



Labour Market Bulletin

Ontario



April 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 declined by 14,300 in April compared to March

- Losses were driven by part-time work (-44,400)
- The unemployment rate edged down to 6.8% as fewer people sought work
- The youth unemployment rate increased from 14.9% to 15.2%

Ontario employment was down 14,300 in April after three months of growth. Nevertheless, the unemployment rate declined 0.1 percentage points to 6.8%, as fewer people looked for work over the month. Employment decreases were in part-time work (-44,400) with good news coming from an increase in full-time work (+30,300). While the unemployment rate for youth grew 0.3 percentage points to 15.2%, this age group registered the majority of full-time employment gains.

Similarly, employment in Canada decreased by 19,700 in April as part-time work fell by 66,500 and full-time work increased by 46,900. The national unemployment rate remained unchanged at 6.8% compared to March, accompanied by a decline in the labour force.

South of the border, U.S. nonfarm employment resumed its 14-month growth trend¹, adding 230,000 jobs in April. The unemployment rate ticked down to 5.4% from 5.5%. The jobs report is encouraging but moderate wage growth and continued weakness in mining signal the economy has yet to return to full employment.

Compared to a year ago, employment in Ontario was 11,500 higher, driven by gains in full-time work (+25,500) and dampened by losses in part-time work (-13,900). The unemployment rate fell by half a percentage point from 7.3% over the same period, partially due to a decline in the labour force.

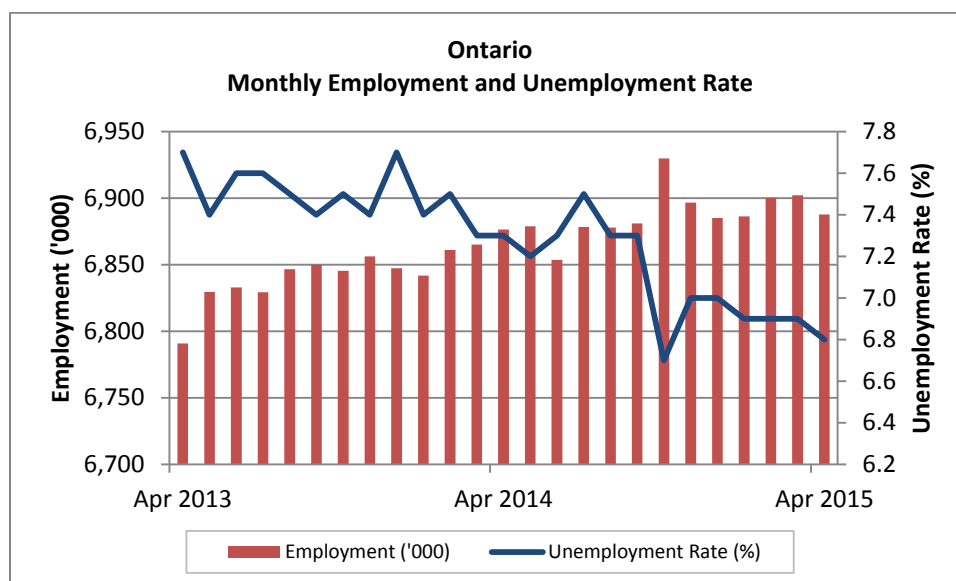
¹ Harlan. C. (May 8, 2015). U.S. economy adds 223,000 jobs in April; unemployment falls to 5.4 percent. *The Washington Post*. Retrieved from <http://www.washingtonpost.com/blogs/wonkblog/wp/2015/05/08/u-s-to-release-jobs-growth-numbers-for-april/>

