2%. Most of the net job gains occurred in leisure and hospitality, while there were smaller gains in temporary help services, health care and social assistance, retail trade, and manufacturing.

### Ontario Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	February 2021	January 2021	February 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	12,292.4	12,280.5	12,170.1	11.9	0.1	122.3	1.0
<b>Labour Force ('000)</b>	7,912.3	7,887.9	7,925.9	24.4	0.3	-13.6	-0.2
<b>Employment ('000)</b>	7,185.8	7,085.5	7,491.1	100.3	1.4	-305.3	-4.1
Full-Time ('000)	6,003.9	5,965.9	6,140.4	38.0	0.6	-136.5	-2.2
Part-Time ('000)	1,181.9	1,119.6	1,350.7	62.3	5.6	-168.8	-12.5
<b>Unemployment ('000)</b>	726.5	802.4	434.8	-75.9	-9.5	291.7	67.1
<b>Unemployment Rate (%)</b>	9.2	10.2	5.5	-1.0	-	3.7	-
<b>Participation Rate (%)</b>	64.4	64.2	65.1	0.2	-	-0.7	-
<b>Employment Rate (%)</b>	58.5	57.7	61.6	0.8	-	-3.1	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287, formerly CANSIM 282-0087



**Ontario Monthly Unemployment Rates, by Gender and Age**

Seasonally Adjusted Data	February 2021	January 2021	February 2020	Monthly Variation	Yearly Variation
	(%)	(%)	(%)	(% points)	(% points)
<b>Total</b>	9.2	10.2	5.5	-1.0	3.7
<b>25 years and over</b>	7.3	8.3	4.5	-1.0	2.8
Men - 25 years and over	7.0	8.0	4.3	-1.0	2.7
Women - 25 years and over	7.6	8.7	4.8	-1.1	2.8
<b>15 to 24 years</b>	20.9	21.8	11.1	-0.9	9.8
Men - 15 to 24 years	18.4	21.9	12.0	-3.5	6.4
Women - 15 to 24 years	23.6	21.6	10.2	2.0	13.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287, formerly CANSIM 282-0087

**EMPLOYMENT BY INDUSTRY**

**Employment grew in the goods-producing sector with manufacturing leading the charge**

The Ontario **goods-producing sector** employment levels expanded by 4,900 (+0.3%) in February, following a decrease of 28,400 (-1.9%) the previous month. Much of this growth was driven by an increase in manufacturing (+15,000; +1.9%); while losses in agriculture (-9,600; -13.8%) and construction (-2,500; -0.5%) tempered overall growth in the sector.

Employment has largely trended upwards in the **manufacturing** industry since May 2020, with gains of 15,000 (+1.9%) in February. The Canadian Manufacturing Purchasing Managers’ Index (PMI) increased to 54.8 in February,

a 0.4 percentage point increase from January.<sup>1</sup> Operating conditions improved overall for manufacturers, with increased demand for manufactured goods. However, the industry still grapples with supply chain pressures and higher costs due to COVID-19, which continue to constrain supply and create transportation delays. For example, the automotive industry faces a global shortage of semiconductors, causing several automakers to idle or curtail production worldwide. General Motors recently announced it would extend its shutdown at its Ingersoll plant until at least mid-April due to the shortage.<sup>2</sup> This has placed thousands of assembly plant workers on temporary layoffs, and may disrupt production at parts suppliers and downstream companies in the province.

