



# Labour Market Bulletin

Ontario

January 2017



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 increases again in January

- Ontario employment figures increased by 28,800 in January for the sixth consecutive monthly gain
- Both full-time (+5,300) and part-time (+23,500) employment experienced gains
- The unemployment rate held steady at 6.4% compared with the previous month

In January, Ontario employment climbed for the sixth consecutive month with an increase of 28,800. January saw gains in both full-time (+5,300) and part-time (+23,500) employment, although the majority of the gains came from part-time employment. Compared with December, the provincial unemployment rate in January held steady at 6.4%, as unemployment marginally increased by 5,600. The labour force expanded by 34,300 and the participation rate increased to 65.1% in January from 64.9% in December.

In Canada, employment increased by 48,300 in January which continued two months of employment gains and beat the expected employment decline of 5,000.<sup>1</sup> The gains came from a mix of full-time (15,800) and part-time (32,400) employment. National employment growth in January was driven mainly by gains in Ontario and British Columbia, alongside losses in New Brunswick and Saskatchewan. The national unemployment rate in January was down to 6.8% from 6.9% in December.

In the United States, total non-farm payroll employment increased by 227,000 in January, slightly beating the expected 175,000. Employment increased in retail trade, construction, and financial activities.<sup>2</sup> The unemployment rate rose to 4.8% in January from 4.7% in December. Over the year, the average hourly earnings increased

<sup>1</sup> Trading Economics. (2016, November 4). [Canada Employment Change](http://www.tradingeconomics.com/canada/employment-change). Trading Economics. Retrieved from <http://www.tradingeconomics.com/canada/employment-change>

<sup>2</sup> Trading Economics. (2017, February 3). [U.S. Non-Farm Payrolls](http://www.tradingeconomics.com/usa/non-farm-payrolls). Trading Economics. Retrieved from <http://www.tradingeconomics.com/usa/non-farm-payrolls>

by 2.5%. In December 2016, the U.S. Federal Reserve raised its benchmark interest rate, suggesting an optimistic economic outlook.<sup>3</sup>

Between January 2016 and January 2017, employment in Ontario increased by 90,100, with the majority of the gains coming from part-time employment. Year over year, the unemployment rate dropped by 0.3 percentage points to 6.4% from 6.7%, due to a decrease of 18,800 in unemployment. However, the participation rate also dropped by 0.3 percentage points, as the growth in population (+1.3%) continued to outpace the increase in labour force (+1.0%).

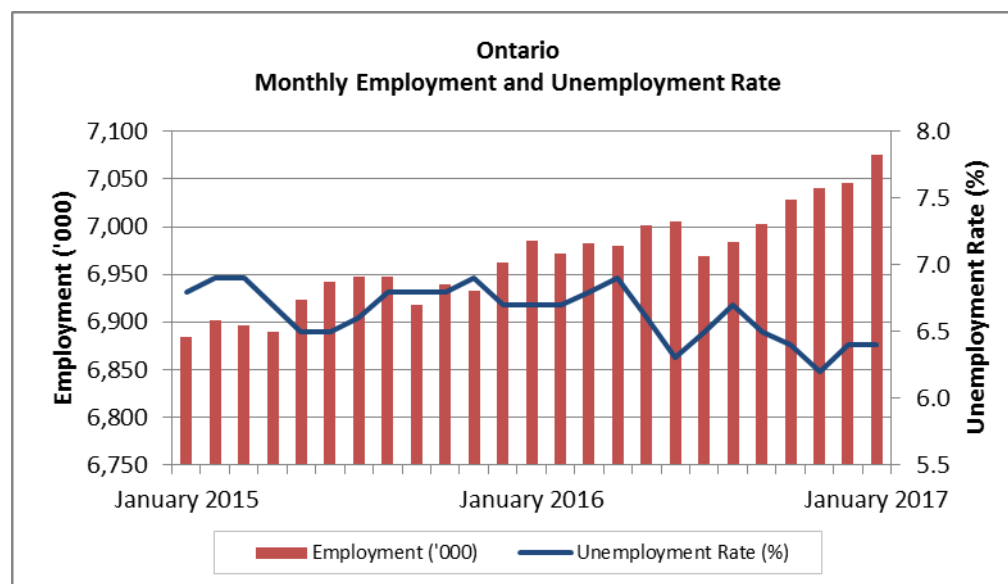
The unemployment rate for youth aged 15 to 24 in Ontario increased by 1.4 percentage points to 15.6% in January. Although the participation rate increased by 0.9 percentage points, the employment rate declined by 0.2 percentage points. The youth labour force increased by 14,100, but employment declined by 3,400. Employment losses were felt in full-time employment (-14,500), but offset by gains in part-time employment (11,000). Ontario's youth unemployment rate remained higher than the national youth unemployment rate of 13.3% in January.