Ontario Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	April 2015	March 2015	April 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	11,356.6	11,347.5	11,243.8	9.1	0.1	112.8	1.0
Labour Force ('000)	7,391.4	7,411.8	7,420.7	-20.4	-0.3	-29.3	-0.4
Employment ('000)	6,887.8	6,902.1	6,876.3	-14.3	-0.2	11.5	0.2
Full-Time ('000)	5,581.7	5,551.4	5,556.2	30.3	0.5	25.5	0.5
Part-Time ('000)	1,306.2	1,350.6	1,320.1	-44.4	-3.3	-13.9	-1.1
Unemployment ('000)	503.5	509.8	544.4	-6.3	-1.2	-40.9	-7.5
Unemployment Rate (%)	6.8	6.9	7.3	-0.1	-	-0.5	-
Participation Rate (%)	65.1	65.3	66.0	-0.2	-	-0.9	-
Employment Rate (%)	60.7	60.8	61.2	-0.1	-	-0.5	-

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	April 2015	March 2015	April 2014	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	6.8	6.9	7.3	-0.1	-0.5
25 years and over	5.3	5.5	5.9	-0.2	-0.6
Men - 25 years and over	5.3	5.5	6.2	-0.2	-0.9
Women - 25 years and over	5.4	5.4	5.6	0.0	-0.2
15 to 24 years	15.2	14.9	15.3	0.3	-0.1
Men - 15 to 24 years	16.9	16.3	16.3	0.6	0.6
Women - 15 to 24 years	13.6	13.4	14.4	0.2	-0.8

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

EMPLOYMENT BY INDUSTRY

Flat employment growth in the goods-producing sector

Employment in the goods-producing sector saw little change between April 2015 and May 2015. The manufacturing industry posted the largest job gain in the goods sector this month (+1,600). This helped balance losses in agriculture and construction.

For the second month in a row, employment increased in the provincial manufacturing industry. Even though job gains were small, they were a welcome shift from the steady losses reported since December 2014 and continuing into this year. Although the industry is still treading lightly, there are some encouraging signs for Ontarians. Manufacturing output grew by 3.8% in 2014 with greater activity in almost every subindustry.² Exports continue to be one of the key pieces behind this underlying push. Merchandise exports rose by nearly 8.0% in 2014, with a strong showing in March 2015.³ While manufacturing sales have been sluggish out of the gate so far this year,⁴ many analysts expect these figures to rise as the U.S. shakes off a weak first quarter and heads into spring with higher consumer confidence. Despite stronger exports for motor vehicles and parts, the provincial automotive industry will take a hit in production levels over the course of the year. General Motors of Canada Limited announced that it would cease production of the Chevrolet Camaro at its Oshawa plant in late November 2015.⁵ Year-to-date automotive production numbers were down 5.4% in the first quarter of 2015,⁶ with this figure unlikely to improve much as most plants are operating near capacity.

Since April 2014, employment in the goods-producing sector increased by 4,500. Construction saw the largest jump in employment (+24,600) in Ontario. The value of building permits rose by 10.8% between March 2014 and March 2015 with gains in residential construction offsetting declines in the non-residential segment.⁷ Meanwhile, manufacturing took the largest downturn, with a drop of 18,700.

Employment losses in the services-producing sector weigh down job growth

Employment growth in the services-producing sector came to a halt after consecutive monthly gains this year. The sector registered an employment decline of 13,500 in April 2015. The largest dips were in trade (-12,300) and health care and social assistance (-10,300). In fact, only four out of the eleven subindustries recorded employment gains with accommodation and food services coming out on top (+11,000).

Though retail sales grew by 3.7% between February 2014 and February 2015,⁸ employment in this industry has been unsettled with myriad new openings and closings throughout the province. At the same time, several health care facilities across Ontario announced plans to curb staffing levels as many try to balance budgetary

² Statistics Canada. Table 379-0030: Gross domestic product (GDP) at base prices, by North American Industry Classification System (NAICS), provinces and territories annual (dollars x 1,000,000) CANSIM 379-0030

³ Statistics Canada. Table 228-0060: Merchandise imports and domestic exports, customs-based, by North American Product Classification System (NAPCS), Canada, provinces and territories annual (dollars x 1,000,000) CANSIM 228-0060

⁴ Statistics Canada. Table 304-0015: Manufacturing sales, by North American Industry Classification System (NAICS) and province monthly (dollars x 1,000) CANSIM 304-0015

⁵ Flavelle, D. (April 30, 2015). **Camaro production will leave GM Oshawa in November**. Thestar.com. Retrieved from <http://www.thestar.com/business/2015/04/30/gm-to-cut-oshawa-workforce-by-1000-jobs-this-year.html>

⁶ DesRosiers, D. (2015, April 30). *DesRosiers Automotive Reports*.