The industry announced other losses in February, with Bombardier Inc. to discontinue production of the Learjet in 2021,<sup>3</sup> and parts supplier, JD Norman Industries, closing its plant in Windsor.<sup>4</sup> Despite these closures, several manufacturers announced expansions via public funding, including CEM Specialities Inc.<sup>5</sup> Next Generation Manufacturing Canada, in collaboration with tech start-ups across Ontario, will invest \$16.8M into an insect protein production facility in London, which will eventually employ 60 people.<sup>6</sup>

The Ontario **construction** industry observed a fall in employment levels (-2,500; -0.5%) in February, for the second consecutive month. However, the construction industry is looking strong in other indicators, as the total value of building permits issued increased by 12.3% to \$4.3B in Ontario in January.<sup>7</sup> The total value of building permits rose 26.1% over the past year, driven by gains of over 50% in residential construction permits. In addition, housing starts increased to 90,300 in January 2021, up 25.3% from December 2020.<sup>8</sup>

Industry experts have raised concerns over the Canadian housing market, with forecasts suggesting that the housing market has been quite robust in 2021, led by lower borrowing costs, pent-up demand, and improved confidence, with borrowing costs expected to go up at some point in 2021. Over the long-term, a number of large projects should continue to support employment in construction, including a new hospital in Markdale,<sup>9</sup> high-rise buildings,<sup>10,11</sup> and various affordable housing projects throughout Ontario.<sup>12,13,14</sup>

<sup>1</sup> IHS Markit. (2021, March 1). IHS Markit Canada Manufacturing PMI. *IHS Markit*. Retrieved from <https://www.markiteconomics.com/Public/Release/PressReleases>

<sup>2</sup> Klayman, B. (2021, March 3). GM's extended production cuts due to chip shortage include Ontario plant. *Automotive News Canada*. Retrieved from <https://canada.autonews.com/automakers/gms-extended-production-cuts-due-chip-shortage-include-ontario-plant>

<sup>3</sup> Koenig, D., & Hegeman, R. (2021, February 11). Bombardier to end Learjet production, cut 1,600 jobs. *570 News*. Retrieved from <https://www.570news.com/2021/02/11/bombardier-to-end-learjet-production-cut-1600-jobs/>

<sup>4</sup> Kotsis, J. (2021, February 7). 'Devastating' news as JD Norman terminates 62 workers, closes plant. *Windsor Star*. Retrieved from <https://windsorstar.com/news/local-news/jd-norman-locks-out-workers>

<sup>5</sup> Government of Ontario. (2021, February 4). Ontario Supports Air Monitoring Technology to Better Protect People from COVID-19. *Ontario Newsroom*. Retrieved from <https://news.ontario.ca/en/release/60230/ontario-supports-air-monitoring-technology-to-better-protect-people-from-covid-19>

<sup>6</sup> Johnson, K. (2021, February 17). The Sprout: Ontario-based cricket plant gets funding boost. *iPolitics*. Retrieved from <https://ipolitics.ca/2021/02/17/the-sprout-ontario-based-cricket-plant-gets-funding-boost/>

<sup>7</sup> Statistics Canada. Table 34-10-0066-01 - Building permits, by type of structure and type of work (x 1,000), seasonally adjusted.

<sup>8</sup> Statistics Canada. Table 34-10-0158-01 Canada Mortgage and Housing Corporation, housing starts, all areas, Canada and provinces, seasonally adjusted at annual rates, monthly (x 1,000)

<sup>9</sup> Langlois, D. (2021, February 26). Construction set to begin Monday on new Markdale hospital. *Owen Sound Sun Times*. Retrieved from <https://www.owensoundsuntimes.com/news/local-news/construction-set-to-begin-monday-on-new-markdale-hospital>

<sup>10</sup> De Bono, N. (2021, February 7). Work ready to begin on south street highrise development. *The Londoner*. Retrieved from <https://www.thelondoner.ca/news/local-news/work-ready-to-begin-on-south-street-highrise-development/>

<sup>11</sup> De Bono, N. (2021, February 22). 'Signature' downtown highrise project revs up core construction boom. *The London Free Press*. Retrieved from <https://lfp.com/news/local-news/signature-downtown-highrise-project-revs-up-core-construction-boom>

<sup>12</sup> Government of Ontario. (2021, February 9). Ontario Invests in Affordable Housing For Indigenous People. *Government of Ontario*. Retrieved from <https://news.ontario.ca/en/release/60271/ontario-invests-in-affordable-housing-for-indigenous-people>