### Ontario Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	January 2017	December 2016	January 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	11,604.3	11,591.4	11,454.5	12.9	0.1	149.8	1.3
<b>Labour Force ('000)</b>	7,559.9	7,525.6	7,488.7	34.3	0.5	71.2	1.0
<b>Employment ('000)</b>	7,075.2	7,046.4	6,985.1	28.8	0.4	90.1	1.3
Full-Time ('000)	5,695.4	5,690.1	5,689.3	5.3	0.1	6.1	0.1
Part-Time ('000)	1,379.8	1,356.3	1,295.8	23.5	1.7	84.0	6.5
<b>Unemployment ('000)</b>	484.8	479.2	503.6	5.6	1.2	-18.8	-3.7
<b>Unemployment Rate (%)</b>	6.4	6.4	6.7	0.0	-	-0.3	-
<b>Participation Rate (%)</b>	65.1	64.9	65.4	0.2	-	-0.3	-
<b>Employment Rate (%)</b>	61.0	60.8	61.0	0.2	-	0.0	-

Note: Totals may not add due to rounding

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



<sup>3</sup> CBC News Staff. (2016, December 14). [Federal Reserve hikes benchmark interest rate to 0.75%](http://www.cbc.ca/news/business/federal-reserve-interest-rate-1.3896402). CBC News. Retrieved from <http://www.cbc.ca/news/business/federal-reserve-interest-rate-1.3896402>

## Ontario Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	January 2017	December 2016	January 2016	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
<b>Total</b>	6.4	6.4	6.7	0.0	-0.3
<b>25 years and over</b>	4.9	5.1	5.6	-0.2	-0.7
Men - 25 years and over	4.7	4.9	5.8	-0.2	-1.1
Women - 25 years and over	5.0	5.3	5.4	-0.3	-0.4
<b>15 to 24 years</b>	15.6	14.2	13.5	1.4	2.1
Men - 15 to 24 years	15.7	14.0	14.9	1.7	0.8
Women - 15 to 24 years	15.5	14.4	12.1	1.1	3.4

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

## EMPLOYMENT BY INDUSTRY

## Manufacturing led employment growth in the goods-producing sector and in the province this month

The goods-producing sector started the year on a positive note with the addition of 18,100 jobs, up 1.3% over the previous month, based on seasonally adjusted employment estimates. This increase was mainly attributed to the addition of 14,000 jobs in manufacturing, the strongest gain reported in the sector since October 2015. During January, softer gains were reported in construction (+3,100) and agriculture (+1,800), while forestry, fishing, mining, quarrying, oil and gas shed 1,300 positions.

Overall, the economic outlook for Ontario's **manufacturing** sector appears mostly favourable for 2017. The Markit Canada Manufacturing Purchasing Managers' Index posted four consecutive months of expansions nationally, reflecting strong output, growth in domestic demand, and a continued rise in staffing levels. Challenges cited included long supplier delivery times and a sharp rise in cost inflation due to rising commodity prices and imported raw material costs.<sup>4</sup>

Despite strong employment growth of 14,000, mixed news events came out of the **manufacturing** sector this month, particularly from the key automotive segment. On the positive side, with funding support from the provincial and federal governments, Honda of Canada Manufacturing is investing \$492M to upgrade its Alliston facilities,<sup>5</sup> while Nemak of Canada Corporation, in partnership with Arbec Tool & Machine Ltd., will develop new lightweight engine blocks.<sup>6</sup> Meanwhile, General Motors of Canada Company (GM) is planning to cut approximately 600 jobs at its CAMI Assembly Plant in Ingersoll, effective this July. The company cited a changeover in

