



Labour Market Bulletin

Ontario



October 2015

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 – Ontario employment increased in October

- Employment in Ontario increased by 29,200 in October, after a decrease of 33,800 in September
- Growth in full-time work (+26,800) was complemented by a rise in part-time work (+2,300)
- The unemployment rate inched down to 6.8%, from 6.9% in September

Employment in Ontario recovered (+29,200) in October to 6.94 million after failing to increase in the previous three months. There were gains in both full-time (+26,800) and part-time (+2,300) employment, with the provincial unemployment rate dropping to 6.8%, from 6.9% in September, as unemployment fell by 10,100.

In Canada, employment increased by 44,400 in October, with a small increase in full-time work (+9,000) buttressed by a strong growth in part-time work (+35,400). This gain in employment exceeded expectations from economists polled by Bloomberg, with the increase likely boosted by temporary work related to the recent federal election.¹ The national unemployment rate fell from 7.1% to 7.0%, with unemployment decreasing by 12,200.

In the United States, total non-farm payroll employment increased by 271,000 in October, which represented the strongest gain in the U.S. in 2015,² while the federal unemployment rate fell from 5.1% to 5.0%, its lowest level since 2008. In addition, average hourly earnings increased by 2.5% in October, which was the sharpest growth since 2009 and contributed to the positive jobs report in the U.S. However, the participation rate of 62.4% remains historically low, which is a lingering concern for American policy-makers, who are debating raising interest rates in December for the first time in nearly a decade.

¹ Younglai, Rachele. (November 6, 2015). **Economy pumps out 44,000 jobs, boosted by election hiring**. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/economy/jobs/economy-pumps-out-44000-jobs-unemployment-rate-drops-to-7/article27141264/>

² Gillespie, Patrick. (November 6, 2015). **Strong hiring drives unemployment rate to 5%**. *CNN Money*. Retrieved from <http://money.cnn.com/2015/11/06/news/economy/jobs-report-october/index.html>

From October 2014 to October 2015, employment in Ontario increased by 7,500, with full-time employment expanding by 77,300 positions, but part-time employment losing 69,800 positions on a net basis. With unemployment having increased by 3,600, the unemployment rate edged up by 0.1 percentage point from 12 months ago, while the participation rate fell by 0.6 percentage points.

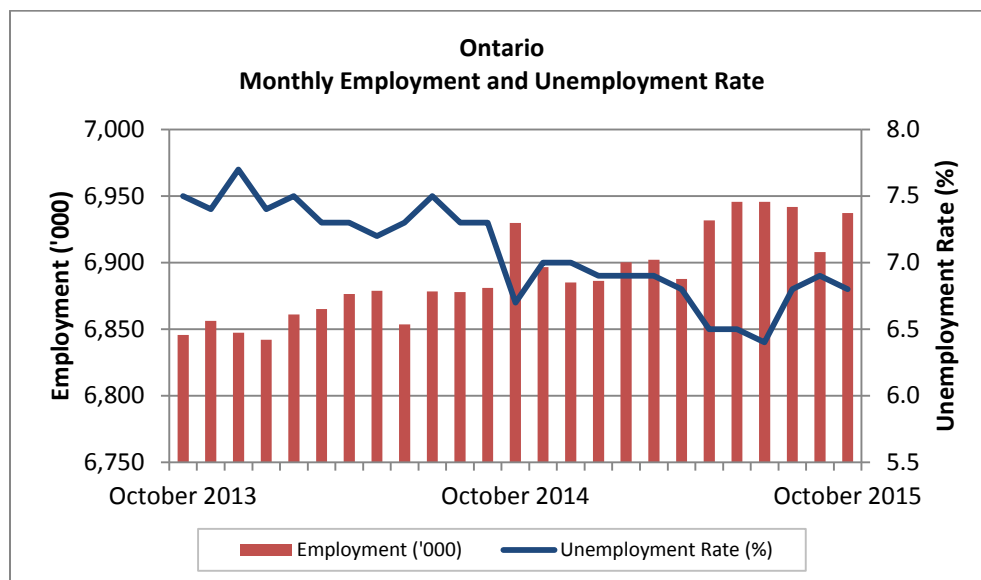
The Ontario unemployment rate for youth aged 15 to 24 remained unchanged at 15.0% in October. However, the unemployment rate was 1.2 percentage points higher than 12 months ago, while the participation and employment rates both remained significantly below their level from a year ago.

