



Labour Market Bulletin

Ontario



January 2015

The Monthly Edition of the Labour Market Bulletin provides an analysis of monthly 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 in Ontario increased by 1,300 in January compared to the previous month

- Gains in employment were entirely realized in part-time work (+24,400)
- The unemployment rate decreased 0.1 percentage point to 6.9%
- The youth unemployment rate dropped from 15.9% to 15.3% in January

An increase of 24,400 in part-time work drove the employment gain of 1,300 in January in Ontario. Full-time employment, however, declined by 23,200. Ontario's unemployment rate edged down 0.1 percentage point to 6.9% as fewer people were looking for work. The province also registered a drop of 0.6 percentage points in the youth unemployment rate to 15.3%.

In Canada, employment increased by 35,400 in January compared to the previous month. Gains in part-time employment (+47,200) were partially offset by a decline in full-time work (-11,800). The Canadian unemployment rate dropped slightly to 6.6% from 6.7% in December.

Employment in the U.S. continues to grow with a gain of 257,000 to start 2015. However, the unemployment rate inched up to 5.7% in January from 5.6% in December as more people joined the labour force, showing growing household confidence in the economy.¹

Over the past year, employment in Ontario increased by 44,400. The growth in part-time work (+63,500) was partially offset by a decline in full-time work (-19,100). Unemployment fell by 42,600 and the unemployment rate declined from 7.4% to 6.9% over the same period.

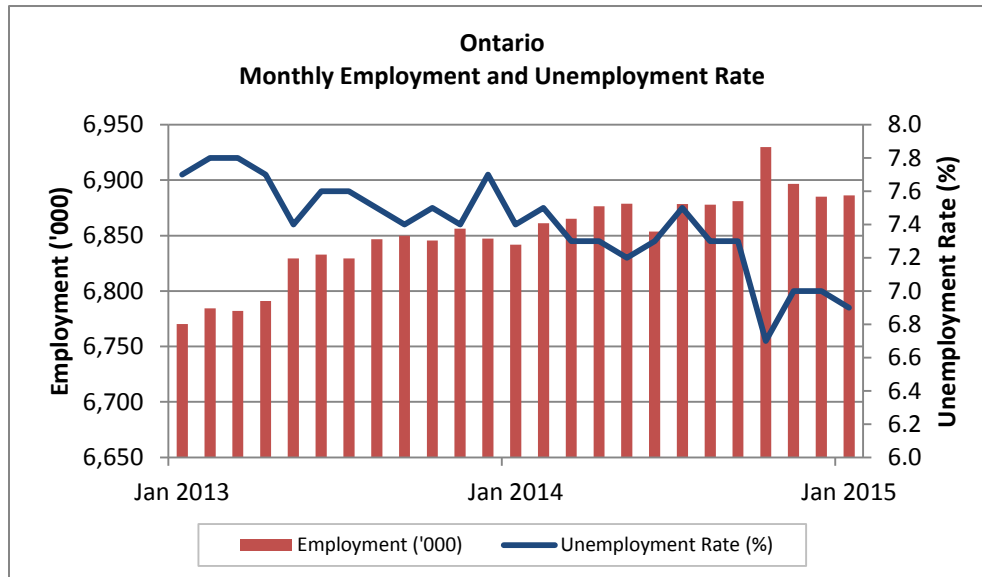
¹ Mitchell, J. and Morath, E. (February 6, 2015). **Jobs Report: U.S. Adds 257,000 Jobs; Unemployment Ticks Up to 5.7%**. *The Wall Street Journal*. Retrieved from <http://www.wsj.com/articles/jobs-report-u-s-adds-257-000-jobs-unemployment-ticks-up-to-5-7-1423229564>

