



# Labour Market Bulletin

Ontario



Annual Edition 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–Kawartha, Northeast, Northwest, Ottawa, Stratford–Bruce Peninsula, Toronto and Windsor–Sarnia.

## OVERVIEW

### Labour Force Trends – Ontario employment rose in 2016 for the seventh consecutive year

- Employment in Ontario went up by 76,400 in 2016, after an increase of 45,300 in 2015
- Full-time work (+54,400) observed gains for seven consecutive years, while part-time work rebounded (+22,000) after a decrease the previous year
- The unemployment rate decreased for the fourth consecutive year, falling by 0.3 percentage points to 6.5%

Ontario marked its seventh consecutive yearly increase in employment with gains of 76,400 (+1.1%) in 2016. Increases occurred in both full-time (+54,400; +1.0%) and part-time (+22,000; +1.7%) employment, with part-time work recovering in strength after a 2.5% decline in 2015.

The provincial labour market showed signs of strength all around, with the unemployment rate falling by 0.3 percentage points to 6.5%, falling below the unemployment rate in 2008 (6.6%) for the first time. Unemployment fell by 13,000 (-2.6%), declining for the fourth consecutive year, while the youth unemployment rate fell to 14.0%. However, there was a slight decrease in both the Ontario participation rate and employment rate, similarly to 2015, as gains in the provincial labour force and employment figures was weaker than growth in the overall working-age population.

The Ontario labour market is expected to sustain its momentum in 2017, as the province continues to lead the way in economic growth within Canada, with analysts' consensus forecasts estimating Ontario's economy to grow by 2.3% in 2017. Employment in Ontario is projected to grow by 1.2% in 2017, as improvements in household retail spending and domestic demand is supported by increasing export activity from the province. The provincial unemployment rate is expected to remain relatively stable, averaging 6.5% in 2017.

For Canada as a whole, employment rose by 133,300 (+0.7%) in 2016, with gains in part-time employment (+80,400; +2.4%) outshining full-time employment (+52,900; +0.4%). However, the employment rate fell by 0.2 percentage points to 61.1%, as an expanding labour force did not translate to a greater share of the workforce finding employment. In addition, unemployment (+29,200; +2.2%) increased for the second year in a row, leading to a 0.1 percentage point increase in the unemployment rate, which reached 7.0% in 2016. The western provinces were hard-hit, in particular, with Alberta's unemployment rate rising from 4.7% in 2014 to 8.1% in 2016. Looking forward, however, Canada's economy is expected to grow by 2.0% in 2017, with the unemployment rate expected to drop slightly to 6.8%.

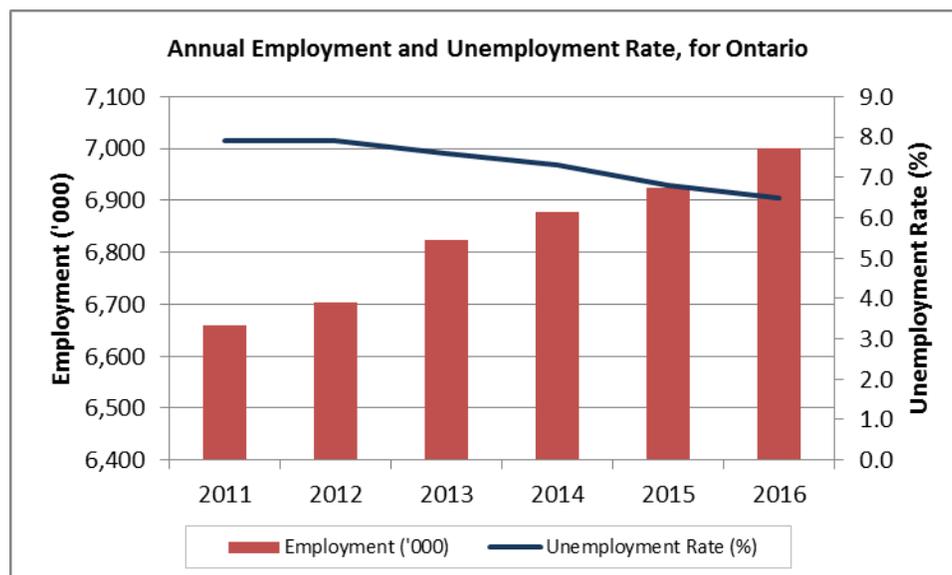
The labour market in the United States continued its strong performances, with an increase of 2.5 million (+1.8%) in total non-farm payroll employment in 2016, which followed gains of 2.9 million (+2.1%) in 2015. The federal unemployment rate fell to 4.9% in 2016, from 5.3% in 2015, with the U.S. Federal Reserve placing stronger faith in the American economy with an increase in interest rates in December 2016. With a likely shift in focus to greater infrastructure stimulus and tax cuts over the coming year, the federal unemployment rate is expected to drop slightly to 4.8% in 2017.

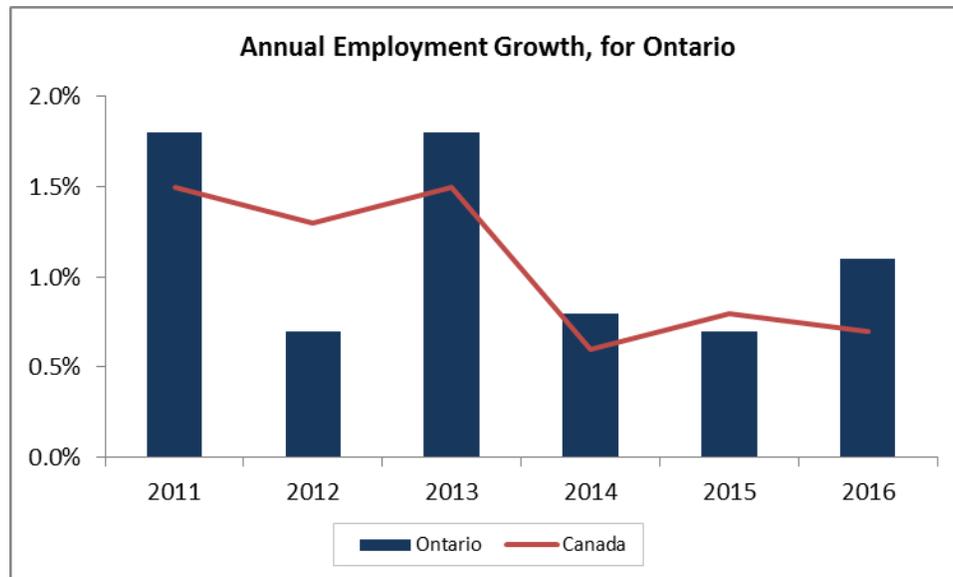
### Annual Labour Force Statistics, for Ontario

Seasonally unadjusted data	Year			2015 to 2016		2014 to 2015	
	2016	2015	2014	Number	%	Number	%
<b>Population 15 + ('000)</b>	11,523.4	11,385.6	11,269.3	137.8	1.2	116.3	1.0
<b>Labour Force ('000)</b>	7,489.5	7,426.1	7,418.6	63.4	0.9	7.5	0.1
<b>Employment ('000)</b>	6,999.6	6,923.2	6,877.9	76.4	1.1	45.3	0.7
Full-Time ('000)	5,672.6	5,618.2	5,540.0	54.4	1.0	78.2	1.4
Part-Time ('000)	1,327.0	1,305.0	1,337.9	22.0	1.7	-32.9	-2.5
<b>Unemployment ('000)</b>	489.9	502.9	540.7	-13.0	-2.6	-37.8	-7.0
<b>Unemployment Rate (%)</b>	6.5	6.8	7.3	-0.3	-	-0.5	-
<b>Participation Rate (%)</b>	65.0	65.2	65.8	-0.2	-	-0.6	-
<b>Employment Rate (%)</b>	60.7	60.8	61.0	-0.1	-	-0.2	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0002