<sup>4</sup> IHS Markit. (2017, February 1). [Markit Canada Manufacturing PMI](https://www.markiteconomics.com/Survey/PressRelease.mvc/277574d658144e30b5ff86e272064f75). IHS Markit. Retrieved from <https://www.markiteconomics.com/Survey/PressRelease.mvc/277574d658144e30b5ff86e272064f75>

<sup>5</sup> Government of Canada. (2017, January 9). [Government of Canada invests \\$41.8 million in Honda of Canada Manufacturing to maintain middle-class jobs and develop clean technologies](http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=4&nid=1177019). *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=4&nid=1177019>

<sup>6</sup> Government of Canada. (2017, January 10). [Windsor company receives \\$3 million to develop new automotive technologies](http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=3&nid=1177389). *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=3&nid=1177389>

the production of a vehicle model as the reason for the impending layoffs.<sup>7</sup> Earlier in the month, GM announced plans to move production of the redesigned GMC Terrain to Mexico.<sup>8</sup> Canada's total share of motor vehicle production in North America fell from 16.5% in 2005, to 12.8% in 2015, while Mexico's share increased over the same period.<sup>9</sup>

In **construction**, January's employment growth of 3,100 was supported by an increase in building permits and housing starts. Housing starts increased 57.8% in January from a year ago,<sup>10</sup> while residential and non-residential building permits combined increased 33.6% between December 2015 and 2016.<sup>11</sup> In addition, a number of infrastructure announcements is likely to augment employment growth in the coming months. For example, the start of work on the \$32.1-million inter-regional transit terminal downtown by the City of Vaughan's future economic hub<sup>12</sup> and continued construction on the Toronto-York Spadina Subway Extension line are likely to support industry employment growth.<sup>13</sup> Also, as part of the National Innovation Agenda, large private and public sector investments continue to be rolled out for the construction of academic and research facilities.<sup>14,15,16,17</sup>

Year-over-year, employment expanded in the goods-producing sector with the addition of 25,000 jobs (+1.8%), mostly in construction (+30,100) and to a lesser extent in manufacturing (+5,700). Employment declines were observed in forestry, fishing, mining, quarrying, oil and gas (-8,600), and agriculture (-6,500).

<sup>7</sup> Keenan, G. (2017, January 27). GM to cut 625 jobs at Ontario plant, union says. *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>

<sup>8</sup> Welch, D. (2017, January 9). 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>9</sup> DesRosiers Automotive Consultants Inc. (2016 Edition). DesRosiers Automotive Yearbook.

<sup>10</sup> Statistics Canada. (2017, February 13). CANSIM Table 027-0054, Canada Mortgage and Housing Corporation, housing starts, all areas, Canada and provinces, seasonally adjusted at annual rates, monthly (units x 1,000). *Statistics Canada*. Retrieved from

<http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=0270054&&pattern=&stByVal=1&p1=1&p2=-1&tabMode=dataTable&csid=>

<sup>11</sup> Statistics Canada. (2017, February 13). CANSIM Table 026-0003, Building permits, values by activity sector, monthly (dollars x 1,000). *Statistics Canada*. Retrieved from

<http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=0260003&&pattern=&stByVal=1&p1=1&p2=-1&tabMode=dataTable&csid=>

<sup>12</sup> Government of Canada. (2017, January 11). Bus terminal to be built in Vaughan for York Region Transit. *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=5&nid=1177999>

<sup>13</sup> Spurr, B. (2017, January 23). TTC's newest subway extension taking shape. *Toronto Star*. Retrieved from <https://www.thestar.com/news/gta/2017/01/23/ttcs-newest-subway-extension-taking-shape.html>

<sup>14</sup> Government of Canada. (2017, January 9). Canada and Ontario invest in infrastructure at Georgian College. *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=5&nid=1176589>