Ontario Monthly Labour Force Statistics

| Seasonally Adjusted Monthly Data | October 2015 | September 2015 | October 2014 | Monthly Variation | | Yearly Variation | |
|----------------------------------|--------------|----------------|--------------|-------------------|------|------------------|------|
| | | | | Number | % | Number | % |
| Population 15+ ('000) | 11,425.7 | 11,414.7 | 11,304.2 | 11.0 | 0.1 | 121.5 | 1.1 |
| Labour Force ('000) | 7,441.3 | 7,422.3 | 7,430.3 | 19.0 | 0.3 | 11.0 | 0.1 |
| Employment ('000) | 6,937.2 | 6,908.0 | 6,929.7 | 29.2 | 0.4 | 7.5 | 0.1 |
| Full-Time ('000) | 5,634.7 | 5,607.9 | 5,557.4 | 26.8 | 0.5 | 77.3 | 1.4 |
| Part-Time ('000) | 1,302.4 | 1,300.1 | 1,372.2 | 2.3 | 0.2 | -69.8 | -5.1 |
| Unemployment ('000) | 504.2 | 514.3 | 500.6 | -10.1 | -2.0 | 3.6 | 0.7 |
| Unemployment Rate (%) | 6.8 | 6.9 | 6.7 | -0.1 | - | 0.1 | - |
| Participation Rate (%) | 65.1 | 65.0 | 65.7 | 0.1 | - | -0.6 | - |
| Employment Rate (%) | 60.7 | 60.5 | 61.3 | 0.2 | - | -0.6 | - |

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 | October 2015 | September 2015 | October 2014 | Monthly Variation | Yearly Variation |
|---------------------------|--------------|----------------|--------------|-------------------|------------------|
| | % | % | % | (% points) | (% points) |
| Total | 6.8 | 6.9 | 6.7 | -0.1 | 0.1 |
| 25 years and over | 5.4 | 5.6 | 5.5 | -0.2 | -0.1 |
| Men - 25 years and over | 5.3 | 5.7 | 5.6 | -0.4 | -0.3 |
| Women - 25 years and over | 5.4 | 5.4 | 5.3 | 0.0 | 0.1 |
| 15 to 24 years | 15.0 | 15.0 | 13.8 | 0.0 | 1.2 |
| Men - 15 to 24 years | 17.2 | 16.3 | 15.8 | 0.9 | 1.4 |
| Women - 15 to 24 years | 12.8 | 13.7 | 11.7 | -0.9 | 1.1 |

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

EMPLOYMENT BY INDUSTRY

Goods-producing sector declined for third consecutive month

Employment decreased in the goods-producing sector by 3,300 in October 2015, its third consecutive monthly decline. The losses were most notable in construction (-8,400), while manufacturing rebounded from two consecutive declines with a gain of 10,800 in employment.

The provincial construction industry has had a mixed year, with employment losses in five of the past eight months. In addition, after a strong showing in August, both residential and non-residential building permits fell notably in September, led by lower construction intentions primarily for multi-family dwellings.³ Despite the decline in employment in construction for October, a number of construction projects were recently announced, including the expansion of the York Viva Bus Rapid Transit rapidways, which is expected to create about 14,000 construction jobs over the next four years.⁴

The provincial manufacturing industry regained some ground in October with the addition of 10,800 in employment. Provincial manufacturing sales meanwhile continued its recent positive trend, increasing for the third consecutive month, with a 1.1% gain in August 2015.⁵ Although the Canadian share of North American light vehicle production has fallen on a year-to-date basis,⁶ positive news came from Fiat Chrysler Automobiles as it announced hiring of an unspecified number of positions at its Windsor assembly plant.⁷ Also, General Motors of Canada Ltd. announced that it expects to hire over 200 people at its CAMI assembly plant in Ingersoll.⁸

From October 2014 to October 2015, employment in the goods-producing sector increased by 6,100, with the largest gains coming from the forestry, fishing, mining, quarrying, and oil and gas industry (+9,800).

