



Labour Market Bulletin

Ontario

July 2022



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Ontario and its regions.

SUMMARY

Labour Force Trends – Employment decreased in July 2022

- Employment decreased by 27,400 (-0.4%) in Ontario in July 2022, with all losses occurring in full-time employment (-57,600; -0.9%).
- The unemployment rate increased by 0.2 percentage points to 5.3%, while the unemployment rate for Ontario's youth aged 15 to 24 increased to 10.7%.
- Employment increased in the goods-producing sector, and decreased in the services-producing sector.

LABOUR FORCE CHARACTERISTICS

Employment in Ontario decreased for the second consecutive month in July 2022, erasing all gains made since February 2022.

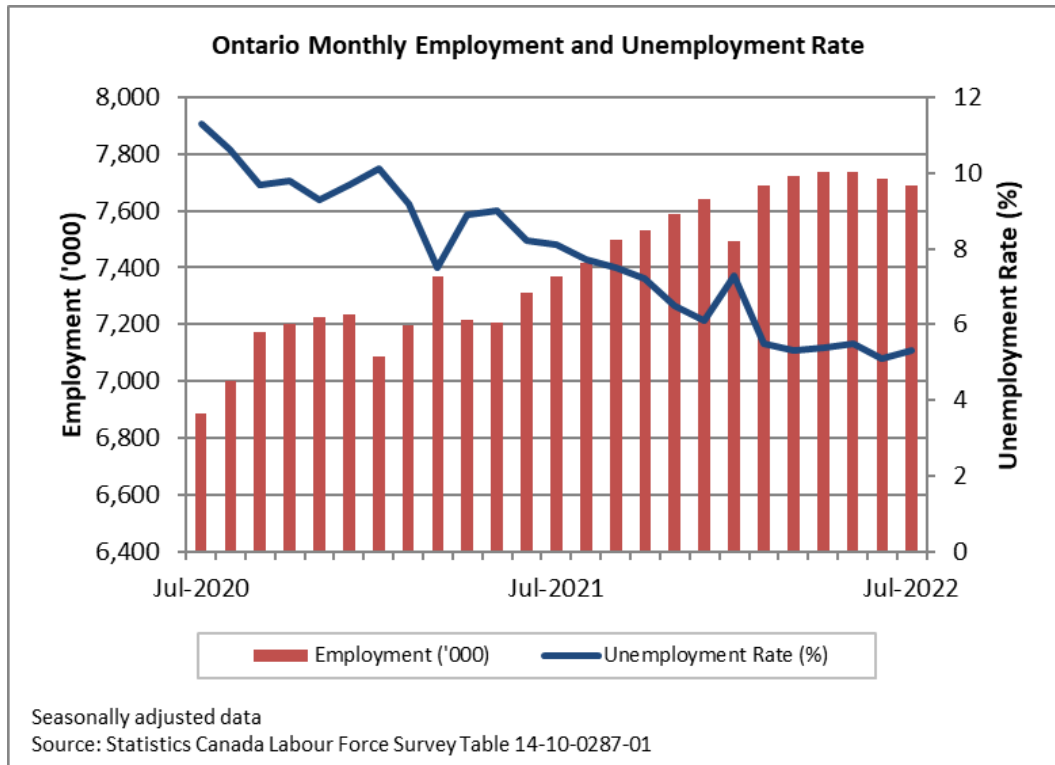
- Employment declines in July (-27,400; -0.4%), were attributed to full-time work (-57,600; -0.9%)
- Majority of losses were among people in the core working age group of 25-54 (-36,800; -0.7%)
- In Canada, overall employment decreased (-30,600; -0.2%), and Ontario and Quebec accounted for nearly all of the job losses

Ontario Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	July 2022	June 2022	July 2021	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15+ ('000)	12,519.3	12,508.5	12,338.6	10.8	0.1	180.7	1.5
Labour Force ('000)	8,114.0	8,129.5	8,013.0	-15.5	-0.2	101.0	1.3
Employment ('000)	7,687.0	7,714.4	7,367.7	-27.4	-0.4	319.3	4.3
Full-Time ('000)	6,307.4	6,365.0	6,024.2	-57.6	-0.9	283.2	4.7
Part-Time ('000)	1,379.6	1,349.5	1,343.5	30.1	2.2	36.1	2.7
Unemployment ('000)	426.9	415.1	645.4	11.8	2.8	-218.5	-33.9
Unemployment Rate (%)	5.3	5.1	8.1	0.2	-	-2.8	-
Participation Rate (%)	64.8	65.0	64.9	-0.2	-	-0.1	-
Employment Rate (%)	61.4	61.7	59.7	-0.3	-	1.7	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - Table 14-10-0287