<sup>13</sup> Davis G. (2021, February 12). Feds provide \$14M to help build 46 additional rental units on Water Street in Peterborough. *GlobalNews*. Retrieved from <https://globalnews.ca/news/7636969/federal-funding-rental-housing-peterborough/>

<sup>14</sup> Staff. (2021, February 5). Federal funding for affordable housing development at former Wellington arena. *County Live*. Retrieved from <https://www.countylive.ca/federal-funding-for-affordable-housing-development-at-former-wellington-arena/>

Compared to pre-pandemic levels in February 2020, total employment in the goods-producing sector was down 25,200 (-1.7%) in Ontario. Construction saw the biggest decline at 31,000 (-5.5%), followed by agriculture (-19,000; -24.1%), and utilities (-2,900; -5.3%). Meanwhile, the manufacturing industry saw a sizeable gain of 27,200 (+3.6%) during this period.

### The job market strengthened in the services-producing sector with loosening of COVID-19 restrictions

Employment in Ontario's **services-producing sector** increased by 95,400 (+1.7%) in February, as public health measures gradually eased in nearly all regions across the province through the month. The largest gains were in industries that were among the most affected by these restrictions – accommodation and food services (+34,900, +12.2%), trade (+30,300; +3.1%), and information, culture and recreation (+15,800; +5.9%). Losses in the sector were milder, with the largest losses in finance, insurance, real estate, rental and leasing (-6,400; -1.0%), public administration (-3,000; -0.8%), and health care and social assistance (-2,200; -0.2%).

Employment in **retail and wholesale trade** increased 30,300 (+3.1%), following two consecutive months of losses due to restrictions on non-essential in-person shopping across Ontario. The phased loosening of COVID-19 restrictions allowed for in-person retail shopping to eventually re-open in most Ontario regions, and for retailers to re-open and re-hire its employees. Lowe's Canada held regional virtual and in-person hiring events for stores in Ontario in early March to support spring hiring, hoping to hire over 2,700 people.<sup>15</sup> A number of cannabis retailers launched this month,<sup>16,17,18,19</sup> as well as a premium eyewear brand,<sup>20</sup> a Winners,<sup>21</sup> and grocery stores.<sup>22,23</sup> Several retailers announced cutbacks in an effort to rein in costs, adjust to online platforms, and re-evaluate future operations. In February, J. Crew, an American fashion retailer, shut its remaining stores in Canada.<sup>24</sup> Canadian Tire's National Sports brand announced it would close all 18 of its retail stores across Ontario, as the company is planning to place affected employees within its other store brands.<sup>25</sup>

<sup>15</sup> Spiteri, R. (2021, February 22). Lowe's and RONA stores looking to hire 112 people across Niagara. *Niagara Falls Review*. Retrieved from <https://www.niagarafallsreview.ca/business/2021/02/22/lowes-and-rona-stores-looking-to-hire-112-people-across-niagara.html?rf>

<sup>16</sup> Pritchard, B. (2021, February 1). 'Amazing': New Tecumseth's 1st cannabis store doing well despite opening 3 days into lockdown. *Simcoe.com*. Retrieved from <https://www.simcoe.com/news-story/10318137--amazing-new-tecumseth-s-1st-cannabis-store-doing-well-despite-opening-3-days-into-lockdown/>

<sup>17</sup> Lajoie, K. (2021, February 4). Pot of gold opens in downtown Cornwall. *Choose Cornwall*. Retrieved from <https://choosecornwall.ca/news-english/pot-of-gold-opens-in-downtown-cornwall/>

<sup>18</sup> MacEachern Barbara-Ann. (2021, February 12). New cannabis shop opens in Bridgenorth. *MyKawartha*. Retrieved from <https://www.mykawartha.com/news-story/10330500-new-cannabis-shop-opens-in-bridgenorth/>