³ Statistics Canada. CANSIM Table 026-0006

⁴ Ministry of Transportation. (September 28, 2015). [Ontario Making Progress on York Viva Bus Rapid Transit](http://news.ontario.ca/mto/en/2015/09/ontario-making-progress-on-york-viva-bus-rapid-transit.html). *Province of Ontario Newsroom*. Retrieved from <http://news.ontario.ca/mto/en/2015/09/ontario-making-progress-on-york-viva-bus-rapid-transit.html>

⁵ Statistics Canada. CANSIM Table 304-0015

⁶ Desrosiers Automotive Reports, Volume 29, Issue 20, Oct 2015

⁷ CBC News staff. (October 26, 2015). [Fiat Chrysler Automobiles hiring at Windsor Assembly Plant](http://www.cbc.ca/news/canada/windsor/fiat-chrysler-automobiles-hiring-at-windsor-assembly-plant-1.3288509). *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/windsor/fiat-chrysler-automobiles-hiring-at-windsor-assembly-plant-1.3288509>

⁸ CTV London staff. (October 13, 2015). [Cami plant in Ingersoll looking to hire](http://london.ctvnews.ca/cami-plant-in-ingersoll-looking-to-hire-1.2608101). *CTV London News*. Retrieved from <http://london.ctvnews.ca/cami-plant-in-ingersoll-looking-to-hire-1.2608101>

Services-producing sector reached highest employment level for 2015

Employment increased in the services-producing sector by 32,500 in October, recording its fourth increase in the past six months. The trade industry had the largest employment gain (+16,400), while the educational services industry saw the largest decline (-5,400).

The provincial retail industry saw a number of new outlets open up, as well as increased hiring for the upcoming holiday season. Ikea Canada continued its expansion, opening up new pick-up and order point locations in St. Catharines, Whitby and Windsor.⁹ Michaels Stores Inc. opened three new stores this fall in Toronto and Mississauga,¹⁰ while Best Buy Canada Ltd. started its seasonal hiring in Peterborough.¹¹

The public administration industry posted the second largest increase (+11,500) in October, likely reflecting temporary increases in part-time work related to the recent federal election.

From October 2014 to October 2015, employment in the services-producing sector remained relatively unchanged, with the largest increase in the finance, insurance, real estate and leasing industry (+30,600) offset by losses in industries such as the trade industry (-37,800).

Ontario Monthly Labour Force Statistics, by Industry

| Seasonally Adjusted Data ('000) | October 2015 | September 2015 | October 2014 | Monthly Variation | | Yearly Variation | |
|---|--------------|----------------|--------------|-------------------|-------|------------------|-------|
| | | | | Number | % | Number | % |
| Total employed, all industries | 6,937.2 | 6,908.0 | 6,929.7 | 29.2 | 0.4 | 7.5 | 0.1 |
| Goods-producing sector | 1,396.8 | 1,400.1 | 1,390.7 | -3.3 | -0.2 | 6.1 | 0.4 |
| Agriculture | 76.8 | 75.4 | 80.7 | 1.4 | 1.9 | -3.9 | -4.8 |
| Forestry, fishing, mining, quarrying, oil and gas | 44.5 | 46.2 | 34.7 | -1.7 | -3.7 | 9.8 | 28.2 |
| Utilities | 45.2 | 50.6 | 50.2 | -5.4 | -10.7 | -5.0 | -10.0 |
| Construction | 484.3 | 492.7 | 478.8 | -8.4 | -1.7 | 5.5 | 1.1 |
| Manufacturing | 746.0 | 735.2 | 746.3 | 10.8 | 1.5 | -0.3 | 0.0 |
| Services-producing sector | 5,540.4 | 5,507.9 | 5,539.0 | 32.5 | 0.6 | 1.4 | 0.0 |
| Trade | 1,036.5 | 1,020.1 | 1,074.3 | 16.4 | 1.6 | -37.8 | -3.5 |
| Transportation and warehousing | 329.0 | 323.8 | 319.1 | 5.2 | 1.6 | 9.9 | 3.1 |
| Finance, insurance, real estate and leasing | 552.4 | 554.3 | 521.8 | -1.9 | -0.3 | 30.6 | 5.9 |
| Professional, scientific and technical services | 575.5 | 575.5 | 555.0 | 0.0 | 0.0 | 20.5 | 3.7 |
| Business, building and other support services | 340.5 | 343.7 | 335.4 | -3.2 | -0.9 | 5.1 | 1.5 |
| Educational services | 501.1 | 506.5 | 501.0 | -5.4 | -1.1 | 0.1 | 0.0 |
| Health care and social assistance | 816.6 | 813.3 | 810.5 | 3.3 | 0.4 | 6.1 | 0.8 |
| Information, culture and recreation | 313.6 | 316.2 | 309.8 | -2.6 | -0.8 | 3.8 | 1.2 |

