



Labour Market Bulletin

Ontario

January 2016



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

Labour Force Trends - Employment growth started 2016 off on a good note in Ontario

- Job gains were seen in both full-time (+16,300) and part-time (+3,600) employment
- The unemployment rate held steady at 6.7%
- The unemployment rate for youth aged 15 to 24 fell from 13.7% to 13.5% in January 2016

Employment increased by 19,800 in Ontario in January 2016. Employment has been on an upwards trend over the past two months, registering steady monthly gains. One of the more encouraging signs as of late has been that most of the job growth has been in full-time work. The provincial unemployment rate was unchanged this month as more people joined the labour force.

Nationally, employment fell by 5,700 in January 2016. The contrast between the provinces remains as Western Canada continues to cope with lower oil prices while Ontario is at the forefront of job growth. The national unemployment rate inched up over the past month as well to sit at 7.2%.

Total nonfarm payroll employment increased by 151,000 in the U.S. in January 2016. Many analysts predicted a stronger showing closer to the 190,000 mark but the report did have a few bright spots.¹ The unemployment rate dipped below 5.0% for the first time since February 2008, and hourly wages advanced in January. There was also stronger hiring in the American manufacturing sector, which could be a positive sign for Ontario's producers.

¹Mutikani, L. (February 5, 2016). U.S. job growth slows, unemployment rate at 8-year low. *The Globe and Mail*. Retrieved from: <http://www.theglobeandmail.com/report-on-business/economy/us-job-growth-slows-unemployment-rate-at-8-year-low/article28591493/>

Over the past year, employment grew by 100,200 in Ontario with all of the job gains in full-time work. The unemployment rate was little changed edging down just 0.1 percentage point to 6.7%. The participation rate increased to 65.4% in January 2016 as more Ontarians engaged in the labour market.

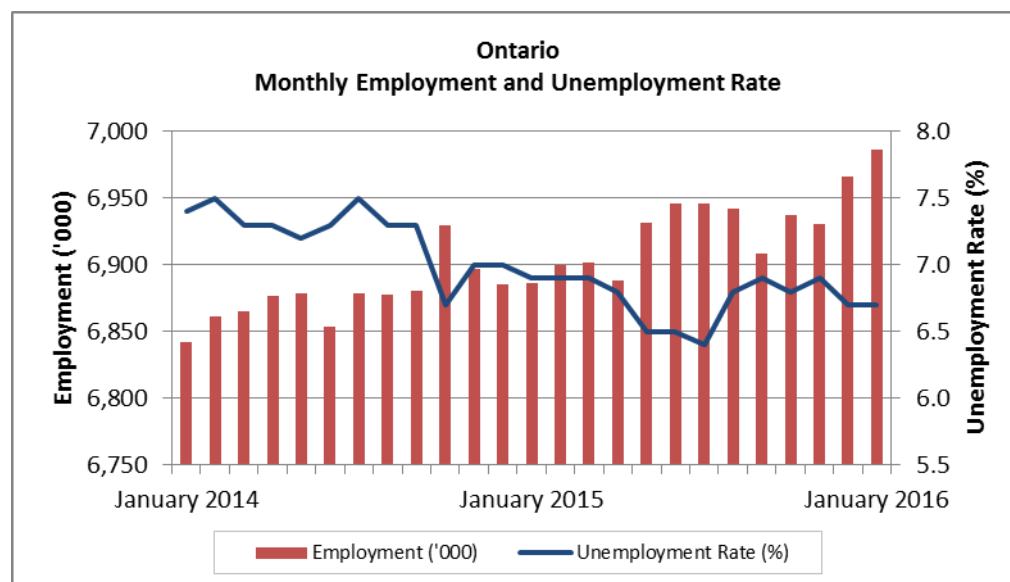
The unemployment rate for Ontario's youth aged 15 to 24 decreased 0.2 percentage points to 13.5% between December 2015 and January 2016. The youth unemployment rate has been below the 14.0% mark for three consecutive months, something not seen since mid-2008. Employment for youth also picked up over the past month with all of the job gains in full-time work.