<sup>19</sup> Dube, K. (2021, February 22). Paradise Cannabis opens in Fort Erie, expects Welland store to be approved next month. *Welland Tribune*. Retrieved from <https://www.wellandtribune.ca/business/2021/02/22/paradise-cannabis-opens-in-fort-erie-expects-welland-store-to-be-approved-next-month.html>

<sup>20</sup> Harman, M. (2021, February 9). Garrett Leight California optical opens 1st Canadian store in Toronto [Photos]. *Retail Insider*. Retrieved from <https://www.retail-insider.com/retail-insider/2021/02/garrett-leight-california-optical-opens-1st-canadian-store-in-toronto-photos/>

<sup>21</sup> Millerman, A. (2021, February 8). Opening soon: New winners on Walker road. *Windsorite DOTca News*. Retrieved from <https://windsorite.ca/2021/02/opening-soon-new-winners-on-walker-road/>

<sup>22</sup> Harford, E. (2021, February 9). 'Our happy place': New natural health food store, up wellness market, opens in Smiths Falls. *Metroland Media Group Ltd*. Retrieved from <https://www.insideottawavalley.com/news-story/10325591--our-happy-place-new-natural-health-food-store-up-wellness-market-opens-in-smiths-falls/>

<sup>23</sup> Pearson, M. (2021, February 17). Sook Middle Eastern Grocery in Stoney Creek emphasizes online ordering, delivery. *Hamilton News*. Retrieved from <https://www.hamiltonnews.com/news-story/10332970-sook-middle-eastern-grocery-in-stoney-creek-emphasizes-online-ordering-delivery/>

<sup>24</sup> Retail Insider Staff (2021, February 4). BRIEF: J. Crew exits Canada, DUER relocating flagship from downtown Eastside to W. 4th. *Retail Insider*. Retrieved from <https://www.retail-insider.com/retail-insider/2021/02/brief-j-crew-exits-canada-duer-relocating-flagship-from-downtown-eastside-to-w-4th/>

<sup>25</sup> The Canadian Press. (2021, February 18). Canadian Tire closing all National Sports stores amid higher-than-expected revenues. *CP24*. Retrieved from <https://www.cp24.com/news/canadian-tire-closing-all-national-sports-stores-amid-higher-than-expected-revenues-1.5314072>

Employment in **accommodation and food services** grew sharply (+34,900; +12.2%) in February after having consistently weakened over the past four months. As with other industries in the services-producing sector, employment gains and losses have tended to run parallel with pandemic-related restrictions. The industry was boosted by Ontario's phased return throughout February to the five-colour coded framework that allows indoor dining for regions in the Green-Prevent to Red-Control levels. While the industry has faced a significant number of closures over the past year, a few restaurants announced expansions in February, including Chick-fil-A<sup>26</sup>, Great Lakes,<sup>27</sup> and Jollibee.<sup>28</sup>

The **information, culture and recreation** industry reported employment gains of 15,800 (+5.9%) after three consecutive months of losses. This industry was hit particularly hard throughout the pandemic, with many performances, heritage institutions and recreational activities put on hold. Despite these struggles, some good news has come from the industry in the midst of reopening following the second wave of shutdowns, as recreational amenities such as ski hills, gyms, and cinemas were allowed to re-open as part of the gradual expiration of the stay-at-home orders across Ontario. Cineplex reopened some movie theatres across Ontario, including locations in Ottawa, Brantford, Sudbury and Kingston.<sup>29</sup> A number of ski resorts, including Boler Mountain in London,<sup>30</sup> Chicopee in Kitchener,<sup>31</sup> and Calabogie Peaks in Renfrew,<sup>32</sup> announced re-openings and re-hirings. Additionally, the Government of Ontario announced it would invest over \$7M in 87 various local and virtual events through the Reconnect Festival and Event Program.<sup>33</sup> Canada's Wonderland is looking to hire in anticipation of tentatively opening in May 2021.<sup>34</sup> Moreover, organizers of the Canadian National Exhibition and the Royal Agricultural Winter Fair have begun planning to hold events their respective events in 2021.<sup>35</sup>