**Annual Unemployment Rates, by Gender and Age, for Ontario**

Seasonally Adjusted Data	2016	2015	2014	2015 to 2016	2014 to 2015
	%	%	%	(% points)	(% points)
<b>Total</b>	6.5	6.8	7.3	-0.3	-0.5
<b>25 years and over</b>	5.3	5.4	5.8	-0.1	-0.4
Men - 25 years and over	5.4	5.5	5.9	-0.1	-0.4
Women - 25 years and over	5.2	5.3	5.6	-0.1	-0.3
<b>15 to 24 years</b>	14.0	14.7	15.7	-0.7	-1.0
Men - 15 to 24 years	15.5	16.3	16.7	-0.8	-0.4
Women - 15 to 24 years	12.5	13.1	14.7	-0.6	-1.6

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0002

## EMPLOYMENT BY INDUSTRY

### Construction led employment growth in Ontario's goods-producing sector

Employment increased in the goods-producing sector for a second consecutive year, with gains of 16,700 (+1.2%) in 2016. The construction industry had the sharpest growth in employment among all industries in Ontario over the year, with an increase of 16,400 (+3.4%). The residential segment of the industry remained buoyant, with housing starts in Ontario increasing 9% on an annualized basis in 2016.<sup>1</sup> The value of building permits also rose for the province in 2016, on the strength of the residential and commercial sectors.<sup>2</sup>

A high number of infrastructure and institutional projects also progressed across the province, reflecting the federal and provincial governments' strong emphasis on modernizing infrastructure.<sup>3</sup> The construction of the

<sup>1</sup> Statistics Canada. CANSIM Table 027-0054. Canada Mortgage and Housing Corporation, housing starts, all areas, Canada and provinces, seasonally adjusted at annual rates, annual

<sup>2</sup> Statistics Canada. CANSIM Table 026-0006. Building permits, by type of structure and area, seasonally adjusted, annual

<sup>3</sup> Prime Minister's Office. (2016. August 23). **The Prime Minister of Canada and the Premier of Ontario announce agreement under new federal infrastructure funding program.** *Canadian Newswire*. Retrieved from <http://www.newswire.ca/news->

\$5.3B Eglinton Crosstown Light Rail Transit (LRT) Line began in earnest in March, with work starting on the Keele Station, the first of 25 stations across Toronto.<sup>4</sup> Progress continued on the City of Ottawa's Confederation LRT Line Stage 1, with more provincial support announced for Stage 2 of the project,<sup>5</sup> while other major transit projects are under way across the province. Some notable projects in the institutional sector which commenced in 2016 include the 342-bed Mackenzie Vaughan Hospital,<sup>6</sup> part of an investment of \$12 billion over 10 years from the provincial government to build upon the health care infrastructure and build new major hospitals,<sup>7</sup> and a renewed focus on new elementary and secondary schools across Ontario with a commitment of \$1.1 billion from the Ontario government.<sup>8,9,10</sup> With respect to utilities-related infrastructure, the \$12.8B refurbishment of four nuclear reactors at the OPG Darlington Generating Station east of Toronto commenced in October, with the project expected to last over a decade,<sup>11</sup> while the Government of Canada announced \$267.5M in infrastructure investments along the Trent-Severn Waterway in central Ontario.<sup>12</sup>

Employment increased in Ontario manufacturing (+6,800; +0.9%) in 2016 for the first time after three consecutive years of declines. This growth was strongly influenced by gains made in the motor vehicles and parts sub-sector, one of the largest manufacturing segments in the province.<sup>13</sup> Consumer spending on durable goods trended above previous years,<sup>14</sup> and supported favourable sales in big-ticket items such as motor vehicles and car parts, and furthermore, a stronger United States economy helped to boost demand in the sub-sector. The

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[releases/the-prime-minister-of-canada-and-the-premier-of-ontario-announce-agreement-under-new-federal-infrastructure-funding-program-591030371.html](https://news.ontario.ca/opo/en/2016/03/ontario-breaks-ground-on-first-eglington-crosstown-lrt-station.html)

<sup>4</sup> Newsroom Ontario. (2016, March 10). **Ontario Breaks Ground on First Eglinton Crosstown LRT Station**. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/opo/en/2016/03/ontario-breaks-ground-on-first-eglington-crosstown-lrt-station.html>

<sup>5</sup> Newsroom Ontario. (2016, June 03). **Ontario Committing More Than \$1 Billion for Light Rail Transit in Ottawa**. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/opo/en/2016/06/ontario-committing-more-than-1-billion-for-light-rail-transit-in-ottawa.html>

<sup>6</sup> Mackenzie Health. (Fall 2016). **Construction Started on the Mackenzie Vaughan Hospital Project**. *Mackenzie Health*. Retrieved from <http://mackenziehealth.ca/report/2016/10/27/construction-started-mackenzie-vaughan-hospital-project>

<sup>7</sup> Newsroom Ontario. (2016, August 4). **Ontario Increases Funding for Hospital Repairs and Upgrades**. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/opo/en/2016/08/ontario-increases-funding-for-hospital-repairs-and-upgrades.html>

<sup>8</sup> Thorne, L. (2016, April 20). **Construction Set To Start On New Leamington High School**. *windsoriteDOTca inc.* Retrieved from <http://windsorite.ca/2016/04/construction-set-to-start-on-new-leamington-high-school>

<sup>9</sup> Pritchard, B. (2016, October 07). **Groundbreaking ceremony held for new elementary school in Alliston**. *Alliston Herald*. Retrieved from <http://www.simcoe.com/news-story/6900465-groundbreaking-ceremony-held-for-new-elementary-school-in-alliston/>

<sup>10</sup> Newsroom Ontario. (2016, June 27). **Ontario Investing \$1.1 Billion To Improve School Buildings**. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/edu/en/2016/06/ontario-investing-11-billion-to-improve-school-buildings.html>

<sup>11</sup> Newsroom Ontario. (2016, October 14). **Nuclear Refurbishment Begins At Darlington Generating Station**. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/mei/en/2016/10/nuclear-refurbishment-begins-at-darlington-generating-station.html>

<sup>12</sup> Parks Canada. (2016, June 26). **2016 Trent-Severn Waterway National Historic Site Announcement Grand total investment: \$267.5M**. Government of Canada. Retrieved from [http://news.gc.ca/web/article-en.do;jsessionid=4557d218306567f4eea829a7139b5a43a92b458cf435bea3de0c72f37118a883.e38RbhaLb3qNe3eKa3z0?mt\\_hd=index&crtr.page=1&nid=1090109](http://news.gc.ca/web/article-en.do;jsessionid=4557d218306567f4eea829a7139b5a43a92b458cf435bea3de0c72f37118a883.e38RbhaLb3qNe3eKa3z0?mt_hd=index&crtr.page=1&nid=1090109)

<sup>13</sup> Statistics Canada. CANSIM Table 281-0023. Survey of Employment, Payrolls and Hours (SEPH), employment by type of employee and detailed North American Industry Classification System (NAICS), unadjusted for seasonality, annual (persons)

<sup>14</sup> Ontario Ministry of Finance. Economic Accounts – Historical Tables – Table 3 - Quarterly Data; Ontario Real Gross Domestic Product, Expenditure-Based Seasonally Adjusted Data At Annual Rates, Millions Of Chained (2007) Dollars at: <http://www.fin.gov.on.ca/en/economy/ecaccts/index.html#lot>

auto industry in the province continued to grow as, with provincial support,<sup>15</sup> FCA Canada Inc. announced the hiring of 1,200 workers at its Windsor Assembly Plant to build the industry's first plug-in hybrid electric minivan.<sup>16</sup> The company also released plans to invest \$325M to upgrade the paint shop at its Brampton facility.<sup>17</sup> Ford Motor Company of Canada Limited extended the production of its GT supercar, which is built at Multimatic Inc., an auto components company in Markham, from two years to four due to high demand.<sup>18</sup> Ford will also invest about \$613M to prepare for a new engine program at its Windsor and Essex Engine Plants, creating about 500 jobs.<sup>19</sup> In addition, auto parts manufacturer FIO Automotive Canada Corp., a subsidiary of Futaba Industrial Co. Ltd., will undergo a \$50M expansion of its facility in Stratford.<sup>20</sup> Several other automotive suppliers across Ontario also benefitted from federal<sup>21</sup> and provincial<sup>22</sup> funding support to advance innovation through the supply chain.