⁷ Statistics Canada. Table 026-0006: Building permits, by type of structure and area, seasonally adjusted monthly (dollars unless otherwise noted) CANSIM 026-0006

⁸ Statistics Canada. Table 080-0020: Retail trade, sales by the North American Industry Classification System (NAICS) monthly (dollars x 1,000) CANSIM 080-0020

needs with demand.⁹ On the positive side, the boost in accommodation and food services over the past month may carry forward as a busy tourist season could be in the cards with the Canadian dollar well below parity and the upcoming Toronto 2015 Pan Am / Parapan American Games in July and August.

Since April 2015, employment in the services-producing sector rose by 7,000. Educational services saw the largest gain in employment (+39,800) while other services and public administration lagged behind (-23,900 and -16,500).

Ontario Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	April 2015	March 2015	April 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	6,887.8	6,902.1	6,876.3	-14.3	-0.2	11.5	0.2
Goods-producing sector	1,382.3	1,383.0	1,377.8	-0.7	-0.1	4.5	0.3
Agriculture	74.5	76.5	85.2	-2.0	-2.6	-10.7	-12.6
Forestry, fishing, mining, quarrying, oil and gas	41.3	40.2	32.6	1.1	2.7	8.7	26.7
Utilities	51.3	51.7	50.6	-0.4	-0.8	0.7	1.4
Construction	481.0	481.9	456.4	-0.9	-0.2	24.6	5.4
Manufacturing	734.3	732.7	753.0	1.6	0.2	-18.7	-2.5
Services-producing sector	5,505.5	5,519.0	5,498.5	-13.5	-0.2	7.0	0.1
Trade	1,045.6	1,057.9	1,054.3	-12.3	-1.2	-8.7	-0.8
Transportation and warehousing	318.5	322.2	334.8	-3.7	-1.1	-16.3	-4.9
Finance, insurance, real estate and leasing	524.6	527.0	508.8	-2.4	-0.5	15.8	3.1
Professional, scientific and technical services	574.1	570.7	561.4	3.4	0.6	12.7	2.3
Business, building and other support services	334.4	325.8	341.2	8.6	2.6	-6.8	-2.0
Educational services	522.2	525.3	482.4	-3.1	-0.6	39.8	8.3
Health care and social assistance	800.5	810.8	795.1	-10.3	-1.3	5.4	0.7
Information, culture and recreation	312.1	311.3	319.6	0.8	0.3	-7.5	-2.3
Accommodation and food services	458.3	447.3	445.3	11.0	2.5	13.0	2.9
Other services	270.7	272.8	294.6	-2.1	-0.8	-23.9	-8.1
Public administration	344.4	347.9	360.9	-3.5	-1.0	-16.5	-4.6

Note: Totals may not add due to rounding

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

⁹ Paul, G. (2015, April 01). **Grand River Hospital handing out layoff notices to 45 employees.** *The Record.com*. Retrieved from <http://www.therecord.com/news-story/5534695-grand-river-hospital-handing-out-layoff-notices-to-45-employees/>,

Kitching, S. (2015, March 31). **Cuts Looming At LHSC.** *BlackBurnNews.com*. Retrieved from <http://blackburnnews.com/london/2015/03/31/cuts-looming-at-lhsc/>,

Steel, P. (2015, April 16). **Beds closing, staff cuts at Bracebridge hospital.** *Muskokaregion.com*. Retrieved from <http://www.muskokaregion.com/news-story/5561594-beds-closing-staff-cuts-at-bracebridge-hospital/>

REGIONAL ANALYSIS**Kitchener–Waterloo–Barrie posted the highest gains in employment in April**