Ontario Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	July 2022	June 2022	July 2021	Monthly Variation	Yearly Variation
	(%)	(%)	(%)	(% points)	(% points)
Total	5.3	5.1	8.1	0.2	-2.8
25 years and over	4.4	4.2	6.9	0.2	-2.5
Men - 25 years and over	3.9	4.2	7.3	-0.3	-3.4
Women - 25 years and over	4.9	4.3	6.5	0.6	-1.6
15 to 24 years	10.7	10.5	14.9	0.2	-4.2
Men - 15 to 24 years	11.5	12.6	15.7	-1.1	-4.2
Women - 15 to 24 years	10.0	8.2	14.1	1.8	-4.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - Table 14-10-0287

EMPLOYMENT BY INDUSTRY

Employment increased in Ontario's **goods-producing sector** by 18,600 (+1.2%) in July 2022, with gains in manufacturing (+13,400; +1.7%), agriculture (+7,800; +12.0%), and construction (+1,700; +0.3%). Employment decreased in utilities (-3,800; -6.1%), and forestry, fishing, mining, quarrying, and oil and gas (-600; -1.4%).

Manufacturing

- The Markit Canada Manufacturing Purchasing Managers' Index (PMI), which provides an indication of the overall health of the economy, decreased to 52.5 in July, down from 54.6 in June 2022.¹
- Canadian manufacturers signalled another slowdown in July 2022, particularly with new international orders falling to the greatest extent in over two years.
- Firms are facing inflationary concerns as pressures mount on higher material, foodstuff, and transportation costs. Firms reported passing rising cost burdens to consumers to combat profit losses.
- Manufacturers remained optimistic about their future output levels. Firms mentioned hopes of greater demand and successful new product launches.

Agriculture

- Employment in the agriculture industry increased by 12.0%, adding 3,200 jobs since July 2021.
- Ontario farmers are facing cost pressures as the federal government announced a 35% tariff on Russian imports because of the war in Ukraine.² The tariffs include nitrogen fertilizer that is commonly used by Ontario farmers to boost crop yields. Fertilizer prices are a major input cost for the agricultural sector, and the tariffs are contributing to increased food prices across the provinces.

Employment in Ontario's **services-producing sector** decreased by 45,900 (-0.7%) in July 2022, with the largest losses in wholesale and retail trade (-14,200; -1.3%), educational services (-11,400; -2.0%), and information, culture and recreation (-9,600; -2.8%). Employment increases occurred in finance, insurance, real estate, rental and leasing (+9,800; +1.5%), and transportation and warehousing (+2,600; +0.7%).

Professional, scientific and technical services

- Employment in the professional, scientific and technical services industry decreased by 3,400 jobs in July 2022 amid various layoffs and hiring freezes across the technology sector.
- Rising interest rates and fears of a pending recession are causing Ontario technology firms to reduce spending by laying off staff and implementing hiring freezes.
- In July, Canadian e-commerce firm Shopify laid off roughly 1,000 employees and venture capitalist start-up Clearco laid off approximately 125 employees. Several other start-ups such as Trulioo, Copperleaf Technologies, and Vendasta Technologies scaled back hiring plans for the remainder of 2022.³