Meanwhile, General Motors of Canada Company Ltd. is extending production at its Oshawa Assembly Plant beyond 2019, and investing \$400M in the facility.<sup>23</sup> GM also is planning to add 1,000 new software and engineering jobs in various research and development teams at its engineering centre in Oshawa,<sup>24</sup> and undertook additional recruitment at its CAMI Assembly Plant in Ingersoll.<sup>25</sup> However, some of the job gains in this plant may be offset by the impending layoff of approximately 600 workers in July 2017, with the company citing a changeover in the production of a vehicle model as the reason for the impending layoffs,<sup>26</sup> as production of the redesigned GM

<sup>15</sup> Newsroom Ontario. (2016, June 15). Ontario Partners with FCA Canada to Build the Chrysler Pacifica Hybrid -- the World's First Plug-in Hybrid Electric Minivan. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/opo/en/2016/06/ontario-partners-with-fca-canada-to-build-the-chrysler-pacifica-hybrid---the-worlds-first-plug-in-h.html>

<sup>16</sup> CBC News Staff. (2016, February 11). Windsor Assembly Plant to hire 1,200 new workers, FCA CEO says. *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/windsor/flat-chrysler-windsor-assembly-plant-1.3444443>

<sup>17</sup> Keenan, G. (2016, October 11). Fiat Chrysler's \$325-million investment a major victory for Brampton plant. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/industry-news/fiat-chryslers-325-million-brampton-investment-a-victory-for-unifor/article32324227/>

<sup>18</sup> Walsworth, J. (2016, August 19). Ford to extend GT production in Markham two more years. *Automotive News Canada*. Retrieved from <http://canada.autonews.com/article/20160819/CANADA01/308199915/ford-to-extend-gt-production-in-markham-two-more-years>

<sup>19</sup> Owrn, C. (2016, November 06). Ford Canada workers approve labour agreement, but divisions remain. *Financial Post*. Retrieved from <http://business.financialpost.com/news/transportation/ford-labour-deal>

<sup>20</sup> CTV News Kitchener Staff. (2016, November 28). Stratford auto parts plant to undergo \$50-million expansion. *CTV News*. Retrieved from <http://kitchener.ctvnews.ca/stratford-auto-parts-plant-to-undergo-50-million-expansion-1.3180382>

<sup>21</sup> Government of Canada. (2016, April 13). Automotive Supplier Innovation Program. *Government of Canada*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=advSrch&crtr.mnthndVI=&crtr.mnthStrtVI=&crtr.page=1&nid=1050779&crtr.yrndVI=&crtr.kw=electromac&crtr.yrStrtVI=&crtr.dyStrtVI=&crtr.dyndVI=>

<sup>22</sup> CBC News Staff. (2016, May 11). Ontario invests \$7.8M in Windsor area auto companies. *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/windsor/windsor-auto-sector-funding-1.3576788>

<sup>23</sup> Keenan, G. (2016, September 21). GM's Oshawa revamp to permit final assembly of pickups. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/gms-oshawa-revamp-to-permit-final-assembly-of-pickups/article31990153/>

<sup>24</sup> Flavelle, D. (2016, June 7). General Motors of Canada to announce 1,000 new jobs: sources. *Toronto Star*. Retrieved from <https://www.thestar.com/business/2016/06/07/general-motors-of-canada-to-announce-1000-new-jobs-sources.html>

<sup>25</sup> Chessell, B. (2016, January 24). GM's Ingersoll CAMI plant looking to hire assembly line and skilled trade workers. *Woodstock Sentinel-Review*. Retrieved from <http://www.woodstocksentinelreview.com/2016/01/24/gms-ingersoll-cami-plant-looking-to-hire-assembly-line-and-skilled-trade-workers>

<sup>26</sup> Keenan, G. (2017, January 27). GM to cut 625 jobs at Ontario plant, union says. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/gm-to-cut-as-many-as-600-jobs-in-southwestern-ontario-union-says/article33794522>

Terrain will move to Mexico in 2017.<sup>27</sup> Canada's total share of light motor vehicle production in North America fell from 14.6% in December 2015 to 13.2% in December 2016, while Mexico's share increased over the same period.<sup>28</sup> In other auto-related developments, interior supplier Johnson Controls Inc. announced the closure of a plant in Whitby, affecting more than 200 employees,<sup>29</sup> while Bombardier announced in February that it will lay off 430 employees in Ontario.<sup>30</sup>

Economic uncertainty in the commodities and resources sectors led to some layoffs in manufacturing. As a result of lower capital investments and less orders for new equipment, Hitachi Construction Truck Manufacturing Ltd. laid off 129 full-time production workers at its Guelph facility, although the company hopes to recall some of these workers in 2017.<sup>31,32</sup> Similarly, lower oil prices and less demand for oil tankers contributed to a layoff of over 400 workers at National Steel Car Ltd. in Hamilton.<sup>33,34</sup> However, there were more positive news in late-2016 as, stemming from a globally agreed cut in production, oil prices began to increase, resulting in more rig-drilling activities in the western provinces.<sup>35</sup> This helped spur Tenaris Algoma Tubes Inc. in Sault Ste. Marie to recall about 120 employees to support the company's drilling rig manufacturing.<sup>36</sup>

### **Employment growth in services-producing sector driven by finance and insurance, as well as health care and social assistance**

Employment in the services-producing sector continued its upward growth trajectory with the addition of 59,700 (+1.1%) in employment in 2016. The health care and social assistance industry was the largest contributor to the job gains in the services sector, with an increase of 25,900 (+3.2%).<sup>37</sup> Population growth and ageing, and the shift in emphasis in the provincial health care model towards outpatient and rehabilitative care,<sup>38</sup> are factors driving employment growth in this segment. Contributing to the industry's future growth are a \$13.6M project to in-

<sup>27</sup> Welch, D. (2017, January 09). **GM to move production of GMC Terrain from Ingersoll to Mexico.** *The Hamilton Spectator*. Retrieved from <http://www.thespec.com/news-story/7057068-gm-to-move-production-of-gmc-terrain-from-ingersoll-to-mexico/>

<sup>28</sup> DesRosiers Automotive Consultants Inc. (2017, February 28) **Automotive Yearbook.** *DesRosiers Automotive Reports*.

<sup>29</sup> Szekely, R. (2016, June 03). **Johnson Controls closing Whitby plant on July 1.** *DurhamRegion.com*. Retrieved from <http://www.durhamregion.com/news-story/6705746-johnson-controls-closing-whitby-plant-on-july-1>

<sup>30</sup> Lu, V. (2016, February 17). **Canada to lose 2,830 jobs as Bombardier slashes workforce.** *Toronto Star*. Retrieved from <https://www.thestar.com/business/2016/02/17/bombardier-cutting-7000-jobs.html>

<sup>31</sup> Seto, C. (2016, December 07). **Hitachi's Guelph plant lays off 129 production workers.** *Guelph Mercury Tribune*. Retrieved from <https://www.guelphmercury.com/news-story/7007793-hitachi-s-guelph-plant-lays-off-129-production-workers>

<sup>32</sup> Saxon, T. (2016, December 07). **Hitachi lays off entire production staff at Guelph plant.** *Guelph Today*. Retrieved from <https://www.guelphtoday.com/local-news/hitachi-lays-off-entire-production-staff-at-guelph-plant-483359>

<sup>33</sup> Arnold, S. (2016, August 30). **Steel Car: Company lays off 300 as orders slump.** *The Hamilton Spectator*. Retrieved from <http://www.thespec.com/news-story/6829947-steel-car-company-lays-off-300-as-orders-slump>

<sup>34</sup> Arnold, S. (2016, September 02). **More National Steel Car layoffs loom.** *The Hamilton Spectator*. Retrieved from <http://www.thespec.com/news-story/6836537-more-national-steel-car-layoffs-loom/>

<sup>35</sup> Macaspac, K. (2017, January). **Economic Trends,** Page 2. *Alberta Treasury Board and Finance*. Retrieved from <http://www.finance.alberta.ca/aboutalberta/economic-trends/2017/2017-01-economic-trends.pdf>

<sup>36</sup> Tenaris. (2016, September 13). **Tenaris announces recall of employees at AlgomaTubes mill.** *Tenaris*. Retrieved from <http://www.tenaris.com/en/MediaAndPublications/News/2016/September/RecallOfEmployeesAlgomaTubes.aspx>