⁹ Windsor Square News staff. (October 16, 2015). [IKEA Opening Windsor Pick-Up Location](http://www.windsorsquare.ca/archives/87690/ikea-opening-windsor-pick-up-location). *Windsor Square*. Retrieved from <http://www.windsorsquare.ca/archives/87690/ikea-opening-windsor-pick-up-location>

¹⁰ Inside Toronto staff. (October 2, 2015). [Michaels celebrates grand opening of downtown Toronto store on John Street](http://www.insidetoronto.com/news-story/5942119-michaels-celebrates-grand-opening-of-downtown-toronto-store-on-john-street/). *Inside Toronto*. Retrieved from <http://www.insidetoronto.com/news-story/5942119-michaels-celebrates-grand-opening-of-downtown-toronto-store-on-john-street/>

¹¹ Bain, Jason. (October 7, 2015). [Grand opening Friday for Best Buy store converted from former Future Shop](http://www.thepeterboroughexaminer.com/2015/10/07/grand-opening-friday-for-best-buy-store-converted-from-former-future-shop). *The Peterborough Examiner*. Retrieved from <http://www.thepeterboroughexaminer.com/2015/10/07/grand-opening-friday-for-best-buy-store-converted-from-former-future-shop>

| | | | | | | | |
|---------------------------------|-------|-------|-------|------|-----|-------|------|
| Accommodation and food services | 440.1 | 433.4 | 463.5 | 6.7 | 1.5 | -23.4 | -5.0 |
| Other services | 288.7 | 286.4 | 278.3 | 2.3 | 0.8 | 10.4 | 3.7 |
| Public administration | 346.3 | 334.8 | 370.3 | 11.5 | 3.4 | -24.0 | -6.5 |

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Job gains in the province spearheaded by the Toronto economic region

The **Toronto** economic region continues to lead employment growth in Ontario with a gain of 123,400 between October 2014 and October 2015 (measured on a year-over-year, seasonally unadjusted basis). The region has enjoyed steady year-over-year gains in full-time work since May 2015. Employment and participation rates have also advanced from 12 months ago, a signal that the labour market could be gaining more traction.

However, over the past month, several of the major Canadian chartered banks have announced job cuts in an effort to streamline costs and adjust to new industry technologies.¹² While the number of workers impacted at this time is hard to determine, the region will likely see some job losses. It is also expected that other large banks will follow suit and more industry-wide job cuts may be on the horizon.¹³ Despite this, the ongoing restructuring efforts have led to some good news for the region. The Bank of Nova Scotia will establish a digital factory in Toronto as it tries to increase its digital offerings to clients.¹⁴ The factory will employ over 350 technical staff and is set to open in mid-2016.¹⁵

Employment in the **Hamilton–Niagara Peninsula** economic region continues to strengthen over the course of the year. The unemployment rate held steady from 12 months ago at 6.0% as a fair amount of new entrants joined the labour force. The region saw a few developments in the local manufacturing industry. Tweed Farms will expand operations in Niagara-on-the-Lake¹⁶ while job losses will be felt at Trenergy Inc.¹⁷ and Flowserve Corporation.¹⁸ In addition, ArcelorMittal Dofasco is launching a new program aimed at educating high school students on advanced manufacturing.¹⁹ The steelmaker is expected to see a large number of workers retire over the next five years.²⁰