Job figures in the **transportation and warehousing** industry increased by 4,500 (+1.3%) in February. However, the industry may observe weaker labour market figures in coming months, as it was impacted by a number of layoff news throughout February. Air Canada initially announced that it would suspend all Rouge flights effective February 8 and lay off approximately 80 employees at Rouge, due to new travel restrictions to Mexico and the Caribbean

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<sup>26</sup> News Release. (2021, February 22). Chick-fil-A to Open New Restaurants in Kitchener and Toronto, Continuing Canadian Expansion. *Chick-fil-A News Release*. Retrieved from <https://www.chick-fil-a.ca/chick-fil-a-to-continue-canadian-expansion>

<sup>27</sup> Mok, T. (2021, February 3). Toronto brewery opening new location near old site of Government nightclub. *blogTO*. Retrieved from [https://www.blogto.com/eat\\_drink/2021/02/popular-brewpub-opening-huge-second-toronto-location-two-patios/](https://www.blogto.com/eat_drink/2021/02/popular-brewpub-opening-huge-second-toronto-location-two-patios/)

<sup>28</sup> Colpitts, I. (2021, February 1). New Jollibee restaurant open at Square one in Mississauga. *Mississauga.com*. Retrieved from <https://www.mississauga.com/whatson-story/10320116-new-jollibee-restaurant-open-at-square-one-in-mississauga/>

<sup>29</sup> Raymond, T. (2021, February 24). Cineplex theatres reopening in Ottawa, Cornwall this week. *CTV News*. Retrieved from <https://ottawa.ctvnews.ca/cineplex-theatres-reopening-in-ottawa-cornwall-this-week-1.5322177>

<sup>30</sup> Zadorsky, J. (2021, February 9). Surprise! Boler mountain to open this season after all. *CTV News*. Retrieved from <https://london.ctvnews.ca/surprise-boler-mountain-to-open-this-season-after-all-1.5301275>

<sup>31</sup> Silva, E. (2021, February 20). Chicopee Ski Hill opens to the public following months of forced closure. *CTV News*. Retrieved from <https://kitchener.ctvnews.ca/chicopee-ski-hill-opens-to-the-public-following-months-of-forced-closure-1.5317384>

<sup>32</sup> Staff. (2021, February 8). Calabogie Peaks to open Thursday. *Renfrew Today*. Retrieved from <https://www.renfrewtoday.ca/2021/02/08/248643/>

<sup>33</sup> Government of Ontario. (2021, February 19). Ontario Continues Investing in Innovative Festivals and Events. *Government of Ontario*. Retrieved from <https://news.ontario.ca/en/release/60390/ontario-continues-investing-in-innovative-festivals-and-events>

<sup>34</sup> Doradea, K. (2021, February 11). Canada's Wonderland hiring for its tentative spring opening. *Daily Hive*. Retrieved from <https://dailyhive.com/toronto/canadas-wonderland-new-jobs-2021>

<sup>35</sup> Westoll, N. (2021, February 24). 2021 CNE, Royal Agricultural Winter Fair planning to proceed in-person depending on COVID-19 restrictions. *Global News*. Retrieved from <https://globalnews.ca/news/7659582/coronavirus-cne-royal-agricultural-winter-fair-2021/>

by the federal government.<sup>36</sup> WestJet Airlines Ltd. followed suit, announcing it will lay off 120 cabin crew members as of March 2, blaming the measure on the lack of flights to Mexico and the Caribbean.<sup>37</sup> Both companies announced further cuts later in the month, as Air Canada announced that it would cut an additional 1,500 jobs and suspend 17 trans-border and international routes until the end of April, with the majority of these routes from Toronto Pearson International Airport.<sup>38</sup> Finally, WestJet Airlines Ltd. issued layoff notices to 415 pilots, underlining the dim outlook for air travel heading into the spring.<sup>39</sup>