<sup>37</sup> Statistics Canada. CANSIM Table 281-0023. Survey of Employment, Payrolls and Hours (SEPH), employment by type of employee and detailed North American Industry Classification System (NAICS), unadjusted for seasonality, annual (persons)

<sup>38</sup> Ontario Ministry of Health and Long-Term Care. **Patients First: Action Plan for Health Care February 2015.** *Ontario Ministry of Health and Long-Term Care*. Retrieved from [http://www.health.gov.on.ca/en/ms/ecfa/healthy\\_change/docs/rep\\_patientsfirst.pdf](http://www.health.gov.on.ca/en/ms/ecfa/healthy_change/docs/rep_patientsfirst.pdf)

crease the surgical capacity at the Children's Hospital of Eastern Ontario,<sup>39</sup> and a large \$12B investment in Ontario hospital infrastructure,<sup>40</sup> as well as smaller investments in local mental health services<sup>41</sup> and in retirement facilities.<sup>42,43,44</sup> Despite the overall growth in the industry, budgetary considerations led to the elimination of some positions at the Windsor Regional Hospital<sup>45</sup> and St. Joseph's Healthcare Hamilton.<sup>46</sup>

The finance and insurance industry also maintained its momentum alongside reports of strong banking revenues and returns in 2016.<sup>47</sup> However, technological shifts in the industry, mainly due to the growing use of online banking and the adaptation of other digital features, led to a number of restructuring and layoff announcements, including job cuts by the Bank of Montreal<sup>48</sup> and TMX Group Ltd., operator of the Toronto Stock Exchange.<sup>49</sup> The industry also saw the influx of many financial technology (FinTech) start-up companies, which are becoming integral to technological innovations in the industry.<sup>50</sup>

Internet penetration and digitization are having mixed effects in the information and cultural industry, prompting strong employment growth in areas such as software publishing, but contributing to job losses<sup>51</sup> and weaker revenues in traditional media. A number of layoffs were announced in broadcast media, newspaper publishers

<sup>39</sup> Crawford, B. (2016, January 28). CHEO's 'Project Stitch' aims to cut wait times, increase number of surgeries. *Ottawa Citizen*. Retrieved from <http://ottawacitizen.com/health/family-child/embargo-cheos-project-stitch-aims-to-cut-wait-times-increase-number-of-surgeries>

<sup>40</sup> Government of Ontario, Office of the Premier. (2016, August 4). Ontario Increases Funding for Hospital Repairs and Upgrades. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/opo/en/2016/08/ontario-increases-funding-for-hospital-repairs-and-upgrades.html>

<sup>41</sup> Ontario Ministry of Children and Youth Services. (2016, January 22). Ontario Hiring More Mental Health Workers for Children and Youth. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/mcys/en/2016/01/ontario-hiring-more-mental-health-workers-for-children-and-youth.html>

<sup>42</sup> Zajac, R. (2016, January 6). Up to 55 new jobs at Royal Brock. *Brockville Recorder*. Retrieved from <http://www.recorder.ca/2016/01/06/up-to-55-new-jobs-at-royal-brock>; A Place for Mom. The Royal Brock Retirement Living (Opening January 2017). Retrieved from <http://www.aplaceformom.com/community/the-royal-brock-retirement-living-opening-january-2017-1396766>

<sup>43</sup> Westendorp, J. (2016, September 2). New state-of-the-art retirement home breaks ground in Kemptville on Aug. 31. *Kemptonville Advance*. Retrieved from <http://www.insideottawavalley.com/news-story/6835588-new-state-of-the-art-retirement-home-breaks-ground-in-kemptonville-on-aug-31/>

<sup>44</sup> Daniszewski, H. (2016, January 27). The Business Buzz: Jan. 26: PeopleCare Digging in. *London Free Press*. Retrieved from <http://www.lfpress.com/2016/01/25/business-buzz-jan-26>

<sup>45</sup> CBC News Staff. (2016, January 12). Windsor Regional Hospital sheds 166 jobs amid \$20M shortfall. *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/windsor/windsor-regional-hospital-sheds-166-jobs-1.3400318>

<sup>46</sup> Bennett, K. (2016, February 1). St. Joe's cutting 136 jobs, up to 40 from layoffs. *CBC News Hamilton*. Retrieved from <http://www.cbc.ca/news/canada/hamilton/news/st-joe-s-cutting-136-jobs-up-to-40-from-layoffs-1.3429301>

<sup>47</sup> PwC Canada. (2016). Canadian Banks 2016. *PriceWaterhouseCooper Canada*. Retrieved from <http://read.ca.pwc.com/i/664645-canadian-banks-2016/1>

<sup>48</sup> Posadzki, A. (2016, May 25). BMO to lay off 1,850, but raises dividend. *Toronto Star*. Retrieved from <https://www.thestar.com/business/2016/05/25/bmos-profit-falls-but-dividend-raised.html>

<sup>49</sup> TMX Group. (2016, September 20). TMX Group Updates Organizational Transformation. *TMX Group*. Retrieved from <https://www.tmx.com/newsroom/press-releases?id=491&year=2016>

<sup>50</sup> PwC Canada. (2016). Canadian Banks 2016. *PriceWaterhouseCooper Canada*. Retrieved from <http://read.ca.pwc.com/i/664645-canadian-banks-2016/1>

<sup>51</sup> Statistics Canada. CANSIM Table 281-0023. Survey of Employment, Payrolls and Hours (SEPH), employment by type of employee and detailed North American Industry Classification System (NAICS), unadjusted for seasonality, annual (persons)

and related activities, including by Postmedia Network Canada Corp.,<sup>52</sup> Rogers Media Inc.,<sup>53</sup> and Torstar Corp.'s newspaper printing plant.<sup>54</sup> In contrast, employment in the motion picture and video sub-industry grew over the year, with significant activity in the Toronto<sup>55</sup> and Northeast regions,<sup>56</sup> spurred partly by provincial and federal tax incentives are helping to boost growth in the sector.<sup>57</sup> One major development in the transportation and warehousing industry was the opening of an Amazon.com robotic distribution centre, creating more than 500 full-time jobs,<sup>58</sup> while the expansion of GoodLife Fitness Centres was a major development in the recreation sub-industry, adding 600 jobs in Ontario over the year,<sup>59</sup> though there were layoffs of 285 positions later in 2016.<sup>60</sup>

The retail trade sector experienced a fair amount of instability, with some segments continuing to lose bricks and mortar operations due to factors such as the prevalence of online shopping and fierce international competition.<sup>61</sup> In the clothing sector, closures by Le Château,<sup>62</sup> Aéropostale, Inc.,<sup>63</sup> and Jones New York<sup>64</sup> were among the most significant news over the year, resulting in the loss of several hundred jobs, while Ben Moss Jewellers announced the closure of all its locations, including 19 in Ontario.<sup>65</sup> However, notable investments were made by other types of retailers, including by Walmart Canada,<sup>66,67</sup> while expansion plans were also announced by IKEA,<sup>68</sup>

<sup>52</sup> Lu, V. (2016, January 19). **Postmedia cuts 90 jobs across Canada**. *Toronto Star*. Retrieved from <http://www.thestar.com/business/2016/01/19/postmedia-begins-making-job-cuts.html>

<sup>53</sup> The Canadian Press. (2016, January 25). **Rogers to cut 200 media and admin jobs**. *Toronto Star*. Retrieved from <http://www.thestar.com/business/2016/01/25/rogers-to-cut-200-media-and-admin-jobs.html>

<sup>54</sup> Lu, V. (2016, January 15). **Toronto Star to close Vaughan printing plant**. *Toronto Star*. Retrieved from <http://www.thestar.com/business/2016/01/15/toronto-star-to-close-vaughan-printing-plant.html>

<sup>55</sup> Cameron, P. (2017, February 27). **Toronto film, television, digital industry hit high of \$2B in 2016: Tory**. *The Canadian Press*. Retrieved from <http://www.cp24.com/news/toronto-film-television-digital-industry-hit-high-of-2b-in-2016-tory-1.3303321>

<sup>56</sup> CBC News Staff. (2016, February 16). **Sudbury film industry booming while Nova Scotia feels bust**. *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/nova-scotia/film-industry-tax-credits-jobs-sudbury-1.3451124>

