



# Labour Market Bulletin

Ontario



February 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 – Ontario employment increased by 13,800 in February 2015

- Employment gains were entirely realized in full-time work (+60,200)
- The unemployment rate remained unchanged at 6.9%
- The youth unemployment rate dropped from 15.3% to 14.9%

Ontario registered an employment gain of 13,800 in February, and the unemployment rate remained unchanged at 6.9% as more people looked for work. Employment growth was entirely realized in full-time work (+60,200), and partially offset by a decrease in part-time work (-46,200).

In Canada, employment declined by 1,000 in February as part-time employment fell by 34,900 while full-time work increased by 34,000. The Canadian unemployment rate rose from 6.6% in January to 6.8% in February as more people joined the labour force.

The U.S. economy continues to improve as employment grew by 295,000 in February and the unemployment rate fell to 5.5% from the 5.7% posted in January. However, recovery has been tempered by disappointing results in wage growth and youth employment.<sup>1</sup>

Over the past year, Ontario added 39,000 in employment with growth coming from both full-time (+12,000) and part-time (+27,100) work. The unemployment rate declined by 0.6 percentage points from 7.5% to 6.9% as fewer people participated in the labour force.

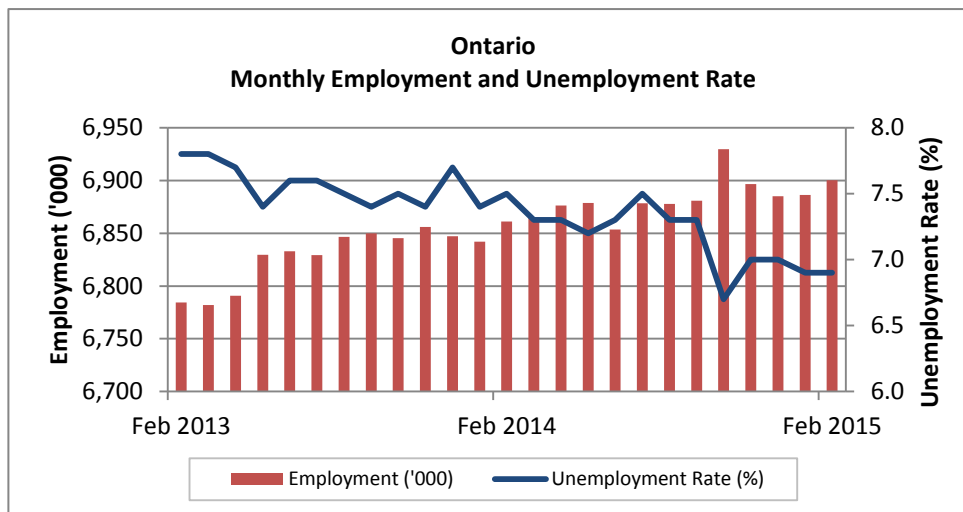
<sup>1</sup> Rushe, D. (March 6, 2015). U.S. economy shrugs off winter weather to add 295,000 jobs in February. *The Guardian*. Retrieved from <http://www.theguardian.com/business/2015/mar/06/us-unemployment-jobs-numbers-february>