Employment in the **services-producing sector** is down by 280,000 (-4.7%) compared to February 2020, just before the onset of the pandemic. Employment fell in the majority of industries, with the largest declines in accommodation and food services (-121,900; -27.5%), trade (-85,300; -7.8%), and business, building and other support services (-51,500; -15.9%). Meanwhile, the professional, scientific and technical services (+40,300; +6.0%), and the finance, insurance, real estate, rental and leasing industry (+28,500; +4.7%) saw gains during this period.

### Ontario Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	February 2021	January 2021	February 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	7,185.8	7,085.5	7,491.1	100.3	1.4	-305.3	-4.1
<b>Goods-producing sector</b>	1,469.6	1,464.7	1,494.8	4.9	0.3	-25.2	-1.7
Agriculture	59.8	69.4	78.8	-9.6	-13.8	-19.0	-24.1
Forestry, fishing, mining, quarrying, oil and gas	35.1	34.7	34.5	0.4	1.2	0.6	1.7
Utilities	51.9	50.3	54.8	1.6	3.2	-2.9	-5.3
Construction	532.9	535.4	563.9	-2.5	-0.5	-31.0	-5.5
Manufacturing	790.0	775.0	762.8	15.0	1.9	27.2	3.6
<b>Services-producing sector</b>	5,716.2	5,620.8	5,996.2	95.4	1.7	-280.0	-4.7
Trade	1,015.2	984.9	1,100.5	30.3	3.1	-85.3	-7.8
Transportation and warehousing	361.3	356.8	397.3	4.5	1.3	-36.0	-9.1
Finance, insurance, real estate and leasing	633.2	639.6	604.7	-6.4	-1.0	28.5	4.7
Professional, scientific and technical services	711.4	703.0	671.1	8.4	1.2	40.3	6.0
Business, building and other support services	272.6	269.0	324.1	3.6	1.3	-51.5	-15.9
Educational services	541.9	530.5	544.4	11.4	2.1	-2.5	-0.5
Health care and social assistance	900.2	902.4	916.0	-2.2	-0.2	-15.8	-1.7
Information, culture and recreation	284.0	268.2	302.2	15.8	5.9	-18.2	-6.0
Accommodation and food services	321.1	286.2	443.0	34.9	12.2	-121.9	-27.5
Other services	286.7	288.7	304.3	-2.0	-0.7	-17.6	-5.8

<sup>36</sup> The Canadian Press. (2021, February 4). Air Canada to suspend Rouge operations indefinitely, lay off 80 employees. CTV News. Retrieved from <https://montreal.ctvnews.ca/air-canada-to-suspend-rouge-operations-indefinitely-lay-off-80-employees-1.5295849?cache=rsdredfkigo%3FclipId%3D104066>

<sup>37</sup> The Canadian Press. (2021, February 5). WestJet lays off 120 cabin crew due to Mexico and Caribbean route cancellations. CBC News. Retrieved from <https://www.cbc.ca/news/business/westjet-layoffs-1.5903346>

<sup>38</sup> The Canadian Press Staff. (2021, February 9). About 1,500 new layoffs at Air Canada, as service is reduced. CTV News. Retrieved from <https://montreal.ctvnews.ca/about-1-500-new-layoffs-at-air-canada-as-service-is-reduced-1.5301582>

<sup>39</sup> Atkins, E. (2021, February 26). WestJet to lay off 415 pilots as COVID-19 pandemic weighs on outlook for summer travel. *Globe and Mail*. Retrieved from <https://www.theglobeandmail.com/business/article-westjet-to-lay-off-415-pilots-as-pandemic-weighs-on-outlook-for-summer/>

Public administration	388.6	391.6	388.7	-3.0	-0.8	-0.1	0.0
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Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0355, formerly CANSIM 282-0088