Ontario Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	January 2016	December 2015	January 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	11,454.5	11,444.5	11,329.1	10.0	0.1	125.4	1.1
Labour Force ('000)	7,491.4	7,466.2	7,391.8	25.2	0.3	99.6	1.3
Employment ('000)	6,985.9	6,966.1	6,885.7	19.8	0.3	100.2	1.5
Full-Time ('000)	5,700.3	5,684.0	5,519.7	16.3	0.3	180.6	3.3
Part-Time ('000)	1,285.6	1,282.0	1,366.0	3.6	0.3	-80.4	-5.9
Unemployment ('000)	505.6	500.1	506.1	5.5	1.1	-0.5	-0.1
Unemployment Rate (%)	6.7	6.7	6.8	0.0	-	-0.1	-
Participation Rate (%)	65.4	65.2	65.2	0.2	-	0.2	-
Employment Rate (%)	61.0	60.9	60.8	0.1	-	0.2	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087



Ontario Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	January 2016	December 2015	January 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	6.7	6.7	6.8	-	-0.1
25 years and over	5.6	5.5	5.3	0.1	0.3
Men - 25 years and over	5.8	5.7	5.6	0.1	0.2
Women - 25 years and over	5.4	5.3	5.1	0.1	0.3
15 to 24 years	13.5	13.7	15.3	-0.2	-1.8
Men - 15 to 24 years	14.9	15.2	16.8	-0.3	-1.9
Women - 15 to 24 years	12.2	12.2	13.7	-	-1.5

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

EMPLOYMENT BY INDUSTRY

A reduction in employment in the goods-producing sector to start 2016

Employment in the goods-producing sector decreased by 2,800 in January 2016, the sector's first monthly decline since September 2015. Losses occurred primarily in the construction and manufacturing industries.

January's employment setback of 3,400 in the construction industry contrasts with the strength of other construction-related indicators such as housing starts and residential and non-residential building permits.² Many construction-related announcements in January were for non-residential projects in Northern and Eastern Ontario.^{3,4,5,6,7,8}

Employment in manufacturing also slightly declined in January by 2,900 over December, the industry's first drop since September 2015. Two manufacturing-related announcements this month were in Ontario's Northern for-

² Statistics Canada. Table 026-0006 - Building permits, by type of structure and area, seasonally adjusted, monthly (dollars unless otherwise noted)

³ Steel, J. (January 7, 2016). [Twin-pad arena to open at Trent University in 2019](http://www.mykawartha.com/news-story/6222542-twin-pad-arena-to-open-at-trent-university-in-2019/). *Peterborough This Week*. Retrieved from <http://www.mykawartha.com/news-story/6222542-twin-pad-arena-to-open-at-trent-university-in-2019/>

⁴ Tucker, R. (January 21, 2016). [Visionary Design Announced for the New Canadian Canoe Museum](http://static1.squarespace.com/static/54405886e4b0b8e2e81b7f7be/t/56a127400e4c115d2db147c8/1453401920746/News+Release.Canadian+Canoe+Museum.2016.pdf). *Squarespace.com*. Retrieved from <http://static1.squarespace.com/static/54405886e4b0b8e2e81b7f7be/t/56a127400e4c115d2db147c8/1453401920746/News+Release.Canadian+Canoe+Museum.2016.pdf>

⁵ TimminsToday.com Staff. (January 20, 2016). [Trestle bridge reconstruction to mean short-term jobs in Iroquois Falls](https://www.timminstoday.com/local-news/trestle-bridge-reconstruction-to-mean-short-term-jobs-in-iroquois-falls-187930). *Timminstoday.com*. Retrieved from <https://www.timminstoday.com/local-news/trestle-bridge-reconstruction-to-mean-short-term-jobs-in-iroquois-falls-187930>

⁶ Ministry of Northern Development and Mines. (January 21, 2016). [Ontario Government Investing \\$11.1 Million in Manitoulin Highway](https://news.ontario.ca/mndmf/en/2016/01/ontario-government-investing-111-million-in-manitoulin-highway.html). *Bulletin*. Retrieved from <https://news.ontario.ca/mndmf/en/2016/01/ontario-government-investing-111-million-in-manitoulin-highway.html>

⁷ Ministry of Northern Development and Mines. (January 25, 2016). [Ontario Continuing to Invest in Highway 69 Expansion](http://www.news.ontario.ca/mndmf/en/2016/01/ontario-continuing-to-invest-in-highway-69-expansion.html). *News Release*. Retrieved from <http://www.news.ontario.ca/mndmf/en/2016/01/ontario-continuing-to-invest-in-highway-69-expansion.html>

⁸ Ministry of Northern Development and Mines. (January 27, 2016). [Ontario Investing \\$2.1 Million in Highway 17](https://news.ontario.ca/mndmf/en/2016/01/ontario-investing-21-million-in-highway-17.html). *Bulletin*. Retrieved from <https://news.ontario.ca/mndmf/en/2016/01/ontario-investing-21-million-in-highway-17.html>

estry-related sector. Prendiville Industries Ltd. announced that it is preparing to restart production at its Kenora Forest Products sawmill in February,⁹ and a second shift was added to EACOM Timber Corp.,¹⁰ together supplying about 215 positions.