Ontario Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	January 2015	December 2014	January 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	11 329.1	11 320.4	11 216.3	8.7	0.1	112.8	1.0
Labour Force ('000)	7 393.3	7 407.2	7 391.6	-13.9	-0.2	1.7	0.0
Employment ('000)	6 886.3	6 885.0	6 841.9	1.3	0.0	44.4	0.6
Full-Time ('000)	5 516.9	5 540.1	5 536.0	-23.2	-0.4	-19.1	-0.3
Part-Time ('000)	1 369.3	1 344.9	1 305.8	24.4	1.8	63.5	4.9
Unemployment ('000)	507.1	522.2	549.7	-15.1	-2.9	-42.6	-7.7
Unemployment Rate (%)	6.9	7.0	7.4	-0.1	-	-0.5	-
Participation Rate (%)	65.3	65.4	65.9	-0.1	-	-0.6	-
Employment Rate (%)	60.8	60.8	61.0	0.0	-	-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 2015	December 2014	January 2014	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	6.9	7.0	7.4	-0.1	-0.5
25 years and over	5.4	5.5	5.9	-0.1	-0.5
Men - 25 years and over	5.6	5.6	6.2	0.0	-0.6
Women - 25 years and over	5.1	5.3	5.6	-0.2	-0.5
15 to 24 years	15.3	15.9	16.0	-0.6	-0.7
Men - 15 to 24 years	16.8	17.6	17.1	-0.8	-0.3
Women - 15 to 24 years	13.6	14.2	14.8	-0.6	-1.2

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

EMPLOYMENT BY INDUSTRY

Losses in primary industries and manufacturing offset construction gain as goods-producing sector declines

The goods-producing sector witnessed a slight monthly employment decrease of 2,800 in January 2015 compared to December 2014. A monthly employment gain in construction (+7,600) was offset by decreases in the manufacturing industry (-3,900) and the forestry, fishing, mining, quarrying, oil and gas industries (-6,400). The employment increase in construction may be attributed in part to below average precipitation levels in January in Ontario, particularly Southern Ontario, allowing more development and construction projects to continue undisturbed than usual.

The employment decline in manufacturing was the second consecutive monthly decline. The RBC Canadian Manufacturing Purchasing Managers' Index (PMI), an indicator of business conditions in Canadian manufacturing, came in at 51.0 in January. Although the index remains in expansion territory, it has seen a steady decline from a near all-time high reached in 2011.² Canadian production capacity levels have been steadily increasing and are reaching pre-recession highs restraining extra production and employment. However, manufacturing firms have invested to increase capacity levels as seen by Fiat Chrysler Automobiles spending \$2B re-tooling the Windsor plant,³ NemaK of Canada Corp.—automotive component manufacturer—spending \$15M to increase capacity,⁴ Linamar Corporation receiving \$100M in government investment over the next 10 years,⁵ and Wolf Steel Ltd. in Barrie receiving \$4.2M from the federal government to expand its manufacturing capacity.⁶

Compared to January 2014, the number of people working in the goods-producing sector decreased by 6,800, with only construction experiencing a yearly employment gain of 20,000. Employment in all other industries showed yearly decreases most notably, manufacturing which declined by over 21,000.

Services-producing sector employment up, led by professional, scientific and technical services

In contrast to the goods-producing sector, the Ontario services-producing sector witnessed a slight monthly employment gain of 4,000 in January 2015. Notable monthly employment increases were seen in the professional, scientific and technical services industry (+16,700), while the heaviest monthly employment declines were seen in the information, culture, and recreation industry (-11,400) and in public administration (-10,000).

Gains in professional, scientific and technical services industry employment came from the accounting and tax preparation sub-industry, as firms took on more employees to aid in year-end earnings reporting, and the

² Lalonde, E. (February 2, 2015). [RBC Canadian Manufacturing PMI Report](http://www.rbc.com/newsroom/reports/rbc-purchasing-managers-index.html). RBC. Retrieved from <http://www.rbc.com/newsroom/reports/rbc-purchasing-managers-index.html>

³ [Chrysler expands Windsor plant](http://www.cbc.ca/news/canada/windsor/chrysler-expands-windsor-plant-preps-for-future-vehicle-1.2885313). (December 29, 2014). CBC News. Retrieved from <http://www.cbc.ca/news/canada/windsor/chrysler-expands-windsor-plant-preps-for-future-vehicle-1.2885313>

⁴ [Nemak invests \\$15M and hires 80 in Windsor](http://www.cbc.ca/news/canada/windsor/nemak-invests-15m-and-hires-80-in-windsor-1.2918134). (January 19, 2015). CBC News. Retrieved from <http://www.cbc.ca/news/canada/windsor/nemak-invests-15m-and-hires-80-in-windsor-1.2918134>