The **Kitchener–Waterloo–Barrie** economic region led the province in employment growth for April with an increase of 18,200 between April 2014 and April 2015 (measured on a year-over-year, seasonally unadjusted basis). However, the unemployment rate remained unchanged at 6.3% as the number of unemployed rose, likely driven by the increase in the number of job seekers. Regional developments in April included the opening of the second HomeSense store in Barrie,¹⁰ bringing in potential employment opportunities. Town Shoes Limited, a banner of Designer Shoe Warehouse, will also open one of three new Ontario stores this fall, in Barrie.¹¹

Stratford–Bruce Peninsula showed strength among the economic regions with an increase in employment of 8,700 driven entirely by gains in full-time work. The number of people looking for work also increased, helping to maintain the unemployment rate at 5.8%. News in April came from the utilities sector as Bruce Power will spend about \$100M on planned maintenance and inspections of its Unit 6 nuclear reactor in Tiverton creating 700 temporary positions.¹² The company has also officially opened a new \$25M regional fire training facility in the same town.¹³ Furthermore, NextEra Energy Canada's 63-turbine Goshen Wind Energy Centre project in Huron County is now operational, having created about 250 jobs in construction and 10 in operations.¹⁴ Other news came from the manufacturing sector, as the meat processor Sofina Foods Inc. plans to convert a facility in Mitchell into a multi-million dollar turkey processing operation,¹⁵ and Canadian Biocetical Corporation plans to spend up to \$14M to retrofit the former PPG plant in Owen Sound in order to partner with BioCannabis Products Ltd. to produce alternative forms of medical marijuana.¹⁶ Additionally, C.R. Plastic Products Inc. will move its manufacturing and corporate head office to a larger facility in Stratford which will triple its current size.¹⁷

The economic regions of **Windsor–Sarnia**, **Muskoka–Kawarthas**, and **Kingston–Pembroke** also recorded employment gains in April.

¹⁰ HomeSense adds south-end Barrie store. (April 12, 2015). *Simcoe.com*. Retrieved from <http://www.simcoe.com/news-story/5546840-homesense-adds-south-end-barrie-store/>

¹¹ Calling all shoe lovers--Town Shoes Limited announces DSW Designer Shoe Warehouse nationwide expansion in Canada. (April 16, 2015). *Newswire.ca*. Retrieved from <http://www.newswire.ca/en/story/1519011/calling-all-shoe-lovers-town-shoes-limited-announces-dsw-designer-shoe-warehouse-nationwide-expansion-in-canada>

¹² Unit 6 maintenance and inspection program underway. (April 10, 2015). *Brucepower.com*. Retrieved from <http://www.brucepower.com/9974/news/unit-6-maintenance-and-inspection-program-underway/>

¹³ MacKinnon, J. (April 13, 2015). \$25-Million Bruce Power fire training facility unveiled. *Blackburnnews.com*. Retrieved from <http://blackburnnews.com/midwestern-ontario/midwestern-ontario-news/2015/04/13/25-million-bruce-power-fire-training-facility-unveiled/>

¹⁴ Nixon, S. (April 15, 2015). Meeting updates Goshen wind project. *Southwesternontario.ca*. Retrieved from <http://www.southwesternontario.ca/news/meeting-updates-goshen-wind-project/>

¹⁵ Sofina Foods invests in Ontario turkey industry. (March 26, 2015). *Newswire.ca*. Retrieved from <http://www.newswire.ca/en/story/1508463/sofina-foods-invests-in-ontario-turkey-industry>

¹⁶ Langlois, D. (April 1, 2015). Medical marijuana production facility to cost \$14M. *Owensoundsuntimes.com*. Retrieved from <http://www.owensoundsuntimes.com/2015/04/01/medical-marijuana-production-facility-to-cost-14m>