Between January 2015 and January 2016, employment in the goods-producing sector increased by 34,100, indicating a strong sector overall despite a rocky start to the year.

A strong start in 2016 for the services-producing sector

Employment increased by 22,600 in the services-producing sector in January 2016, led by gains in accommodation and food services and trade.

Industry employment in accommodation and food services has fluctuated throughout the year, coming out on top at the start of 2016 with a gain of 9,000 in January. While Cora's Franchise Group Inc. in Brantford,¹¹ and Smoke's Poutineries Inc. in Sault Ste. Marie¹² closed their locations, Fionn MacCool and Woody's Bar-B-Q opened in London and Brantford respectively.^{13,14}

Employment in the trade industry increased by 8,200 in January 2016. Some retailers such as Walmart,¹⁵ the Sunripe Marketplace¹⁶, Eileen Fisher,¹⁷ Cabela,¹⁸ and La Maison Simons,¹⁹ all announced store openings this month. However, Goodwill Industries of Toronto, Eastern, Central and Northern Ontario closed 16 stores across the GTA and other areas affecting about 450 workers.²⁰

Employment gains were also registered in the educational services (+8,100) and information culture and recreation (+7,100) industries, while losses were felt in other services (-8,100), finance, insurance, real estate and leasing (-4,000), public administration (-3,300), and health care and social assistance (-1,300).

⁹ Aiken, M. (January 5, 2016). Trial lumber production to begin at Kenora Forest Products. *KenoraOnline*. Retrieved from <http://www.kenoraonline.com/local/15541-trial-lumber-production-to-begin-at-kenora-forest-products>

¹⁰ Macklin, A. (January 11, 2016). Northern Ontario sawmills ramping up. *Woodbusiness.ca*. Retrieved from <http://www.woodbusiness.ca/industry-news/northern-ontario-sawmills-ramping-up-2947>

¹¹ Gamble, S. (January 27, 2016). Cora's restaurant closes again. *Brantford Expositor*. Retrieved from <http://www.brantfordexpositor.ca/2016/01/27/coras-restaurant-closes-again>

¹² Taylor, D. (January 25, 2016). Downtown restaurant closes doors for good. *Sootoday.com*. Retrieved from <https://www.sootoday.com/local-news/downtown-restaurant-closes-doors-for-good-189632>

¹³ Daniszewski, H. (January 19, 2016). Biz Buzz: Jan. 20. *The London Free Press*. Retrieved from <http://www.lfpress.com/2016/01/19/biz-buzz-jan-20>

¹⁴ Gamble, S. (January 27, 2016). New barbecue restaurant 'here to stay'. *Brantford Expositor*. Retrieved from <http://www.brantfordexpositor.ca/2016/01/27/new-barbecue-restaurant-here-to-stay>

¹⁵ Starr, R. (January 12, 2016). Walmart Takes Target Space at Erin Mills Town Centre. *Bisnow.com*. Retrieved from <https://www.bisnow.com/toronto/news/retail/walmart-takes-target-space-at-erin-mills-town-centre-54459>

¹⁶ CTV Staff. (January 16, 2016). Sunripe searching for 100 employees for new London location. *Ctvnews.ca*. Retrieved from <http://london.ctvnews.ca/sunripe-searching-for-100-employees-for-new-london-location-1.2740162>

¹⁷ Retail Insider Staff. (December 20, 2015). Eileen Fisher Reveals Growth Plans, New Canadian Office. *Retail-insider.com*. Retrieved from <http://www.retail-insider.com/retail-insider/2015/12/eileen-fisher>

¹⁸ Kveton, A. (January 16, 2016). Cabela's to open in September. *Kanata Courier-Standard*. Retrieved from <http://www.ottawacommunitynews.com/news-story/6230131-cabela-s-to-open-in-september/>

¹⁹ Retail Insider Staff. (January 19, 2015). Simons prepares for GTA debut. *Retail-insider.com*. Retrieved from <http://www.retail-insider.com/retail-insider/2016/1/simons-gta>

²⁰ Brazao, D. (January 17, 2016). 16 Ontario Goodwill stores shut down. *Thestar.com*. Retrieved from <http://www.thestar.com/news/gta/2016/01/17/16-ontario-goodwill-stores-shut-down.html>

Between January 2015 and January 2016 employment in the services-producing sector increased by 66,000, with gains in all but four industries.