<sup>57</sup> NetNewsledger Staff. (2017, February 27). **Record Setting Year for Film, Television in Toronto**. *NetNewsledger*. Retrieved from <http://www.netnewsledger.com/2017/02/27/record-setting-year-film-television-toronto/>

<sup>58</sup> Khalil, N. (2016, September 7). **Amazon opens new robotic distribution centre in Brampton**. *Brampton Guardian*. Retrieved from <http://www.bramptonguardian.com/news-story/6845339-amazon-opens-new-robotic-distribution-centre-in-brampton/>

<sup>59</sup> Canadian Press. (2016, September 26). **GoodLife to add 600 jobs by August**. *Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/goodlife-to-add-600-jobs-by-august/article32063197/>

<sup>60</sup> Daniszewski, H. (2016, October 28). **GoodLife: London-based fitness chain eliminating 60 head office jobs and 225 at clubs**. *London Free Press*. Retrieved from <http://www.lfpress.com/2016/10/27/goodlife-london-based-fitness-chain-eliminating-60-head-office-jobs-and-225-at-clubs>

<sup>61</sup> Wright, L. (2016, March 13). **Canadian retailers closing amid intense competition, failure to adapt to market**. *CBC News*. Retrieved from <http://www.cbc.ca/news/business/canadian-retailers-closing-1.3485248>

<sup>62</sup> CBC News Staff. (2016, April 18). **Le Chateau to shut 14 stores this year, more closures to come**. *CBC News*. Retrieved from <http://www.cbc.ca/news/business/le-chateau-earnings-1.3540573>

<sup>63</sup> The Associated Press. (2016, May 4). **Aéropostale seeks bankruptcy protection, closing all Canadian stores**. *Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/international-business/us-business/aeropostale-seeks-bankruptcy-protection-closing-all-canadian-stores/article29861051/>

<sup>64</sup> CBC News Staff. (2016, June 9). **Jones New York to close all 37 stores in Canada and liquidate**. *CBC News*. Retrieved from <http://www.cbc.ca/news/business/jones-new-york-canada-1.3624043>

<sup>65</sup> Canadian Newswire. (2016, July 29). **Going-Out-Of-Business Sales Begin At All Ben Moss Jewellers Stores Saturday, July 30<sup>th</sup>**. *Canadian Newswire*. Retrieved from <http://www.newswire.ca/news-releases/going-out-of-business-sales-begin-at-all-ben-moss-jewellers-stores-saturday-july-30th-588717351.html>

<sup>66</sup> Newport, A. (2016, October 26). **Walmart at Erin Mills Town Centre Finally Set to Open in Mississauga**. *Insauga.com*. Retrieved from <https://www.insauga.com/walmart-at-erin-mills-town-centre-finally-set-to-open-in-mississauga>

and by Loblaw Companies Limited, with a \$1.3B investment in its retail business across Canada.<sup>69</sup> One of the bigger new entrants, fashion retailer Nordstrom, Inc., opened stores in Toronto's Eaton Centre and Yorkdale Shopping Centre this year.<sup>70</sup>

### Annual Labour Force Statistics, by Industry, for Ontario

Employment ('000)	Year			2015 to 2016		2014 to 2015	
	2016	2015	2014	Number	%	Number	%
<b>Total employed, all industries</b>	6,999.6	6,923.2	6,877.9	76.4	1.1	45.3	0.7
<b>Goods-producing sector</b>	1,418.1	1,401.4	1,382.0	16.7	1.2	19.4	1.4
Agriculture	77.7	76.9	81.8	0.8	1.0	-4.9	-6.0
Forestry, fishing, mining, quarrying, oil and gas	35.8	43.3	33.2	-7.5	-17.3	10.1	30.4
Utilities	49.5	49.4	51.1	0.1	0.2	-1.7	-3.3
Construction	503.7	487.3	467.3	16.4	3.4	20.0	4.3
Manufacturing	751.4	744.6	748.6	6.8	0.9	-4.0	-0.5
<b>Services-producing sector</b>	5,581.4	5,521.7	5,495.9	59.7	1.1	25.8	0.5
Trade	1,033.2	1,042.3	1,047.0	-9.1	-0.9	-4.7	-0.4
Transportation and warehousing	327.2	321.3	329.0	5.9	1.8	-7.7	-2.3
Finance, insurance, real estate and leasing	555.3	543.5	512.1	11.8	2.2	31.4	6.1
Professional, scientific and technical services	594.6	579.6	559.9	15.0	2.6	19.7	3.5
Business, building and other support services	326.1	333.4	334.7	-7.3	-2.2	-1.3	-0.4
Educational services	502.8	514.9	494.6	-12.1	-2.3	20.3	4.1
Health care and social assistance	838.4	812.5	798.2	25.9	3.2	14.3	1.8
Information, culture and recreation	318.0	309.5	316.5	8.5	2.7	-7.0	-2.2
Accommodation and food services	456.8	444.3	450.3	12.5	2.8	-6.0	-1.3
Other services	276.1	276.3	286.8	-0.2	-0.1	-10.5	-3.7
Public administration	353.0	344.0	366.8	9.0	2.6	-22.8	-6.2

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0008

<sup>67</sup> Guelph Mercury Staff. (2016, August 3). Walmart number two set to open in Guelph. *Guelph Mercury*. Retrieved from <http://www.guelphmercury.com/news-story/6793792-walmart-number-two-set-to-open-in-guelph/>

<sup>68</sup> Beach Mirror Staff. (2016, April 27). IKEA hosts Talent Focus Week in its goal to recruit 4,000 workers and double its presence in Canada in the next decade. *Beach Mirror*. Retrieved from <http://www.yorkregion.com/news-story/6455095-ikea-hosts-talent-focus-week-in-its-goal-to-recruit-4-000-workers-and-double-its-presence-in-canada/>

<sup>69</sup> CNW Staff. (2016, April 12). Loblaw to invest \$1.3 billion, create approximately 20,000 jobs in 2016. *Canada Newswire*. Retrieved from <http://www.newswire.ca/news-releases/loblaw-to-invest-13-billion-create-approximately-20000-jobs-in-2016-575370521.html>

<sup>70</sup> Kopun, F. (2016, February 25). Nordstrom begins hiring for new stores. *Toronto Star*. Retrieved from <https://www.thestar.com/business/2016/02/25/nordstrom-begins-hiring-for-toronto-stores.html>

## REGIONAL ANALYSIS

### Employment gains posted in nine of eleven economic regions in 2016

Ontario's various regional labour markets were generally healthy over the past year, as nine out of eleven economic regions across the province registered employment growths in 2016.

Employment in the **Toronto** economic region grew by 52,800 (+1.6%) from 2015 to 2016. Gains were realized in both full-time and part-time work, driving the unemployment rate down from 7.1% to 6.9%. The manufacturing and construction industries were strong performers for the goods-producing sector. Aircraft parts manufacturer Cyclone Manufacturing Inc.<sup>71</sup> and medical devices manufacturer Baylis Medical Company<sup>72</sup> have both announced expansion projects, which should lead to sizeable job creation in the Toronto region. However, the industry was hit by the closure of the Toronto Star printing plant in Vaughan<sup>73</sup> and the closing of the Whitby plant for auto parts manufacturer Johnson Controls Inc.<sup>74</sup> The regional construction industry also contributed to employment growth, despite a lower number of building permits issued in 2016.<sup>75</sup> A number of large-scale construction projects were in the news over the year, including the \$5.3B Eglinton Crosstown Light Rail Transit project,<sup>76</sup> Woodbine Racetrack's \$50M expansion,<sup>77</sup> and Medallion Corporation's \$300M mixed use development project in Ajax.<sup>78</sup>

The finance, insurance, real estate, rental and leasing industry led the services-producing sector in employment growth in the Toronto region, although the industry observed a number of layoff announcements during the year, including the loss of 115 jobs at TMX Group Ltd,<sup>79</sup> operator of the Toronto Stock Exchange. The educational services industry felt the largest employment loss in the region, partly due to declining school enrollments.<sup>80</sup> As

<sup>71</sup> Innovation, Science and Economic Development Canada. (2015, December 21). **Federal Government Announces Investment in Aerospace Manufacturing**. *Government of Canada*. Retrieved from <http://news.gc.ca/web/article-en.do?nid=1025469>