## REGIONAL ANALYSIS

### London joins Muskoka-Kawarthas in showing gains over the year, as all other regions post yearly declines

The **Muskoka-Kawarthas** economic region posted positive annual employment growth in February, increasing by 19,600 (+11.8%) from February 2020 to February 2021, measured on a year-over-year, seasonally unadjusted basis. In addition, the regional unemployment rate fell by 0.8 percentage points to 8.4%, with Muskoka-Kawarthas being the sole region in Ontario to post a decline in the regional unemployment rate in February. Within the region, recent positive employment news from Peterborough include an investment from the federal government to help construct 46 housing units as part of an affordable rental housing project.<sup>40</sup>

The **London** economic region joined Muskoka-Kawarthas in experiencing gains in employment from February 2020 to February 2021, as it rose by 4,200 (+1.2%), although the regional unemployment rate rose 2.7 percentage points to 7.1% over the same period. Positive employment news from the region came with the Government of Ontario's investment in CEM Specialities Inc. to accelerate the production of its airborne COVID-19 detector device, creating up to 250 direct and 750 indirect jobs.<sup>41</sup> Employment opportunities will also arise from several major construction projects in the region including two residential towers on the former South Street Hospital site,<sup>42</sup> a \$300M high-rise by Ayerswood Development Corporation<sup>43</sup> and the Wellington Street road reconstruction project.<sup>44</sup>

Due to the size of its labour force compared to other regions, the **Toronto** economic region (ER) continues to post the largest employment decreases among all economic regions in Ontario. The Toronto ER observed yearly employment losses of 180,300 (-3.6%) in February. The regional unemployment rate increased by 5.2 percentage points to 10.4% over the year. Air Canada announced that it would cut 1,500 jobs and suspend 17 trans-border and international routes until the end of April, the majority of which are out of Toronto Pearson International Airport, due to the impacts of the federal government's travel ban to certain locations in Mexico and the Caribbean, strongly impacting the regional air transportation industry.<sup>45</sup> The layoff of 210 employees by Bell Media

<sup>40</sup> Davis G. (2021, February 12). Feds provide \$14M to help build 46 additional rental units on Water Street in Peterborough. GlobalNews. Retrieved from <https://globalnews.ca/news/7636969/federal-funding-rental-housing-peterborough/>

<sup>41</sup> Government of Ontario. (2021, February 4). Ontario Supports Air Monitoring Technology to Better Protect People from COVID-19. Ontario Newsroom. Retrieved from <https://news.ontario.ca/en/release/60230/ontario-supports-air-monitoring-technology-to-better-protect-people-from-covid-19>

<sup>42</sup> De Bono, N. (2021, February 7). Work ready to begin on south street highrise development. The Londoner. Retrieved from <https://www.thelondoner.ca/news/local-news/work-ready-to-begin-on-south-street-highrise-development/>

<sup>43</sup> De Bono, N. (2021, February 22). 'Signature' downtown highrise project revs up core construction boom. London Free Press. Retrieved from <https://lfp.com/news/local-news/signature-downtown-highrise-project-revs-up-core-construction-boom>

<sup>44</sup> 94.1 myFM News staff. (2021, February 26). Wellington street construction project to begin Monday. St Thomas Today. Retrieved from <https://www.stthomastoday.ca/2021/02/26/43992/>

<sup>45</sup> The Canadian Press Staff. (2021, February 9). About 1,500 new layoffs at Air Canada, as service is reduced. CTV News. Retrieved from <https://montreal.ctvnews.ca/about-1-500-new-layoffs-at-air-canada-as-service-is-reduced-1.5301582>



also had a strong impact on the Toronto ER, as a large share of these layoffs occurred in locations in the Greater Toronto Area (GTA).<sup>46</sup> Additionally, Starbucks permanently closed 25 of its locations in Toronto.<sup>47</sup>