Ontario Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	January 2016	December 2015	January 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	6,985.9	6,966.1	6,885.7	19.8	0.3	100.2	1.5
Goods-producing sector	1,415.5	1,418.3	1,381.4	-2.8	-0.2	34.1	2.5
Agriculture	79.4	76.4	80.3	3.0	3.9	-0.9	-1.1
Forestry, fishing, mining, quarrying, oil and gas	42.3	43.5	33.4	-1.2	-2.8	8.9	26.6
Utilities	47.3	45.6	51.8	1.7	3.7	-4.5	-8.7
Construction	492.6	496.0	477.1	-3.4	-0.7	15.5	3.2
Manufacturing	754.0	756.9	738.9	-2.9	-0.4	15.1	2.0
Services-producing sector	5,570.3	5,547.7	5,504.3	22.6	0.4	66.0	1.2
Trade	1,041.0	1,032.8	1,041.4	8.2	0.8	-0.4	0.0
Transportation and warehousing	331.6	325.5	313.1	6.1	1.9	18.5	5.9
Finance, insurance, real estate and leasing	553.4	557.4	523.3	-4.0	-0.7	30.1	5.8
Professional, scientific and technical services	596.5	596.1	570.9	0.4	0.1	25.6	4.5
Business, building and other support services	326.4	325.9	347.2	0.5	0.2	-20.8	-6.0
Educational services	515.5	507.4	514.9	8.1	1.6	0.6	0.1
Health care and social assistance	827.8	829.1	811.9	-1.3	-0.2	15.9	2.0
Information, culture and recreation	306.3	299.2	316.8	7.1	2.4	-10.5	-3.3
Accommodation and food services	453.3	444.3	442.1	9.0	2.0	11.2	2.5
Other services	272.3	280.4	271.1	-8.1	-2.9	1.2	0.4
Public administration	346.2	349.5	351.7	-3.3	-0.9	-5.5	-1.6

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

REGIONAL ANALYSIS

Toronto posts its strongest year-over-year employment gain in more than two years

Growth in the labour market continued to be concentrated in the Toronto and Hamilton–Niagara Peninsula economic regions. Employment in the **Toronto** economic region grew by 139,600 between January 2015 and January 2016 (measured on a year-over-year, seasonally unadjusted basis), which is the region's largest employment gain in 28 months. The labour force and participation rate have also increased in the past year, an indication of growing confidence in the regional labour market.

The wholesale and retail trade industry continued to strengthen with the announcement that Walmart Canada will open a new store in Mississauga's Erin Mills Town Centre, which will replace the space vacated by Target and

create about 250 jobs in 2016.²¹ Additionally, retailers La Maison Simons²² and Eileen Fisher²³ are scheduled to open new stores in March 2016 in Mississauga and Toronto respectively. Other significant news came from the utilities sector, as Ontario Power Generation is investing \$12.8B to refurbish the Darlington Generating Station. The project will start in October 2016 and create about 11,800 jobs annually. This announcement came on the heels of Bruce Power's \$13B refurbishment plan, and the approval of Pickering Nuclear Generating Station's extended operation, which will secure 4,500 jobs.²⁴

Employment increased in the **Hamilton–Niagara Peninsula** economic region by 12,000 (+2.3%) over the year. Gains can be entirely attributed to growth in the services-producing sector. Within the transportation and warehousing industry, a new ultra-low cost airline NewLeaf Travel Company Inc. will begin offering regular service from the Hamilton International Airport to five Canadian cities starting in February 2016. As part of the company three-year plan, the airline will employ about 750 workers and fly to additional destinations.²⁵

Between January 2015 and January 2016, employment growth was also recorded in the **Kitchener–Waterloo–Barrie, London, and Northwest** economic regions.

Employment losses registered across six economic regions

The **Muskoka–Kawarthas** economic region continued to shed jobs after 2014's strong labour market growth. Employment fell by 30,600 (-16.3%) since January 2015 and the participation rate dropped from 62.2% to 50.5% as more people left the labour market. The services-producing sector accounted for most of the job losses in the region, and further layoffs were announced by the Metro grocery store in Bracebridge,²⁶ Postmedia Network Canada Corp.,²⁷ TD Bank's MacTier branch,²⁸ and The Northumberland Hills Hospital.²⁹

Employment declined by 17,600 (-6.8%) in the **Northeast** economic region between January 2015 and January 2016 as the region continues to be negatively affected by the commodity slowdown. Within the mining, quarrying, and oil and gas extraction industry, Porcupine Gold Mines will permanently discontinue underground mining

²¹ Mississauga News. (2016, January 9). **Walmart taking over old Target location at Erin Mills Town Centre**. *The Mississauga News*. Retrieved from <http://www.mississauga.com/news-story/6225718-walmart-taking-over-old-target-location-at-erin-mills-town-centre/>