¹⁷ Rice, S. (April 27, 2015). Local success story C.R. Plastics will move into larger Erie street facility in the fall. *Stratfordbeaconherald.com*. Retrieved from <http://www.stratfordbeaconherald.com/2015/04/27/local-success-story-cr-plastics-will-move-into-larger-erie-street-facility-in-the-fall>

Employment in Toronto declined by 10,300 over the year

The **Toronto** economic region posted its 10th consecutive month of year-over-year employment losses in April; down 10,300 with declines realized entirely in part-time work. The 0.5 percentage points decrease in the unemployment rate over the same period was partially due to a smaller labour force. While employment levels have weakened in the region, this downward trend appears to be slowing, potentially heralding a return to employment gains. Indeed, positive news in the construction industry could support employment growth in the region later in the year. Plenary Health was awarded a \$512M contract for the Milton District Hospital expansion project, generating more than 500 construction jobs.¹⁸ Sister company Plenary Infrastructure ERMF, was awarded an \$859.2M contract for the Go Transit East Rail Maintenance Facility in Whitby, set to employ about 1,000 workers this spring.¹⁹ Furthermore, Blackbird Infrastructure was awarded a \$1.2B contract for the Highway 407 East Phase 2 project which will employ close to 1,000.²⁰ The professional, scientific and technical services industry in **Toronto** is also set for a boost as GM will hire 100 software and controls engineers at its research and development facility in Oshawa²¹ and FedDev Ontario is providing \$4.5M in repayable contributions to eight high-growth companies to create and sustain jobs in the Greater Toronto Area.²²

Employment also declined in the **London, Ottawa, Northeast, Northwest, and Hamilton–Niagara Peninsula** economic regions in April 2015.

Ontario Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	April 2015 ('000)	April 2014 ('000)	Yearly Variation (%)	April 2015 (%)	April 2014 (%)	Yearly Variation (% points)
Ontario	6,805.6	6,785.0	0.3	7.0	7.5	-0.5
Economic Regions						
Ottawa	683.7	686.2	-0.4	6.6	7.0	-0.4
Kingston—Pembroke	200.4	200.3	0.0	8.7	11.1	-2.4
Muskoka—Kawartha	182.1	174.1	4.6	9.7	8.3	1.4
Toronto	3,232.8	3,243.1	-0.3	7.1	7.6	-0.5
Kitchener—Waterloo—Barrie	697.6	679.4	2.7	6.3	6.3	0.0
Hamilton—Niagara Peninsula	700.3	700.4	0.0	6.0	7.3	-1.3
London	315.6	320.3	-1.5	6.3	7.7	-1.4
Windsor—Sarnia	299.4	291.3	2.8	9.6	8.5	1.1
Stratford—Bruce Peninsula	153.6	144.9	6.0	5.8	5.8	0.0
Northeast	245.1	247.5	-1.0	8.1	7.8	0.3
Northwest	95.1	97.3	-2.3	6.0	6.5	-0.5

Note: Totals may not add due to rounding

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

¹⁸ Contract awarded for Milton District Hospital expansion project. (March 30, 2015). *Infrastructureontario.ca*. Retrieved from <http://www.infrastructureontario.ca/WorkArea/DownloadAsset.aspx?id=2147492682>

¹⁹ Contract awarded for East Rail maintenance Facility. (March 27, 2015). *Newswire.ca*. Retrieved from <http://www.newswire.ca/en/story/1509211/contract-awarded-for-east-rail-maintenance-facility?relation=org>

²⁰ Contract awarded for final phase of Highway 407 East Project. (March 23, 2015). *Infrastructureontario.ca*. Retrieved from <http://www.infrastructureontario.ca/WorkArea/DownloadAsset.aspx?id=2147492669>

²¹ GM Canada expands Ontario R&D centre to focus on 'connected car'. (April 28, 2015). *CBCNews.ca*. Retrieved from <http://www.cbc.ca/news/business/gm-canada-expands-ontario-r-d-centre-to-focus-on-connected-car-1.3052025>

²² FedDev Ontario investments in Toronto area companies. (April 29, 2015). *News.gc.ca*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&ctr=3&nid=968069>

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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