¹² Harris, S. (2015, October 23). **Scotiabank latest bank to slash jobs and streamline services.** *CBC News*. Retrieved from <http://www.cbc.ca/news/business/td-bank-job-cuts-scotiabank-1.3284524>

¹³ Freeman, S. (2015, October 23). **More bank job cuts to follow Scotiabank, TD: analyst.** *Toronto Star*. Retrieved from <http://www.thestar.com/business/2015/10/23/more-bank-job-cuts-to-follow-scotiabank-td-analyst.html>

¹⁴ Posadzki, A. (2015, October 16). **Scotiabank launches 'digital factory' that will house 350 tech jobs.** *Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/scotiabank-launches-digital-factory-that-will-house-350-tech-jobs/article26843317/>

¹⁵ Ibid.

¹⁶ Coles, P. (2015, October 07). **NOTL marijuana facility licensed to become largest in Canada.** *The Niagara Advance*. Retrieved from <http://www.niagaraadvance.ca/2015/10/07/notl-marijuana-facility-licensed-to-become-largest-in-canada>

¹⁷ Fraser, D. (2015, October 06). **Trenergy in St. Catharines laying off 60.** *The St. Catharines Standard*. Retrieved from <http://www.stcatharinesstandard.ca/2015/10/06/trenergy-in-st-catharines-laying-off-60>

¹⁸ Gamble, S. (2015, October 07). **Flowserve to close Cainsville plant by next June.** *The Brantford Expositor*. Retrieved from <http://www.brantfordexpositor.ca/2015/10/07/flowserve-to-close-cainsville-plant-by-next-june>

¹⁹ Arnold, S. (2015, October 31). **Hamilton steelmaker eyes talent for future workforce.** *The Hamilton Spectator*. Retrieved from <http://www.thespec.com/news-story/6064183-hamilton-steelmaker-eyes-talent-for-future-workforce/>

²⁰ Ibid.

Between October 2014 and October 2015, employment gains were also recorded in the **London** economic region.

Employment decreased across the majority of Ontario economic regions

Despite the increase in provincial employment between October 2014 and October 2015, employment fell in eight economic regions over this period. While Toronto and the Hamilton–Niagara Peninsula forged ahead, economic regions in northern and eastern Ontario failed to pick up ground.

Employment in the **Northeast** and **Northwest** economic regions fell by 15,400 over the past year. Northern Ontario continues to be impacted by weakness in the commodity market. KGHM International Ltd. will temporarily shut down its McCreedy West mine,²¹ while North American Palladium Ltd. will cut workers at its Lac des Iles mine near Thunder Bay.²² In addition, Tenaris Algoma Tubes Inc. will temporarily put 230 workers on layoff in Sault Ste. Marie due to poor market conditions.²³ While commodity-based firms cope with low prices and weaker demand, other areas have seen some positive developments. Calabrian Corporation is building a new liquid sulfur dioxide manufacturing plant in Timmins,²⁴ and Weyerhaeuser Company Ltd. continues to expand operations in Kenora as the demand for wood products picks up.²⁵

Even though employment growth in eastern Ontario has been sluggish, the area saw a few positive announcements, especially in wholesale and distribution. In the **Muskoka–Kawarthas** economic region, BMS Sanitation & Safety Inc. will open a new centre in Peterborough,²⁶ while McKesson Canada Corporation opened a new pharmaceutical distribution centre in Trenton in the **Kingston–Pembroke** region.²⁷ In addition, Giant Tiger Stores Limited will move its distribution centre from **Ottawa** to a larger facility in neighbouring Prescott by 2017.²⁸ Also in Ottawa, Thales Canada Inc. opened a new experience centre in the City to foster greater innovative partnerships.²⁹

Employment losses were reported in the **Stratford–Bruce Peninsula**, **Windsor–Sarnia**, and **Kitchener–Waterloo–Barrie** economic regions as well.