## Ontario Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	February 2015	January 2015	February 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15+ ('000)</b>	11,338.1	11,329.1	11,224.2	9.0	0.1	113.9	1.0
<b>Labour Force ('000)</b>	7,414.1	7,393.3	7,417.3	20.8	0.3	-3.2	0.0
<b>Employment ('000)</b>	6,900.1	6,886.3	6,861.1	13.8	0.2	39.0	0.6
Full-Time ('000)	5,577.1	5,516.9	5,565.1	60.2	1.1	12.0	0.2
Part-Time ('000)	1,323.1	1,369.3	1,296.0	-46.2	-3.4	27.1	2.1
<b>Unemployment ('000)</b>	514.0	507.1	556.2	6.9	1.4	-42.2	-7.6
<b>Unemployment Rate (%)</b>	6.9	6.9	7.5	0.0	-	-0.6	-
<b>Participation Rate (%)</b>	65.4	65.3	66.1	0.1	-	-0.7	-
<b>Employment Rate (%)</b>	60.9	60.8	61.1	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	February 2015	January 2015	February 2014	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
<b>Total</b>	6.9	6.9	7.5	0.0	-0.6
<b>25 years and over</b>	5.5	5.4	6.1	0.1	-0.6
Men - 25 years and over	5.9	5.6	6.3	0.3	-0.4
Women - 25 years and over	5.1	5.1	5.8	0.0	-0.7
<b>15 to 24 years</b>	14.9	15.3	15.7	-0.4	-0.8
Men - 15 to 24 years	16.8	16.8	16.2	0.0	0.6
Women - 15 to 24 years	12.9	13.6	15.3	-0.7	-2.4

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

## EMPLOYMENT BY INDUSTRY

### Employment growth in the goods-producing sector driven by a gain in construction

Employment in the goods-producing sector increased by 6,600 in February 2015 compared to January 2015. A solid monthly employment gain in construction (+14,000) worked to offset decreases in the manufacturing (-9,500) and agriculture (-3,300) industries. The employment increase in construction can be attributed in part to various approved infrastructure repairs and maintenance projects in rural Ontario,<sup>2</sup> as well as, higher numbers of water main and road repairs throughout the GTA due to well-below average temperatures.<sup>3</sup> Below average precipitation levels continued in February in Ontario, particularly Southern Ontario, allowing more development and construction projects to continue undisturbed than usual despite the below average temperatures.

February 2015 marked a third consecutive monthly employment decline in manufacturing. The RBC Canadian Manufacturing Purchasing Managers' Index (PMI), an indicator of business conditions in Canadian manufacturing, fell to 48.7 in February – its lowest level since the survey began.<sup>4</sup> The index is officially in contraction territory for the first time since early 2013, although this also factors in struggles in the western provinces. Canadian production capacity levels have continued their increasing trend toward pre-recession highs which restrains production and employment. The manufacturing industry was expected to receive a boost from U.S. economic strength, however declining monthly factory orders in the U.S. could be contributing to slower growth in Ontario manufacturing. Companies continue to invest to increase production capacity with Toyota Boshoku Canada receiving \$1M in investment support from the provincial government<sup>5</sup> and General Motors investing \$560M in their Ingersoll plant.<sup>6</sup>

Compared to February 2014, the number of people working in the goods-producing sector increased by 5,400, with construction experiencing a large yearly employment gain of 34,500 while employment in manufacturing showed a sizeable yearly decrease of 25,600.

### Services-producing sector employment growth led by trade

The Ontario services-producing sector registered a monthly employment gain of 7,300 in February 2015. Notable monthly employment gains were seen in the trade (+15,500) and accommodation and food services (+7,600) industries, while losses occurred in the business, building and other support services industry (-9,500), and the information, culture, and recreation industry (-8,900).

<sup>2</sup> [Ontario Community Infrastructure Fund \(OCIF\) - Approved Projects](http://www.omafra.gov.on.ca/english/rural/infrastructure-broadband/ocif-projects.htm). (February 27, 2015). Ministry of Agriculture, Food and Rural Affairs. Retrieved from <http://www.omafra.gov.on.ca/english/rural/infrastructure-broadband/ocif-projects.htm>

<sup>3</sup> Strapagiel, L. (February 17, 2015). [Cold snap inundates Toronto with broken water mains](http://news.nationalpost.com/2015/02/17/cold-snap-inundates-toronto-with-broken-water-mains-burst-pipes-as-frigid-temperatures-continue/). National Post. Retrieved from <http://news.nationalpost.com/2015/02/17/cold-snap-inundates-toronto-with-broken-water-mains-burst-pipes-as-frigid-temperatures-continue/>