⁵ [Ottawa, Ontario investment \\$100M at Guelph-based auto parts maker Linamar](http://www.citynews.ca/2015/01/12/feds-to-unveil-500m-investment-at-auto-parts-maker-linamar/). (January 12, 2015). CityNews. Retrieved from <http://www.citynews.ca/2015/01/12/feds-to-unveil-500m-investment-at-auto-parts-maker-linamar/>

⁶ [Harper government helping to create jobs in Barrie](http://news.gc.ca/web/article-en.do?mthd=advSrch&crtr.mnthndVI=&crtr.mnthStrtVI=&crtr.page=1&nid=919569&crtr.yrndVI=&crtr.kw=wolf+steel&crtr.yrStrtVI=&crtr.dyStrtVI=&crtr.dyndVI=). (January 13, 2015). Government of Canada. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=advSrch&crtr.mnthndVI=&crtr.mnthStrtVI=&crtr.page=1&nid=919569&crtr.yrndVI=&crtr.kw=wolf+steel&crtr.yrStrtVI=&crtr.dyStrtVI=&crtr.dyndVI=>

management services sub-industry, as companies realigned business plans and operational strategies for the upcoming year. Good news also came from the scientific, technical and computer design services sub-industries as the Canadian Nuclear Laboratories unveiled a \$55M lab for hydrogen-based energy production research and development,⁷ and Huawei Technologies Co. Ltd. is considering opening a research and development office in Waterloo Region.⁸

The trade industry experienced an employment decline of 3,700 with key losses coming from the retail sector. There has been a downward trend in retail with many retailers closing down or cutting jobs. The biggest news came from Target which announced plans to discontinue all Canadian operations.⁹ The job losses will be felt over upcoming months as an estimated 8,000 workers in Ontario will be let go in waves as the stores liquidate.

Year-over-year, the services-producing sector has generated a growth of 51,100 in employment from January 2014. The educational services industry (+41,500), the health care and social assistance industry (+27,700) and the professional, scientific and technical services industry (+20,300) provided the largest employment gains over the year. Despite the overall growth of the sector, the transportation and warehousing industry (-31,000) and the public administration industry (-13,700) observed the sharpest decreases in yearly employment.

⁷ Chase, S. (January 8, 2015). **CNL commissions \$55 million lab**. *The Daily Observer*. Retrieved from <http://www.thedailyobserver.ca/2015/01/08/cnl-commissions-55-million-lab>

⁸ Pender, T. (January 28, 2015). **Huawei looking at opening office in Waterloo Region**. *The Record*. Retrieved from <http://www.therecord.com/news-story/5290739-huawei-looking-at-opening-office-in-waterloo-region>

⁹ **Target Corporation announces plans to discontinue Canadian operations**. (January 15, 2015). *Target Press Room*. Retrieved from <http://pressroom.target.com/news/target-corporation-announces-plans-to-discontinue-canadian-operations>

Ontario Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	January 2015	December 2014	January 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	6 886.3	6 885.0	6 841.9	1.3	0.0	44.4	0.6
Goods-producing sector	1 383.2	1 386.0	1 390.0	-2.8	-0.2	-6.8	-0.5
Agriculture	81.3	82.0	83.2	-0.7	-0.9	-1.9	-2.3
Forestry, fishing, mining, quarrying, oil and gas	33.0	39.4	35.2	-6.4	-16.2	-2.2	-6.3
Utilities	51.6	50.9	53.1	0.7	1.4	-1.5	-2.8
Construction	476.0	468.4	456.0	7.6	1.6	20.0	4.4
Manufacturing	741.4	745.3	762.6	-3.9	-0.5	-21.2	-2.8
Services-producing sector	5 503.0	5 499.0	5 451.9	4.0	0.1	51.1	0.9
Trade	1 038.9	1 042.6	1 016.7	-3.7	-0.4	22.2	2.2
Transportation and warehousing	312.3	316.0	343.3	-3.7	-1.2	-31.0	-9.0
Finance, insurance, real estate and leasing	523.4	522.4	523.8	1.0	0.2	-0.4	-0.1
Professional, scientific and technical services	570.4	553.7	550.1	16.7	3.0	20.3	3.7
Business, building and other support services	347.0	342.8	331.4	4.2	1.2	15.6	4.7
Educational services	513.3	506.7	471.8	6.6	1.3	41.5	8.8
Health care and social assistance	813.9	810.1	786.2	3.8	0.5	27.7	3.5
Information, culture and recreation	316.9	328.3	325.7	-11.4	-3.5	-8.8	-2.7
Accommodation and food services	441.3	442.1	447.4	-0.8	-0.2	-6.1	-1.4
Other services	271.6	270.1	287.5	1.5	0.6	-15.9	-5.5
Public administration	354.2	364.2	367.9	-10.0	-2.7	-13.7	-3.7