<sup>15</sup> Government of Canada. (2017, January 12). Canada and Ontario invest in infrastructure at Wilfrid Laurier University. *Government of Canada Newsroom*. Retrieved from: [http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=1&nid=1178389&\\_ga=1.17737465.1560703.1437082960](http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=1&nid=1178389&_ga=1.17737465.1560703.1437082960)

<sup>16</sup> Government of Canada. (2017, January 12). Canada and Ontario invest in infrastructure at University of Windsor. *Government of Canada Newsroom*. Retrieved from [http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=2&nid=1178279&\\_ga=1.257401419.1560703.1437082960](http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=2&nid=1178279&_ga=1.257401419.1560703.1437082960)

<sup>17</sup> Government of Canada. (2017, January 12). Government of Canada invests in infrastructure at the University of Waterloo. *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=3&nid=1178429>

**Finance, insurance, real estate, rental and leasing led employment growth in the services-producing sector**

Employment in the services-producing sector rebounded in January, with the addition of 10,700 jobs (+0.2%). The main contributors to January's employment growth included the finance, insurance, real estate, rental and leasing (+8,200), health care and social assistance (+7,500), and public administration (+7,100) industries. Employment declined in professional, scientific and technical services (-6,900), as well as in information, culture and recreation (-6,400), and wholesale and retail trade (-5,500).

The **finance, insurance, real estate, rental and leasing** industry led employment gains this January in its fourth consecutive month of growth. This is likely related to the GTA's housing market boom<sup>18</sup> and favourable fourth-quarter profitability announcements by many of the major banks.<sup>19,20</sup> In addition, the postelection U.S. equities rally may bode well for the industry.<sup>21</sup> Despite these gains, in the longer term, employment growth may be moderated due to investments made by large banks in digital technologies, and the planned cuts to some branches over the next few years.<sup>22</sup>

Meanwhile, business conditions in **retail trade** experienced some flux, with news of openings and closures by a few large chains across the province. Charm Diamond Centres acquired the former Ben Moss Jewellers banner and will reopen 16 stores, including some in Ontario, averting some of the potential job losses in the sector.<sup>23</sup> On the downside, HMV Canada Inc. was placed into receivership and is expected to close all stores, including the estimated 35 in Ontario by the end of April, resulting from the shift in consumer demand away from CDs and DVDs to digital media.<sup>24</sup> In addition, American Apparel closed its stores after filing for bankruptcy in 2015 and again in last November.<sup>25</sup>

Year-over-year, the services producing sector reported employment growth of 65,100 (+1.2%), with health care and social assistance (+30,300) being the largest contributor over the period. Substantial losses were observed in wholesale and retail trade (-22,500).

<sup>18</sup> Jang, Brent. (2017, January 16). 2016 was a record-setting year for Canada's housing market. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/2016-was-a-record-setting-year-for-canadas-housing-market/article33640396/>

<sup>19</sup> Shecter, Barbara. (2016, December 6). Canadian banks get a credit upgrade as BMO earnings jump 11 per cent to cap strong year. *The Financial Post*. Retrieved from <http://business.financialpost.com/news/fp-street/fitch-upgrades-canadian-bank-outlook-despite-expected-economic-and-housing-headwinds>

<sup>20</sup> The Canadian Press. (2016, December 1). CIBC profit up 20%, TD up 25% as bank earnings stay strong. *CBC News*. Retrieved from <http://www.cbc.ca/news/business/cibc-td-bank-earnings-1.3875980>

<sup>21</sup> Shufelt, Tim. (2016, December 5). Postelection rally in U.S. equities is just getting started: RBC. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/globe-investor/inside-the-market/postelection-rally-in-us-equities-just-getting-started/article33211014/>

<sup>22</sup> Globe and Mail Staff. (2017, February 1). Scotiabank targets further cost cuts from digital initiatives. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/scotiabank-targets-further-cost-cuts-from-digital-initiatives/article33874797/>