<sup>4</sup> 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>

<sup>5</sup> Forgione, A. (March 2, 2015). [Ontario Partnering with Toyota Boshoku](http://www.news.ontario.ca/medt/en/2015/03/ontario-partnering-with-toyota-boshoku-to-create-73-new-jobs-in-elmira.html). Ontario NewRoom. Retrieved from <http://www.news.ontario.ca/medt/en/2015/03/ontario-partnering-with-toyota-boshoku-to-create-73-new-jobs-in-elmira.html>

<sup>6</sup> Daniszewski, H. (February 12, 2015). [GM to invest \\$560M in Ingersoll Cami Plant](http://www.lfpress.com/2015/02/12/general-motors-to-invest-450m-in-ingersoll-cami-plant-to-build-new-weld-shop). LFPRESS. Retrieved from <http://www.lfpress.com/2015/02/12/general-motors-to-invest-450m-in-ingersoll-cami-plant-to-build-new-weld-shop>

Most of the employment gains in the trade industry came from retail trade. Some retailers, such as Home Depot, hired more employees to prepare for the upcoming spring and summer seasons,<sup>7</sup> while others like Loblaw<sup>8</sup> and Walmart<sup>9</sup> have announced expansion plans. However, many of the recently announced retail closures and layoffs are not expected to take full effect until the upcoming months. Employment declines in the business, building and other support services industry were seen mainly in building services. Demand for building services are impacted by commercial real estate vacancies which were higher in the fourth quarter of 2014, compared to the same quarter in 2013, in Toronto, Ottawa and the Waterloo region markets and are expected to continue to increase in 2015 due to business closures and unabsorbed new building completions.<sup>10</sup> Also, the frigid temperatures in February have impacted outdoor building services.

Year-over-year, the services-producing sector has generated an employment gain of 33,700 from February 2014. The educational services industry (+40,000), the health care and social assistance industry (+26,200), the finance, insurance and real estate industry (+14,100) and the professional, scientific and technical services industry (+12,500) provided the largest employment gains over the year. Despite the overall growth of the sector, the transportation and warehousing (-26,400), the other services (-22,100) and the information, culture and recreation (-14,100) industries observed the sharpest decreases in yearly employment.

<sup>7</sup> Noseworthy, J. (February 9, 2015). [Home Depot to hire 2,600 employees for spring season](http://toronto.ctvnews.ca/home-depot-to-hire-2-600-employees-for-spring-season-1.2227659). CTV News. Retrieved from <http://toronto.ctvnews.ca/home-depot-to-hire-2-600-employees-for-spring-season-1.2227659>

<sup>8</sup> Nguyen, L. (March 9, 2015). [Loblaw expansion plans: build 50 new stores, renovate 100](http://www.ctvnews.ca/business/loblaw-expansion-plans-build-50-new-stores-renovate-100-1.2270285). CTV News. Retrieved from <http://www.ctvnews.ca/business/loblaw-expansion-plans-build-50-new-stores-renovate-100-1.2270285>

<sup>9</sup> Evans, P. (February 11, 2015). [Walmart Canada plans 29 new stores in \\$340M expansion](http://www.cbc.ca/news/business/walmart-canada-plans-29-new-stores-in-340m-expansion-1.2953020). CBC News. Retrieved from <http://www.cbc.ca/news/business/walmart-canada-plans-29-new-stores-in-340m-expansion-1.2953020>

<sup>10</sup> [Commercial Property Research in Canada](http://www.collierscanada.com/en/Commercial-Property-Research). (January 19 2015). Colliers Canada. Retrieved from: <http://www.collierscanada.com/en/Commercial-Property-Research>