The **Kitchener-Waterloo-Barrie** economic region posted sharp employment declines, as job figures decreased by 52,900 (-6.8%) from February 2020 to February 2021. The region also had a significantly high jump in the unemployment rate over the year, increasing by 5.1 percentage points to 9.6%. Municipalities have experienced financial pressures due to the pandemic, with the Region of Waterloo announcing it will lay off 75 full-time employees this year to save costs.<sup>48</sup> While there was numerous expansions in the manufacturing sector as new products came into demand due to the need for protection from COVID-19, the Canadian Shield, a personal protective equipment manufacturing company, laid off 47 employees in February due to automation.<sup>49</sup> However, positive labour market news in the region came from the Chicopee Ski & Summer Resort, as the resort announced it will reopen and rehire 90% of the 600 employees laid off due to the provincial stay-at-home order.<sup>50</sup>

### Ontario Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	February 2021 ('000)	February 2020 ('000)	Yearly Variation (%)	February 2021 (%)	February 2020 (%)	Yearly Variation (% points)
<b>Ontario</b>	7,107.3	7,414.9	-4.1	9.3	5.2	4.1
<b>Economic Regions</b>						
Ottawa	727.0	741.6	-2.0	6.1	4.0	2.1
Kingston - Pembroke	213.5	214.1	-0.3	8.6	6.1	2.5
Muskoka - Kawarthas	185.5	165.9	11.8	8.4	9.2	-0.8
Toronto	3,410.1	3,590.4	-5.0	10.4	5.2	5.2
Kitchener - Waterloo - Barrie	721.1	774.0	-6.8	9.6	4.5	5.1
Hamilton - Niagara Peninsula	718.5	757.4	-5.1	8.8	5.1	3.7
London	359.0	354.8	1.2	7.1	4.4	2.7
Windsor - Sarnia	281.9	295.4	-4.6	9.5	7.3	2.2
Stratford - Bruce Peninsula	153.3	165.3	-7.3	7.1	4.9	2.2
Northeast	241.2	255.6	-5.6	8.0	5.2	2.8
Northwest	96.4	100.6	-4.2	7.1	5.3	1.8

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0387, formerly CANSIM 282-0122

**Note:** In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for

<sup>46</sup> Lorinc, J. (2021, February 2). Bell Media cuts more than 200 jobs at stations including Newstalk 1010 and CJAD 800. The Toronto Star. Retrieved from <https://www.thestar.com/business/2021/02/02/bell-media-cuts-jobs-reduces-on-air-broadcasting-at-staple-news-outlets.html>

<sup>47</sup> Mok, T. (2021, January 29). Here are all the Starbucks stores permanently closing in the next few days. *Blogto.com*. Retrieved from [https://www.blogto.com/eat\\_drink/2021/01/starbucks-stores-closing-permanently-toronto/](https://www.blogto.com/eat_drink/2021/01/starbucks-stores-closing-permanently-toronto/)

<sup>48</sup> Thompson, C. (2021, February 16). Waterloo region to lay off 75 people this year. *therecord.com*. Retrieved from <https://www.the-record.com/news/waterloo-region/2021/02/03/waterloo-region-to-lay-off-75-people-this-year.html>

<sup>49</sup> Rooy, N. V. (2021, February 26). The Canadian Shield lays off dozens of employees. *CTV Kitchener*. Retrieved from <https://kitchener.ctvnews.ca/the-canadian-shield-lays-off-dozens-of-employees-1.5325793>

<sup>50</sup> Drew, L. (2021, February 23). Skiers, snowboarders are back at Chicopee. *KitchenerToday.com*. Retrieved from <https://www.kitchenertoday.com/local-news/skiers-snowboarders-are-back-at-chicopee-3450688>

*additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.*

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**For information on the Labour Force Survey,** please visit the Statistics Canada Web site at: [www.statcan.gc.ca](http://www.statcan.gc.ca)

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