<sup>23</sup> The Canadian Press. (2017, January 12). Ben Moss Jewellers acquired by Charm Diamond Centres, 16 stores to reopen. *CTV News*. Retrieved from <http://www.ctvnews.ca/business/ben-moss-jewellers-acquired-by-charm-diamond-centres-16-stores-to-reopen-1.3238938>

<sup>24</sup> Canadian Press Staff. (2017, January 27). Struggling HMV Canada goes into receivership, set to close stores. *CBC News*. Retrieved from <http://www.cbc.ca/news/business/struggling-hmv-canada-goes-into-receivership-set-to-close-stores-1.3956302>

<sup>25</sup> Agnew, Caitlin. (2017, January 18). So long, American Apparel – you won't be forgotten. *The Globe and Mail*. Retrieved from: <http://www.theglobeandmail.com/life/fashion-and-beauty/fashion/so-long-american-apparel-you-wont-be-forgotten/article33660259/> <sup>26</sup> Measured on a year-over-year seasonally unadjusted basis.

## Ontario Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	January 2017	December 2016	January 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	7,075.2	7,046.4	6,985.1	28.8	0.4	90.1	1.3
<b>Goods-producing sector</b>	1,441.4	1,423.3	1,416.4	18.1	1.3	25.0	1.8
Agriculture	73.7	71.9	80.2	1.8	2.5	-6.5	-8.1
Forestry, fishing, mining, quarrying, oil and gas	32.9	34.2	41.5	-1.3	-3.8	-8.6	-20.7
Utilities	51.7	51.3	47.5	0.4	0.8	4.2	8.8
Construction	523.4	520.3	493.3	3.1	0.6	30.1	6.1
Manufacturing	759.6	745.6	753.9	14.0	1.9	5.7	0.8
<b>Services-producing sector</b>	5,633.8	5,623.1	5,568.7	10.7	0.2	65.1	1.2
Trade	1,019.4	1,024.9	1,041.9	-5.5	-0.5	-22.5	-2.2
Transportation and warehousing	327.2	324.2	331.6	3.0	0.9	-4.4	-1.3
Finance, insurance, real estate and leasing	570.5	562.3	553.1	8.2	1.5	17.4	3.1
Professional, scientific and technical services	599.6	606.5	595.4	-6.9	-1.1	4.2	0.7
Business, building and other support services	326.9	328.2	325.8	-1.3	-0.4	1.1	0.3
Educational services	501.7	499.8	514.4	1.9	0.4	-12.7	-2.5
Health care and social assistance	858.2	850.7	827.9	7.5	0.9	30.3	3.7
Information, culture and recreation	317.3	323.7	306.0	-6.4	-2.0	11.3	3.7
Accommodation and food services	464.5	459.8	454.1	4.7	1.0	10.4	2.3
Other services	280.0	281.7	272.6	-1.7	-0.6	7.4	2.7
Public administration	368.4	361.3	345.9	7.1	2.0	22.5	6.5

Note: Totals may not add due to rounding

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

## REGIONAL ANALYSIS

## Muskoka–Kawarthas led employment growth in January 2017

The **Muskoka–Kawarthas** economic region posted the highest gain in employment (31,200)<sup>26</sup> between January 2016 and January 2017. Peterborough has been at the center of the region's news in January with layoffs of 150 employees announced by General Electric<sup>27</sup> and shutting down of Meyers Transport Ltd operations affecting several jobs in the area.<sup>28</sup> Other sectors in the region may see some gain through investments in local infrastructure,<sup>29</sup> tourism,<sup>30</sup> and business start-ups.<sup>31</sup>

<sup>26</sup> Measured on a year-over-year seasonally unadjusted basis.