## Ontario Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	February 2015	January 2015	February 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	6,900.1	6,886.3	6,861.1	13.8	0.2	39.0	0.6
<b>Goods-producing sector</b>	1,389.8	1,383.2	1,384.4	6.6	0.5	5.4	0.4
Agriculture	78.0	81.3	85.5	-3.3	-4.1	-7.5	-8.8
Forestry, fishing, mining, quarrying, oil and gas	38.1	33.0	33.0	5.1	15.5	5.1	15.5
Utilities	51.8	51.6	52.9	0.2	0.4	-1.1	-2.1
Construction	490.0	476.0	455.5	14.0	2.9	34.5	7.6
Manufacturing	731.9	741.4	757.5	-9.5	-1.3	-25.6	-3.4
<b>Services-producing sector</b>	5,510.3	5,503.0	5,476.6	7.3	0.1	33.7	0.6
Trade	1,054.4	1,038.9	1,045.0	15.5	1.5	9.4	0.9
Transportation and warehousing	313.8	312.3	340.2	1.5	0.5	-26.4	-7.8
Finance, insurance, real estate and leasing	524.8	523.4	510.7	1.4	0.3	14.1	2.8
Professional, scientific and technical services	567.8	570.4	555.3	-2.6	-0.5	12.5	2.3
Business, building and other support services	337.5	347.0	329.4	-9.5	-2.7	8.1	2.5
Educational services	518.0	513.3	478.0	4.7	0.9	40.0	8.4
Health care and social assistance	810.4	813.9	784.2	-3.5	-0.4	26.2	3.3
Information, culture and recreation	308.0	316.9	322.1	-8.9	-2.8	-14.1	-4.4
Accommodation and food services	448.9	441.3	453.9	7.6	1.7	-5.0	-1.1
Other services	270.7	271.6	292.8	-0.9	-0.3	-22.1	-7.5
Public administration	356.1	354.2	365.0	1.9	0.5	-8.9	-2.4

Note: Totals may not add due to rounding

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

## REGIONAL ANALYSIS

## Muskoka-Kawarths recorded the largest employment gain in February

The **Muskoka-Kawarths** economic region led employment growth in the province, as the region saw an increase of 19,100 between February 2014 and February 2015 (measured on a year-over-year, seasonally unadjusted basis). The unemployment rate rose to 7.7% from 7.2% in the same time frame due to an increase in the number of people looking for work. The Government of Canada announced a grant of nearly \$1M for the Muskoka Airport expansion project which is expected to create additional jobs in the region.<sup>11</sup>

Other regions in the province posted robust employment growth in February as well, with **Kitchener-Waterloo-Barrie** showing a notable gain of 17,800 over the past year. There were a number of positive developments in this region in February. The construction of new facilities for armoured vehicle manufacturer Streit Manufacturing Inc. in Barrie<sup>12</sup> and aerospace manufacturer Heroux-Devtek Inc. in Cambridge,<sup>13</sup> are expected to

<sup>11</sup> Butts, H. (February 6, 2015). [Expansion plans for Muskoka Airport](http://barrie.ctvnews.ca/expansion-plans-for-muskoka-airport-1.2224647). CTV News. Retrieved from <http://barrie.ctvnews.ca/expansion-plans-for-muskoka-airport-1.2224647>

<sup>12</sup> McInroy, I. (January 28, 2015). [Streit Manufacturing – which produces armoured vehicles – to construct new facility in Barrie's south end](http://www.thebarrieexaminer.com/2015/01/28/streit-manufacturing-which-produces-armoured-vehicles-to-construct-new-facility-in-barries-south-end). Barrie Examiner. Retrieved from <http://www.thebarrieexaminer.com/2015/01/28/streit-manufacturing-which-produces-armoured-vehicles-to-construct-new-facility-in-barries-south-end>

create 40 new jobs each. Food safety services company NSF Canada–Guelph Food Technology Centre will double its staff to about 85 employees following the construction of a new 25,000 sq.ft. building in Guelph.<sup>14</sup>

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

### **Toronto's employment declined by 15,800 over the past year**

Employment in the **Toronto** economic region declined for the eighth consecutive month in February (measured on a year-over-year basis), with a decrease of 15,800. Most of the decline over the past year was in part-time employment. Several employers in Toronto announced major layoffs which will affect many workers over the coming year, including CIBC,<sup>15</sup> Jones New York,<sup>16</sup> Sun Media,<sup>17</sup> and Everest College.<sup>18</sup> However, positive news in motor vehicle manufacturing came from Ford Motor Company of Canada, who announced plans to produce the new Ford Edge crossover SUV in the Oakville assembly plant, which will create 400 jobs.<sup>19</sup> The company also announced it will construct the GT 'supercar' at Multimatic Inc., an auto component manufacturer in Markham.<sup>20</sup>

Employment also declined in the **Northwest** and **Hamilton-Niagara Peninsula** economic regions between February 2014 and February 2015.