<sup>72</sup> CanadianManufacturing.com Staff. (2016, March 17). **Medical device maker Baylis to build \$36.7M Ontario R&D facility**. *Canadian Manufacturing*. Retrieved from <http://www.canadianmanufacturing.com/exporting-and-importing/medical-device-maker-baylis-to-build-36-7m-ontario-rd-facility-164603/>

<sup>73</sup> Lu, V. (2016, January 15). **Toronto Star to close Vaughan printing plant**. *Toronto Star*. Retrieved from <http://www.thestar.com/business/2016/01/15/toronto-star-to-close-vaughan-printing-plant.html>

<sup>74</sup> Szekely, R. (2016, June 3). **Johnson Controls closing Whitby plant on July 1**. *Whitby This Week*. Retrieved from <http://www.durhamregion.com/news-story/6705746-johnson-controls-closing-whitby-plant-on-july-1/>

<sup>75</sup> Statistics Canada. CANSIM Table 026-0007 – Building permits, dwelling units by type of structure and value by activity sector, economic regions, monthly

<sup>76</sup> Office of the Premier. (2016, March 10). **Ontario Breaks Ground on First Eglinton Crosstown LRT Station**. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/opo/en/2016/03/ontario-breaks-ground-on-first-eglinton-crosstown-lrt-station.html>

<sup>77</sup> CityNews Staff. (2016, February 16). **Woodbine Racetrack announces \$50 million expansion plan**. *CityNews*. Retrieved from <http://www.citynews.ca/2016/02/16/woodbine-racetrack-announces-huge-expansion-plan/>

<sup>78</sup> Ajax News Advertiser Staff. (2016, September 8). **Medallion Corporation about to start work on second tower of massive project in downtown Ajax**. *Ajax News Advertiser*. Retrieved from <http://www.durhamregion.com/news-story/6847398-medallion-corporation-about-to-start-work-on-second-tower-of-massive-project-in-downtown-ajax/>

<sup>79</sup> McGee, N. (2016, September 21). **TMX Group cutting 115 jobs, about 10% of work force, to reduce costs**. *The Globe and Mail*. Retrieved from <http://www.bnn.ca/tmx-group-cutting-115-jobs-about-10-of-work-force-to-reduce-costs-1.570808>

<sup>80</sup> Ontario Ministry of Education. (2016, November 11). **Quick Facts: Ontario Schools, 2014-2015**. *Ontario Ministry of Education*. Retrieved from [http://www.edu.gov.on.ca/eng/general/elemsec/quickfacts/2014\\_2015.html](http://www.edu.gov.on.ca/eng/general/elemsec/quickfacts/2014_2015.html)

such, the Toronto District School Board announced in early 2016 that it will cut 102 teachers, 45 early childhood educators and 46 lunchroom supervisors in the fall, as enrolment has declined over the year.<sup>81</sup>

The **Kingston–Pembroke** economic region also saw healthy labour market growth in 2016, as employment grew by 11,500 (+5.7%). Labour force participation also rose, and the regional unemployment rate fell from 7.2% to 6.0%. Growth in the region was spread across industries, with Feihe International Inc., a China-based manufacturer of infant formula, announcing that it will open a facility in Kingston by 2019. It is expected to create about 1,000 jobs during construction and 200 full-time jobs when completed.<sup>82</sup> Furthermore, Kruger Products L.P., a manufacturer and distributor of tissue products, received a loan from the province to help expand its operations in Trenton. The project is expected to be completed by the end of 2019, and will create 119 jobs and retain 184 positions.<sup>83</sup> The new Shorelines Casino in Belleville observed a ground breaking in its construction, with the casino expected to open in 2017 and create 300-plus jobs in the area.<sup>84</sup> In the regional utilities industry, an investment of \$800M in Chalk River's Canadian Nuclear Laboratories over the next five years was announced in 2016. The funds will be used for the construction of new facilities and the refurbishment of existing infrastructure.<sup>85</sup>

In Southwest Ontario, employment grew modestly in the economic regions of **Windsor–Sarnia** and **London**. In Windsor, K+S Windsor Salt Ltd. announced that it will invest \$60M to expand operations at their Ojibway Salt Mine, extending mining operations by nearly 50 years, with work scheduled to begin in 2017.<sup>86</sup> In contrast, Compass Minerals laid off approximately 90 employees from its Sifto Salt Mine in Goderich in late 2015,<sup>87</sup> although the company has since started hiring again.<sup>88</sup> The chemical cluster in the Sarnia–Lambton area received a boost with a \$12M investment from the Government of Canada, creating 478 full-time equivalent jobs by 2018.<sup>89</sup> However, disappointing news came from Thamesford, where Maple Leaf Foods Inc. announced that it will be closing its turkey processing plant by early 2018, affecting approximately 400 workers.<sup>90</sup>

<sup>81</sup> Rushowy, K. (2016, March 9). **TDSB approves cutting teacher jobs as enrolment dips**. *Toronto Star*. Retrieved from <http://www.thestar.com/yourtoronto/education/2016/03/09/tdsb-approves-cutting-teacher-jobs-as-enrolment-dips.html>

<sup>82</sup> Kingston Whig-Standard Staff. (2016, December 1). **Baby formula company to generate hundreds of jobs**. *Kingston Whig-Standard*. Retrieved from <http://www.thewhig.com/2016/12/01/baby-formula-company-to-generate-hundreds-of-jobs>

<sup>83</sup> Ministry of Economic Development and Growth. (2016, August 31). **Ontario Partners with Kruger to Expand Trenton Facilities**. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/medg/en/2016/08/ontario-partners-with-kruger-to-expand-trenton-facilities.html>

<sup>84</sup> Miller, T. (2016, April 27). **Casino breaks ground**. *Belleville Intelligencer*. Retrieved from <http://www.thepeterboroughexaminer.com/2016/04/27/casino-breaks-ground>

<sup>85</sup> Canadian Nuclear Laboratories Staff. (2016, April 4). **Making Vision 2026 a reality**. *Canadian Nuclear Laboratories*. Retrieved from <http://www.cnl.ca/en/home/news-and-publications/stories/2016/160414.aspx>

<sup>86</sup> CBC News Staff. (2016, July 25). **\$60M expansion planned for Windsor's Ojibway salt mine**. *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/windsor/windsor-salt-ojibway-expand-1.3693927>

<sup>87</sup> Miller, S. (2015, December 22). **Warm winter brings layoffs at Goderich salt mine**. *CTV News*. Retrieved from <http://london.ctvnews.ca/warm-winter-brings-layoffs-at-goderich-salt-mine-1.2710542>

<sup>88</sup> Jackson, P. (2017, January 17). **Sifto Salt Mine in Goderich Hiring**. *Bayshore Broadcasting*. Retrieved from [http://www.bayshorebroadcasting.ca/news\\_item.php?NewsID=90391](http://www.bayshorebroadcasting.ca/news_item.php?NewsID=90391)

<sup>89</sup> FedDev Ontario. (2016, July 25). **Government of Canada Invests \$12M to Support Bio-Based Innovation in Sarnia**. *Government of Canada*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=advSrch&ctr.mnthndVl=&ctr.mnthStrtVl=&ctr.page=1&nid=1103989&ctr.yrndVl=&ctr.kw=sarnia&ctr.yrStrtVl=&ctr.dyStrtVl=&ctr.dyndVl=>

<sup>90</sup> Stacey, M. (2016, November 15). **Maple Leaf announces that Thamesford plant will be closed and fresh turkey processing will move to Sofina facility in Mitchell, Ont.** *Beacon Herald*. Retrieved from <http://www.lfpress.com/2016/11/15/maple-leaf-announces-that-thamesford-plant-will-be-closed-and-fresh-turkey-processing-will-move-to-sofina-facility-in-mitchell-ont>