²² **Simons Prepares for GTA Debut**. (2016, January 19). *Retail Insider*. Retrieved from <http://www.retail-insider.com/retail-insider/2016/1/simons-gta>

²³ **Eileen Fisher Reveals Growth Plans, New Canadian Office**. (2015, December 20). *Retail Insider*. Retrieved from <http://www.retail-insider.com/retail-insider/2015/12/eileen-fisher>

²⁴ **Ontario unveils \$12.8B Darlington nuclear refurbishment**. (2016, January 11). *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/toronto/darlington-nuclear-refurbishment-1.3395696>

²⁵ Lu, V. (2016, January 6). **Discount airline offers \$99 flights from Hamilton**. *Toronto Star*. Retrieved from <http://www.thestar.com/business/2016/01/06/discount-airline-offers-99-flights-from-hamilton.html>

²⁶ 411 Staff. (2016, January 7). **Metro in Bracebridge closing, will become Food Basics**. *Muskoka411*. Retrieved from <http://muskoka411.com/start/metro-in-bracebridge-closing-will-become-food-basics/?ajaxCalendar=1&mo=11&yr=2015>

²⁷ Bradshaw, J. (2016, January 7). **Postmedia shuts down Muskoka publications citing financial losses, low readership**. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/postmedia-shuts-down-muskoka-publications-citing-financial-losses-low-readership/article28063390/>

²⁸ Ballingall, A. (2015, December 18). **Muskoka town set to lose its only bank**. *Toronto Star*. Retrieved from <http://www.thestar.com/news/gta/2015/12/18/muskoka-town-set-to-lose-its-only-bank.html>

²⁹ MacDonald, V. (2016, January 25). **ONA expects 28 nurses to be affected at Northumberland Hills Hospital**. *Northumberland Today*. Retrieved from <http://www.northumberlandtoday.com/2016/01/25/ona-expects-28-nurses-to-be-affected-at-northumberland-hills-hospital>

at its Dome mine in Timmins by mid-2016, affecting 115 employees and 76 contractors.³⁰ A layoff of this magnitude could have spillover effects on subsectors such as mining supply, and road clearing and maintenance.

The **Windsor–Sarnia** economic region recorded an employment decrease of 13,200 (-4.4%), and the unemployment rate increased despite lower labour force participation. The health care and social assistance industry has struggled of late with funding shortfalls. Budgetary constraints have led to the layoff of 166 staff, including 120 registered nurses, at the Windsor Regional Hospital over 2016.³¹ Bluewater Health in Sarnia-Lambton is also cutting 12 jobs as part of restructuring efforts to save \$5M.³²

Employment losses were also reported in the **Stratford–Bruce Peninsula, Kingston–Pembroke, and Ottawa** economic regions.

Ontario Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	January 2016 ('000)	January 2015 ('000)	Yearly Variation (%)	January 2016 (%)	January 2015 (%)	Yearly Variation (% points)
Ontario	6,919.2	6,845.1	1.1	6.4	6.6	-0.2
Economic Regions						
Ottawa	681.7	691.9	-1.5	5.9	6.4	-0.5
Kingston—Pembroke	195.7	206.9	-5.4	6.7	7.6	-0.9
Muskoka—Kawarthas	156.7	187.3	-16.3	5.1	6.7	-1.6
Toronto	3,363.2	3,223.6	4.3	6.7	7.1	-0.4
Kitchener—Waterloo—Barrie	715.8	705.7	1.4	5.2	5.0	0.2
Hamilton—Niagara Peninsula	711.0	699.0	1.7	6.9	5.8	1.1
London	329.9	322.4	2.3	5.0	5.9	-0.9
Windsor—Sarnia	286.5	299.7	-4.4	8.1	7.8	0.3
Stratford—Bruce Peninsula	139.6	152.7	-8.6	5.7	5.1	0.6
Northeast	239.5	257.1	-6.8	7.6	6.2	1.4
Northwest	99.5	98.8	0.7	6.1	6.2	-0.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

³⁰ Goldcorp closing underground operations. (2016, January 14). *Timmins Times*. Retrieved from <http://www.timminstimes.com/2016/01/14/goldcorp-closing-underground-operations>

³¹ Windsor Regional Hospital sheds 166 jobs amid \$20M shortfall. (2016, January 12). *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/windsor/windsor-regional-hospital-sheds-166-jobs-1.3400318>

³² Kula, T. (2016, January 27). 12 net jobs are being lost as Bluewater Health searches for \$5 million in savings. *The Observer*. Retrieved from <http://www.theobserver.ca/2016/01/27/12-net-jobs-are-being-lost-as-bluewater-health-searches-for-5-million-in-savings>

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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