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Muskoka-Kawarthas recorded the largest employment gain in January

The **Muskoka-Kawarthas** economic region led employment growth in the province for January, as the region saw an increase of 19,000 between January 2014 and January 2015 (measured on a year-over-year, seasonally unadjusted basis). The unemployment rate rose to 6.7% from 5.9% between January 2014 and January 2015 due to an increase in the number of people looking for work. Announcements in late 2014 for several infrastructure^{10,11} and commercial projects^{12,13} likely drove the employment gains in this economic region.

¹⁰ **New Port Hope police station to cost \$3.1 million.** (October 3, 2014.) *Northumberland News*. Retrieved from <http://www.northumberlandnews.com/news-story/4886207-new-port-hope-police-station-to-cost-3-1-million/>

¹¹ Riley, M. (October 30, 2014.) **Northwest Trunk river crossing gets underway in Lindsay.** *Kawartha Lakes This Week*. Retrieved from <http://www.mykawartha.com/news-story/4950925-northwest-trunk-river-crossing-gets-underway-in-lindsay/>

¹² Frank, S. (October 7, 2014.) **New gas station coming to Norwood.** *MyKawartha.com*. Retrieved from <http://www.mykawartha.com/news-story/4902034-new-gas-station-coming-to-norwood/>

Other regions in the province posted robust employment growth in January as well, with **Kitchener-Waterloo-Barrie** showing a notable gain of 16,300 over the past year. This gain was entirely due to an increase in part-time employment. There were mixed announcements in manufacturing in January, with Linamar Corporation in Guelph¹⁴ and Wolf Steel Ltd.¹⁵ in Barrie announcing the expansion of their production capacity, which will create new jobs. However, General Mills announced the closure of its Midland food manufacturing plant in mid-2016, affecting approximately 100 employees.¹⁶

The economic regions of **Hamilton-Niagara Peninsula, Northeast Ontario, Stratford-Bruce Peninsula, London, Kingston-Pembroke, Ottawa, and Windsor-Sarnia** also recorded employment gains in January.

Toronto's employment declined by 17,800 over the past year

The **Toronto** economic region observed a sixth consecutive month of year-over-year losses in employment in January, with a decrease of 17,800. Most of the decline between January 2014 and January 2015 was in part-time employment. There were major layoff announcements from well-known companies which will affect many workers over the coming year in Toronto including Target,¹⁷ Tim Horton's,¹⁸ Mexx,¹⁹ and Sony.²⁰ However, mitigating the closure announcements in retail trade were some positive developments with the opening of three new locations of Forever 21²¹ and the planned opening of UNIQLO Canada's first two new

¹³ Ingram, C. (October 7, 2014.) **Highway 35 strip mall to be completed next year.** *The Minden Times*. Retrieved from <http://mindentimes.ca/?p=5267>

¹⁴ **Ottawa, Ontario investment \$100M at Guelph-based auto parts maker Linamar.** (January 12, 2015). *CityNews*. Retrieved from <http://www.citynews.ca/2015/01/12/feds-to-unveil-500m-investment-at-auto-parts-maker-linamar/>

¹⁵ **Harper Government helping to create jobs in Barrie.** (January 13, 2015.) *Government of Canada*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=advSrch&crtr.mnthndVI=&crtr.mnthStrtVI=&crtr.page=1&nid=919569&crtr.yrndVI=&crtr.kw=wolf+steel&crtr.yrStrtVI=&crtr.dyStrtVI=&crtr.dyndVI=>