Ontario Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	July 2022	June 2022	July 2021	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	7,687.0	7,714.4	7,367.7	-27.4	-0.4	319.3	4.3
Goods-producing sector	1,547.7	1,529.1	1,469.7	18.6	1.2	78.0	5.3
Agriculture	72.6	64.8	69.4	7.8	12.0	3.2	4.6
Forestry, fishing, mining, quarrying, oil and gas	43.0	43.6	35.4	-0.6	-1.4	7.6	21.5
Utilities	58.7	62.5	55.4	-3.8	-6.1	3.3	6.0
Construction	591.0	589.3	522.6	1.7	0.3	68.4	13.1
Manufacturing	782.4	769.0	786.8	13.4	1.7	-4.4	-0.6
Services-producing sector	6,139.4	6,185.3	5,898.0	-45.9	-0.7	241.4	4.1
Trade	1,106.5	1,120.7	1,080.2	-14.2	-1.3	26.3	2.4
Transportation and warehousing	387.5	384.9	373.2	2.6	0.7	14.3	3.8
Finance, insurance, real estate and leasing	667.3	657.5	613.5	9.8	1.5	53.8	8.8
Professional, scientific and technical services	801.3	804.7	741.1	-3.4	-0.4	60.2	8.1
Business, building and other support services	290.1	297.8	294.2	-7.7	-2.6	-4.1	-1.4
Educational services	566.0	577.4	537.4	-11.4	-2.0	28.6	5.3
Health care and social assistance	916.4	919.8	921.8	-3.4	-0.4	-5.4	-0.6
Information, culture and recreation	330.2	339.8	281.2	-9.6	-2.8	49.0	17.4
Accommodation and food services	390.8	397.3	362.0	-6.5	-1.6	28.8	8.0
Other services	247.4	250.4	285.9	-3.0	-1.2	-38.5	-13.5
Public administration	435.8	434.8	407.7	1.0	0.2	28.1	6.9

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - Table 14-10-0355

REGIONAL ANALYSIS

In July 2022, all economic regions in Ontario reported a year-over-year increase in employment compared to July 2021. Compared to March 2020, early in the pandemic, all 11 economic regions had higher levels of employment in July 2022.

The unemployment rate declined in all but one economic region, Stratford-Bruce Peninsula, compared to July 2021. Compared to March 2020, all economic regions except Toronto and London had lower unemployment rates in July 2022.

Ontario Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2022 ('000)	July 2021 ('000)	Yearly Variation (%)	July 2022 (%)	July 2021 (%)	Yearly Variation (% points)
Ontario	7,803.0	7,372.5	5.8	5.5	8.9	-3.4
Economic Regions						
Ottawa	776.2	759.9	2.1	4.4	7.7	-3.3
Kingston-Pembroke	238.4	212.5	12.2	4.3	8.3	-4.0
Muskoka-Kawarthas	190.2	185.2	2.7	4.7	8.0	-3.3
Toronto	3,769.9	3,518.7	7.1	6.3	10.1	-3.8
Kitchener-Waterloo-Barrie	807.5	773.2	4.4	4.7	6.8	-2.1
Hamilton-Niagara Peninsula	789.4	740.9	6.5	4.6	8.3	-3.7
London	391.3	371.3	5.4	6.2	8.5	-2.3
Windsor-Sarnia	308.2	301.0	2.4	5.5	9.8	-4.3
Stratford-Bruce Peninsula	167.1	162.8	2.6	4.3	3.6	0.7
Northeast	263.8	246.6	7.0	4.1	6.9	-2.8
Northwest	100.9	100.4	0.5	4.0	6.9	-2.9

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - Table 14-10-0387

Notable changes between July 2021 and July 2022 include:

- Employment increased by 7.1% (+251,200) in the **Toronto** economic region, as full-time employment increased by 6.4% (+191,700) and part-time employment increased by 10.9% (+59,300). Toronto's unemployment rate stood at 6.3% for the third consecutive month.
- Employment in the **Kingston-Pembroke** economic region increased by 12.2% (+25,900), as full-time employment increased by 10.8% (+18,400) and part-time employment increased by 17.5% (+7,500). The unemployment rate declined by 4 percentage points to 4.3%.
- In the **Hamilton-Niagara** economic region, full-time employment increased for the 7th consecutive month to reach 638,400. Additionally, part-time employment declined for the 4th consecutive month.

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 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

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¹ Patel, S. (2022, August 1). IHS Markit Canada Manufacturing PMI. *IHS Markit*. Retrieved from <https://www.pmi.spglobal.com/Public/Home/PressRelease/b27e7d3705384004afa4c85020a092ab>

² McGregor, J. (2022, July 24). CBC News. Retrieved from <https://www.cbc.ca/news/politics/general-tariff-inflation-food-fertilizer-prices-1.6528857>

³ Srivindhya, K. (2022, August 4). Canadian Business. Retrieved from <https://www.canadianbusiness.com/ideas/tech-companies-canada-layoffs/>