Employment increased by 4,200 in the **Ottawa** economic region, equivalent to a 0.6% gain over the year. While much of the focus is on the construction of the Confederation LRT Line, mixed news came out of the regional retail trade industry in 2016. On the positive side, Cabela's, an outdoor recreation retailer, opened in Ottawa in September, planning to hire about 175 full-time and part-time employees.<sup>91</sup> As well, CF Rideau Centre, a shopping centre in downtown Ottawa, opened its four-level expansion, which includes more than 20 new retailers.<sup>92</sup> However, the Jean Coutu Group Inc. announced that it is moving its Hawkesbury distribution centre to Quebec, affecting about 127 employees.<sup>93</sup> In addition, Metro Inc. announced that it is closing its grocery store in Cornwall, resulting in the loss of 68 jobs.<sup>94</sup>

Small employment gains were also registered in the **Muskoka–Kawarthas** and **Northwest** economic regions. The arts, entertainment and recreation industry in Peterborough will be boosted by the announcement that the Ontario Gaming East Limited Partnership will build a new casino, creating 150 new jobs at the gaming tables and the restaurant.<sup>95</sup> In Northwest Ontario, the region continued to see some activity in its mining industry, with Goldcorp Inc. announcing that it will proceed with \$90M of expansions at its Musselwhite gold mine to increase production in 2019,<sup>96</sup> and New Gold Inc. continuing construction on its Rainy River Project northwest of Fort Frances.<sup>97</sup>

Employment levels were relatively stable compared to the previous year in the **Hamilton–Niagara Peninsula** (+0.3%) and the **Stratford–Bruce Peninsula** (+0.3%) economic regions. Despite this slow growth, Stratford–Bruce Peninsula's regional unemployment rate of 4.8% was the lowest in Ontario.

### Small employment decreases in two economic regions in 2016

The job climate improved in nearly all economic regions in Ontario in 2016. The only regions to see a loss in employment were **Kitchener–Waterloo–Barrie** and **Northeast** Ontario.

Employment fell slightly in **Kitchener–Waterloo–Barrie** (-4,600; -0.6%) over the past year. The unemployment rate held firm at 5.4%, but both the participation and employment rates dipped in 2016. Labour market conditions varied between the census metropolitan areas in the region, with stable employment in Kitchener–Cambridge–Waterloo and Guelph countered by a fall in Barrie. The regional health care industry had a fair amount of layoff announcements across the region over 2016, as several local hospitals and medical centres cut

<sup>91</sup> Kveton, A. (2016, January 16). **Cabela's to open in September**. *Kanata Courier-Standard*. Retrieved from <http://www.ottawacommunitynews.com/news-story/6230131-cabela-s-to-open-in-september/>

<sup>92</sup> Retail Insider Staff. (2016, August 14). **CF Rideau Centre Opens Substantial Four-Level Expansion [Photos and Floor Plan]**. *Retail Insider*. Retrieved from <http://www.retail-insider.com/retail-insider/2016/8/rideau-centre>

<sup>93</sup> Ottawa Citizen Staff. (2016, January 26). **More than 120 layoffs expected at Jean Coutu Hawkesbury warehouse**. *Ottawa Citizen*. Retrieved from <http://ottawacitizen.com/news/local-news/more-than-120-layoffs-expected-at-jean-coutu-hawkesbury-warehouse>

<sup>94</sup> Baker, L. (2016, March 29). **Metro closing Cornwall store**. *Cornwall Standard-Freeholder*. Retrieved from <http://www.standard-freeholder.com/2016/03/29/metro-closing-cornwall-store>

<sup>95</sup> Kovach, J. (2016, April 13). **Casino confirmed for city of Peterborough**. *Peterborough Examiner*. Retrieved from <http://www.thepeterboroughexaminer.com/2016/04/12/casino-confirmed-for-city-of-peterborough>

<sup>96</sup> Bradley, S. (2016, August). **Goldcorp to expand materials handling at Musselwhite**. *Sioux Lookout Bulletin*. Retrieved from <http://www.siouxbulletin.com/goldcorp-to-expand-materials-handling-at-musselwhite?id=1620>

<sup>97</sup> New Gold Inc. Staff. (2016, September 7). **New Gold Provides Rainy River Project Development Update**. *New Gold Inc.* Retrieved from <http://www.newgold.com/investors/NewGoldNews/PressReleaseDetail/2016/New-Gold-Provides-Rainy-River-Project-Development-Update/default.aspx>

staff in an effort to trim budgets.<sup>98</sup> The manufacturing industry also saw a handful of long-standing companies shut facilities,<sup>99</sup> although others boosted capacity, with expansions at RIMOWA North America Inc., Phoenix Building Components, and Stemmler's Meat & Cheese part of an active year for the regional manufacturing base.<sup>100</sup>

Meanwhile, BlackBerry Inc. continued to remodel its operations throughout 2016,<sup>101</sup> with the company increasing its focus on security and software and outsourcing production duties. The region's innovation and technology hub had a solid year with numerous investments and hiring rounds. Google Canada opened its new Canadian head office in the region, and Shopify Plus added 200 employees after moving into the former Seagram Museum in Waterloo,<sup>102</sup> while the University of Waterloo launched the largest free start-up incubator in the world, and plans are in the works to create a technology campus valued at \$55M.<sup>103</sup> In addition, steady population growth and business activity supported an overall rise in housing starts and investment in non-residential construction in the major urban centres in the area.<sup>104</sup> Some of the larger projects to break ground included the Elora Mill Hotel & Spa, expected to cost \$120M, and a recreation centre in Orillia pegged at \$53M.<sup>105</sup>

<sup>98</sup> Ontario Health Coalition. (2016, April 13). **Beyond Limits Ontario's Deepening Hospital Cuts Crisis**. *Ontario Health Coalition*. Retrieved from <http://www.ontariohealthcoalition.ca/wp-content/uploads/final-beyond-limits-report1.pdf>

<sup>99</sup> Pritchard, B. (2016, January 18). **PGW plant in Alliston to close in October**. *Simcoe.com*. Retrieved from <http://www.simcoe.com/news-story/6237740-pgw-plant-in-alliston-to-close-in-october/>; Philips, A. (2016, May 25). **Stephan closing in Ramara Township**. *OrilliaPacket.com*. Retrieved from <http://www.orilliapacket.com/2016/05/25/stephan-closing>; Hicks, J. (2016, November 03). **Cambridge Towel plant closing**. *TheRecord.com*. Retrieved from <http://www.therecord.com/news-story/6945707-cambridge-towel-plant-closing/>

<sup>100</sup> David, B. (2016, February 05). **Rimowa hiring, expanding operations in Cambridge**. *TheRecord.com*. Retrieved from <http://www.therecord.com/news-story/6265825-rimowa-hiring-expanding-operations-in-cambridge/>; McInroy, I. (2016, February 18). **New plant in Essa Township will provide work for 100**. *Barrie Examiner*. Retrieved from <http://www.thebarrieexaminer.com/2016/02/18/new-plant-in-essa-township-will-provided-work-for-100>; Vrbanc, B. (2016, September 21). **Stemmler's celebrates big 3-0 with major expansion**. *Waterloo Chronicle*. Retrieved from <http://www.waterloochronicle.ca/news-story/6869834-stemmler-s-celebrates-big-3-0-with-major-expansion/>

<sup>101</sup> Sagan, A. (2016, September 26). **BlackBerry plan to outsource hardware development will lead to 'limited' layoffs: CEO**. *BNN*. Retrieved from <http://www.bnn.ca/blackberry-plan-to-outsource-hardware-development-will-lead-to-limited-layoffs-ceo-says-1.575299>

<sup>102</sup> Vrbanc, B. (2016, September 14). **The wave of the future**. *Waterloo Chronicle*. Retrieved from <http://www.waterloochronicle.ca/news-story/6857276-the-wave-of-the-future/>

<sup>103</sup> Global News Staff. (2016, January 12). **Google to open new headquarters in Waterloo**. *Global News*. Retrieved from <http://globalnews.ca/news/2448172/google-to-open-a-new-headquarters-in-waterloo/>; University of Waterloo. (2016, October 28). **Velocity Garage celebrates Grand Opening, now the largest free startup incubator in the world**. *University of Waterloo*. Retrieved from <http://velocity.uwaterloo.ca/2016/10/velocity-garage-celebrates-grand-opening-now-the-largest-free-startup-incubator-in-the-world/>; Ho, K. (2016, June 21). **Massive innovation complex coming to Kitchener-Waterloo**. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/small-business/startups/massive-innovation-complex-coming-to-kitchener-waterloo/article30543400/>