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<sup>13</sup> Ontario gets aerospace manufacturing facility. (February 26, 2015). *London Community News*. Retrieved from <http://www.londoncommunitynews.com/news-story/5449771-ontario-gets-aerospace-manufacturing-facility/>

<sup>14</sup> Area food industry sees boost with new building. (February 24, 2015). *Guelph Tribune*. Retrieved from <http://www.guelphtribune.ca/news/area-food-industry-sees-boost-with-new-building/>

<sup>15</sup> CIBC announced job cuts in wake of slower profit growth. (January 29, 2015). *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/cibc-announces-job-cuts-in-wake-of-slower-profit-growth/article22713268/>

<sup>16</sup> Jones New York to close its 36 Canadian stores. (January 29, 2015). *CBC News*. Retrieved from <http://www.cbc.ca/news/business/jones-new-york-to-close-its-36-canadian-stores-1.2936686>

<sup>17</sup> Sun News Network to go off air Friday morning. (February 12, 2015). *The Toronto Star*. Retrieved from <http://www.thestar.com/news/gta/2015/02/12/sun-news-network-to-go-off-air-friday-morning-reports.html>

<sup>18</sup> Walker, M. (February 19, 2015). Everest College closes amid financial concerns. *CTV News*. Retrieved from <http://barrie.ctvnews.ca/everest-college-closes-amid-financial-concerns-1.2243999>

<sup>19</sup> Ford adding 400 jobs at Oakville to produce new Edge crossover SUV. (February 6, 2015). *The Toronto Star*. Retrieved from <http://www.thestar.com/business/2015/02/26/ford-adding-700-jobs-at-oakville-to-produce-new-edge-crossover-suv.html>

<sup>20</sup> Flavelle, D. (February 12, 2015). Ford to make next-gen 'supercar' at Markham firm, new jobs likely. *The Toronto Star*. Retrieved from <http://www.thestar.com/business/2015/02/12/ford-to-make-next-gen-supercar-at-markham-firm.html>

## Ontario Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	February 2015 ('000)	February 2014 ('000)	Yearly Variation (%)	February 2015 (%)	February 2014 (%)	Yearly Variation (% points)
<b>Ontario</b>	6,810.3	6,772.3	0.6	6.8	7.4	-0.6
<b>Economic Regions</b>						
Ottawa	685.1	683.8	0.2	6.8	6.6	0.2
Kingston—Pembroke	203.8	202.4	0.7	7.6	9.2	-1.6
Muskoka—Kawarthas	187.9	168.8	11.3	7.7	7.2	0.5
Toronto	3,213.9	3,229.7	-0.5	7.0	7.9	-0.9
Kitchener—Waterloo—Barrie	700.1	682.3	2.6	5.4	6.0	-0.6
Hamilton—Niagara Peninsula	696.7	697.2	-0.1	6.0	7.0	-1.0
London	320.2	318.9	0.4	6.2	7.1	-0.9
Windsor—Sarnia	300.6	294.8	2.0	8.4	7.7	0.7
Stratford—Bruce Peninsula	152.5	145.7	4.7	5.6	6.5	-0.9
Northeast	252.0	250.1	0.8	7.5	7.6	-0.1
Northwest	97.4	98.7	-1.3	5.6	6.6	-1.0

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0054

**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:

<http://www40.statcan.gc.ca/l01/cst01/lfss05d-eng.htm>

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