¹⁶ Dunning, J. (January 8, 2015.) **General Mills announces Midland factory to close in 2016.** *Cambridge Times*. Retrieved from <http://www.cambridgetimes.ca/news-story/5248158-general-mills-announces-midland-factory-to-close-in-2016/>

¹⁷ **Target Corporation Announces Plans to Discontinue Canadian Operations** (January 15, 2015.) *Target*. Retrieved from <http://pressroom.target.com/news/target-corporation-announces-plans-to-discontinue-canadian-operations>

¹⁸ Friend, D. (January 29, 2015). **Tim Hortons cuts 350 staff at its headquarters and regional offices.** *Canadian Business*. Retrieved from <http://www.canadianbusiness.com/business-news/newsalert-tim-hortons-cut-350-people-in-layoffs-this-week-company-says/>

¹⁹ The Canadian Press. (January 14, 2015). **Mexx Canada to liquidate stores before closing by end of February.** *CBC News*. Retrieved from <http://www.cbc.ca/news/business/mexx-canada-to-liquidate-stores-before-closing-by-end-of-february-1.2900539>

²⁰ Marlow, I. (January 15, 2015). **Sony to close all Canadian retail locations in next two months.** *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/international-business/asian-pacific-business/sony-to-close-all-canadian-retail-locations-in-next-two-months/article22464241/>

²¹ **Forever 21 Announces Grand Openings at Yorkdale, Dufferin Mall and Square One in The Greater Toronto Area** (December 18, 2014). *Forever 21*. Retrieved from <http://www.newswire.ca/en/story/1465495/forever-21-announces-grand-openings-at-yorkdale-dufferin-mall-and-square-one-in-the-greater-toronto-area>

locations in Toronto in 2016.²² The acquisitions of 20 trade journals by publisher Annex Media & Printing Inc. is also expected to add 230 new employees to the company's payroll.²³

Employment also declined in the **Northwest** economic region by 1,400 between January 2014 and January 2015.

Ontario Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	January 2015 ('000)	January 2014 ('000)	Yearly Variation (%)	January 2015 (%)	January 2014 (%)	Yearly Variation (% points)
Ontario	6 845.1	6 806.1	0.6	6.6	7.1	-0.5
Economic Regions						
Ottawa	691.9	690.2	0.2	6.4	6.1	0.3
Kingston—Pembroke	206.9	204.7	1.1	7.6	8.3	-0.7
Muskoka—Kawarthas	187.3	168.3	11.3	6.7	5.9	0.8
Toronto	3 223.6	3 241.4	-0.5	7.1	7.8	-0.7
Kitchener—Waterloo—Barrie	705.7	689.4	2.4	5.0	5.8	-0.8
Hamilton—Niagara Peninsula	699.0	691.9	1.0	5.8	6.7	-0.9
London	322.4	319.8	0.8	5.9	6.7	-0.8
Windsor—Sarnia	299.7	299.6	0.0	7.8	7.0	0.8
Stratford—Bruce Peninsula	152.7	148.7	2.7	5.1	6.2	-1.1
Northeast	257.1	251.9	2.1	6.2	7.4	-1.2
Northwest	98.8	100.2	-1.4	6.2	6.6	-0.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 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 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.

Prepared by: Labour Market Information (LMI) Division, Ontario

For further information, please contact the LMI team at: NC-LMI-IMT-GD@hrsdc-rhdcc.gc.ca

For information on the Labour Force Survey, please visit the Statistics Canada Web site at:

<http://www40.statcan.gc.ca/l01/cst01/lfs05d-eng.htm>

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2015, all rights reserved

²² UNIQLO to Enter Canadian Market in Fall 2016 Opening First Stores in Yorkdale Shopping Centre and Toronto Eaton Centre. (January 26, 2015). UNIQLO Canada Inc. Retrieved from <http://www.newswire.ca/en/story/1477175/uniqlo-to-enter-canadian-market-in-fall-2016-opening-first-stores-in-yorkdale-shopping-centre-and-toronto-eaton-centre>

²³ Sonnenberg, M. (January 27, 2015). Simcoe publishing firm acquires 20 new trade journals. Simcoe Reformer. Retrieved from <http://www.simcoereformer.ca/2015/01/27/simcoe-publishing-firm-acquires-20-new-trade-journals>