<sup>104</sup> Statistics Canada. CANSIM Table 027-0049 – Canada Mortgage and Housing Corporation, housing starts, under construction and completions in selected census metropolitan areas, annual (units); Statistics Canada. CANSIM Table 026-0016 – Investment in non-residential building construction, by type of building, province and census metropolitan area (CMA), quarterly (dollars)

<sup>105</sup> Kostuch Media Ltd. (2016, December 06). **Construction Begins on Elora Hotel Project**. *Hotelier*. Retrieved from <https://www.hoteliermagazine.com/construction-begins-elora-hotel-project/>; CTV Barrie Staff. (2016, September 28). **Breaking ground on Orillia's \$53M recreation centre**. *CTV News*. Retrieved from <http://barrie.ctvnews.ca/breaking-ground-on-orillia-s-53m-recreation-centre-1.3093005>

Employment was relatively flat in the **Northeast** Ontario economic region in 2016, with a small decline over the year (-300; -0.1%). The unemployment rate fell over the year to 7.2%, although this was still the highest rate among Ontario's economic regions. Conditions across the core resource-based industries varied over the past year in the region. The slump in metal commodity prices at the start of 2016 weighed down on local operations, as some miners reduced output and cut staff,<sup>106</sup> as these layoffs further extended to those that supply and service the mining industry. Even with this slowdown, there were some positive announcements over the year, with new projects and future exploration work. General Magnesium Corporation opened its magnesium-talc mine near Timmins, and Goldcorp Canada Ltd. will open the first fully electrical mine in the world near Chapleau in 2017.<sup>107</sup>

A stronger American housing market encouraged wood product manufacturers to restart sawmills and ramp up efforts in the region. The film industry was also a big newsmaker in the Northeast region. Hideaway Pictures and Motion Picture Corporation of America signed a deal worth \$100M that will lead to more production opportunities in the region during the next three years.<sup>108</sup> Another sector that saw a fair amount of activity was the construction industry. Several infrastructure developments took shape to upgrade highways, bridges and schools in the Northeast.<sup>109,110</sup> This past year saw a number of temporary and permanent layoffs for steelmakers such as Tenaris Algoma Tubes and Essar Steel Algoma Inc.,<sup>111,112</sup> but an uptick in steel prices and greater global demand may help producers turn the corner.

<sup>106</sup> Sudbury Star Staff. (2016, March 22). **20 layoffs, cut contracts at KGHM**. *Sudbury Star*. Retrieved from <http://www.thesudburystar.com/2016/03/22/20-layoffs-cut-contracts-at-kghm>; Sudbury Star Staff. (2016, September 22). **Vale cuts nine jobs in Sudbury**. *Sudbury Star*. Retrieved from <http://www.thesudburystar.com/2016/09/22/vale-cuts-nine-jobs-in-sudbury>

<sup>107</sup> Kelly, L. (2016, February 01). **Magnesium mine promising jobs, diversity in Timmins**. *Northern Ontario Business*. Retrieved from <https://www.northernontariobusiness.com/regional-news/timmins/magnesium-mine-promising-jobs-diversity-in-timmins-371757>; CBC News. (2016, November 30). **Goldcorp to open first electric mine near Chapleau next year**. *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/sudbury/first-electric-mine-goldcorp-chapleau-site-1.3873711>

<sup>108</sup> Moodie, J. (2016, March 10). **Sudbury studio signs major Hollywood deal**. *Sudbury Star*. Retrieved from <http://www.thesudburystar.com/2016/03/10/sudbury-studio-signs-major-hollywood-deal>

<sup>109</sup> Government of Ontario. Ministry of Northern Development and Mines. (2016, June 24). **Ontario Improving Highways in the Northwest**. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/mndmf/en/2016/06/ontario-improving-highways-in-the-northwest.html>

<sup>110</sup> Government of Ontario. Office of the Premier. (2016, August 8). **Ontario Investing \$300 Million to Repair Northern Schools**. *Newsroom Ontario*. Retrieved from <https://news.ontario.ca/opo/en/2016/08/ontario-investing-300-million-to-repair-northern-schools>

<sup>111</sup> Helwig, D. (2016, January 28). **More layoffs at Tenaris Algoma Tubes (update)**. *SOOTODAY.com*. Retrieved from <https://www.sootoday.com/local-news/more-layoffs-at-tenaris-algoma-tubes-190891>; Northern Ontario Business Staff.

<sup>112</sup> (2016, September 07). **Essar Steel Algoma announces layoffs**. *Northern Ontario Business*. Retrieved from <https://www.northernontariobusiness.com/industry-news/mining/essar-steel-algoma-announces-layoffs-427518>

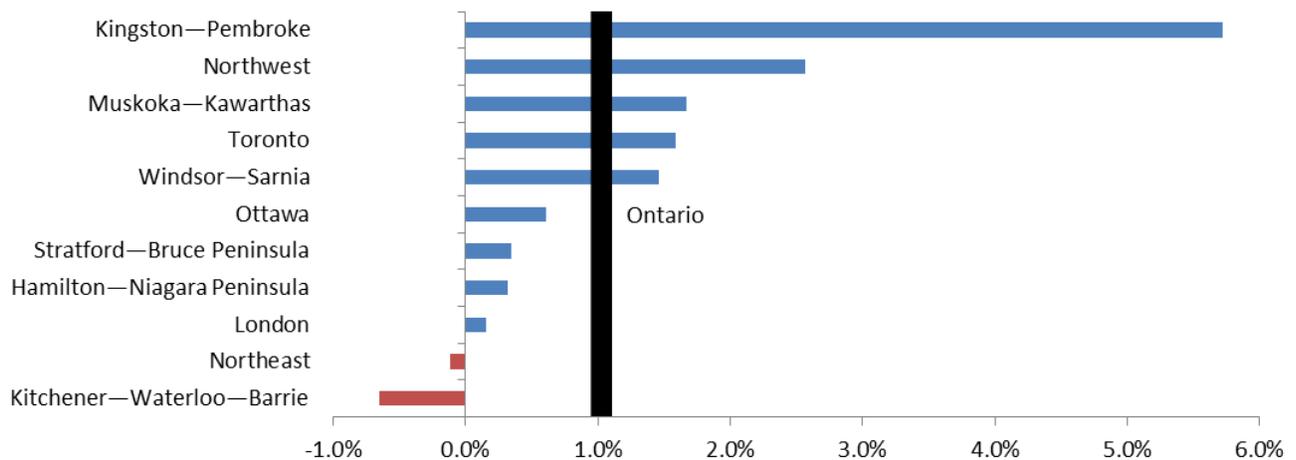
**Annual Labour Force Statistics, by Economic Region, for Ontario**

Employment ('000) Seasonally unadjusted data	Year			2015 to 2016		2014 to 2015	
	2016	2015	2014	Number	%	Number	%
<b>Ontario</b>	6,999.6	6,923.2	6,877.9	76.4	1.1	45.3	0.7
<b>Economic Regions</b>							
Ottawa	692.4	688.2	697.8	4.2	0.6	-9.6	-1.4
Kingston–Pembroke	212.5	201.0	210.1	11.5	5.7	-9.1	-4.3
Muskoka–Kawarthas	170.6	167.8	186.3	2.8	1.7	-18.5	-9.9
Toronto	3,373.2	3,320.4	3,241.1	52.8	1.6	79.3	2.4
Kitchener–Waterloo–Barrie	706.0	710.6	704.5	-4.6	-0.6	6.1	0.9
Hamilton–Niagara Peninsula	721.4	719.1	706.4	2.3	0.3	12.7	1.8
London	330.9	330.4	324.8	0.5	0.2	5.6	1.7
Windsor–Sarnia	299.4	295.1	299.1	4.3	1.5	-4.0	-1.3
Stratford–Bruce Peninsula	145.5	145.0	151.1	0.5	0.3	-6.1	-4.0
Northeast	247.8	248.1	256.8	-0.3	-0.1	-8.7	-3.4
Northwest	99.9	97.4	99.8	2.5	2.6	-2.4	-2.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0123

**Annual Employment Growth, by Economic Region, for Ontario  
2015–2016**



**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](http://www.statcan.gc.ca)

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