²¹ Macdonald, D. (2015, October 14). **Sudbury PoV: Job losses cause for concern**. *The Sudbury Star*. Retrieved from <http://www.thesudburystar.com/2015/10/14/sudbury-pov-job-losses-cause-for-concern>

²² Sykora, A. (2015, October 01). **North American Palladium Reduces Workforce, Cuts Output Guidance**. *Kitco News*. Retrieved from <http://www.kitco.com/news/2015-10-01/North-American-Palladium-Reduces-Workforce-Cuts-Output-Guidance.html>

²³ Petz, S. (2015, October 15). **UPDATED: More layoffs at Tenaris**. *The Sault Star*. Retrieved from <http://www.saultstar.com/2015/10/15/breaking-more-layoffs-at-tenaris>

²⁴ The Timmins Press. (2015, October 09). **New industry creating 20 jobs**. *The Timmins Press*. Retrieved from <http://www.timminspress.com/2015/10/09/new-industry-creating-20-jobs>

²⁵ CKDR 92.7FM Dryen. (2015, September 22). **Forestry Rebound in Kenora**. *Acadia Broadcasting Ltd.* Retrieved from <http://www.ckdr.net/news/1263686411/forestry-rebound-kenora>

²⁶ Harrison, S. (2015, October 14). **BMS Sanitation and Safety grand opening Thursday**. *The Peterborough Examiner*. Retrieved from <http://www.thepeterboroughexaminer.com/2015/10/14/bms-sanitation-and-safety-grand-opening-thursday>

²⁷ Kuglin, E. (2015, October 20). **McKesson, Quinte West a natural fit**. *The Trenton Trentonian*. Retrieved from <http://www.trentonian.ca/2015/10/20/mckesson-quinte-west-a-natural-fit>

²⁸ Dube, D. (2015, September 30). **Giant Tiger plans major distribution centre south of Ottawa**. *The Ottawa Sun*. Retrieved from <http://www.ottawasun.com/2015/09/30/giant-tiger-plans-major-distribution-centre-south-of-ottawa>

²⁹ Pechloff, T. (2015, October 16). **Thales Canada opens new experience centre, looking for collaborators**. *Ottawa Business Journal*. Retrieved from <http://www.obj.ca/Technology/2015-10-16/article-4312317/Thales-Canada-opens-new-experience-centre,-looking-for-collaborators/1>

Ontario Monthly Labour Force Statistics, by Economic Region

| 3-Month Moving Averages Seasonally Unadjusted Data | Employment | | | Unemployment Rate | | |
|---|------------------------|------------------------|----------------------------|---------------------|---------------------|--------------------------------------|
| | October 2015 ('000) | October 2014 ('000) | Yearly Variation (%) | October 2015 (%) | October 2014 (%) | Yearly Variation (% points) |
| Ontario | 6,969.0 | 6,936.6 | 0.5 | 6.8 | 7.0 | -0.2 |
| Economic Regions | | | | | | |
| Ottawa | 690.2 | 701.7 | -1.6 | 6.5 | 6.4 | 0.1 |
| Kingston—Pembroke | 200.2 | 216.5 | -7.5 | 6.1 | 6.5 | -0.4 |
| Muskoka—Kawartha | 157.8 | 194.1 | -18.7 | 7.1 | 5.0 | 2.1 |
| Toronto | 3,367.9 | 3,244.5 | 3.8 | 7.3 | 8.2 | -0.9 |
| Kitchener—Waterloo—Barrie | 716.9 | 723.5 | -0.9 | 5.2 | 5.2 | 0.0 |
| Hamilton—Niagara Peninsula | 728.1 | 711.8 | 2.3 | 6.0 | 6.0 | 0.0 |
| London | 339.2 | 325.7 | 4.1 | 6.6 | 7.0 | -0.4 |
| Windsor—Sarnia | 286.4 | 303.5 | -5.6 | 8.0 | 7.7 | 0.3 |
| Stratford—Bruce Peninsula | 134.6 | 152.3 | -11.6 | 6.1 | 3.5 | 2.6 |
| Northeast | 249.7 | 260.3 | -4.1 | 7.4 | 6.6 | 0.8 |
| Northwest | 97.9 | 102.7 | -4.7 | 5.6 | 5.2 | 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.

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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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