<sup>27</sup> Torstar News Service. (2017, January 17). **General Electric Peterborough laying off 150 workers**. *Toronto Star*. Retrieved from <https://www.thestar.com/news/gta/2017/01/17/general-electric-peterborough-laying-off-150-workers.html>

<sup>28</sup> Zajac, R. (2017, January 9). **Meyers Transport shutting down: Trucking firm has branch in Peterborough**. *The Peterborough Examiner*. Retrieved from <http://www.thepeterboroughexaminer.com/2017/01/09/meyers-transport-shutting-down-trucking-firm-has-branch-in-peterborough>

<sup>29</sup> Ministry of Agriculture, Food, and Rural Affairs. (2017, January 16). **Ontario improving roads and bridges in Eastern Ontario Communities**. *Ontario.ca*. Retrieved from <https://news.ontario.ca/omafra/en/2017/01/ontario-improving-roads-and-bridges-in-eastern-ontario-communities.html>

Employment in the **Kingston–Pembroke** economic region grew by 27,000 year-over-year, continuing its trend of employment gains. In addition, the unemployment rate dropped 2.7 percentage points from 6.7% to 4% and labour market participation increased in the region. The region's construction sector is seeing significant investments, particularly in infrastructure development, including \$26.8 million in infrastructure investment to replace the Catarraqui Bridge and widen Highway 401<sup>32</sup> and additional upgrades to infrastructure in Frontenac County, Hastings County, Lennox and Addington County, Prince Edward County and Renfrew County.<sup>33</sup> In addition, the \$20.5 million renovation of the Yardmen Arena in Belleville,<sup>34</sup> and announcement of planned \$500 million redevelopment of the Kingston General Hospital<sup>35</sup> is expected to further bolster this sector. The region also received a boost in job creation from the opening of the Shorelines Casino in Belleville which is anticipated to create about 300 jobs.<sup>36</sup>

Employment in the **Hamilton–Niagara Peninsula** economic region rose by 21,800 and the unemployment rate fell from 6.9% to 5.7% year-over-year. The construction and retail sectors in the region are supporting job creation. Several construction projects are underway in the region including repairs to the waterfront in Port Dover,<sup>37</sup> renovation of the Aquatic Centre in Ancaster,<sup>38</sup> residential developments in Welland,<sup>39</sup> and renovation of the Opera House in Orillia.<sup>40</sup> In retail, multiple stores are opening in the region including: Lee Valley Tools Ltd. and<sup>41</sup> Niagara Cemetery Memorials in Niagara Falls;<sup>42</sup> Lococo Wholesale Ltd. in Brantford;<sup>43</sup> and Deals Express locations in St. Catharines, Port Colborne, and Niagara Falls.<sup>44</sup>

<sup>30</sup> Banner, G. (2017, January 23). **Plans moving ahead to bring airline to Muskoka this summer**. *MuskokaRegion.com*. Retrieved from <http://www.muskokaregion.com/news-story/7080489-plans-moving-ahead-to-bring-airline-to-muskoka-this-summer/>

<sup>31</sup> Innovation Cluster Admin. (2017, January 31). **The City of Peterborough comes on as a major funding partner**. *Greater Peterborough Innovation Cluster*. Retrieved from <http://www.innovationcluster.ca/2017/01/city-peterborough-comes-major-funding-partner/>

<sup>32</sup> Ministry of Transportation. (2017, January 19). **Ontario Replacing Bridge and Widening Highway 401 in Kingston**. *Ontario.ca*. Retrieved from <https://news.ontario.ca/mto/en/2017/01/ontario-replacing-bridge-and-widening-highway-401-in-kingston.html>

<sup>33</sup> Ministry of Agriculture, Food, and Rural Affairs. (2017, January 16). **Ontario improving roads and bridges in Eastern Ontario Communities**. *Ontario.ca*. Retrieved from <https://news.ontario.ca/omafra/en/2017/01/ontario-improving-roads-and-bridges-in-eastern-ontario-communities.html>

<sup>34</sup> Belleville News. (2016, December 27). **Yardmen Arena renovations well underway, as city gets ready for Belleville Senators**. *InsideBelleville.com*. Retrieved from <http://www.insidebelleville.com/news-story/7038474-yardmen-arena-renovations-well-underway-as-city-gets-ready-for-belleville-senators/>

<sup>35</sup> MacAlpine, I. (2017, January 24). **KGH planning \$500 million redevelopment**. *Thewhig.com*. Retrieved from <http://www.thewhig.com/2017/01/24/kgh-planning-500-million-redevelopment>

<sup>36</sup> Miller, T. (2016, April 27). **Casino Breaks Ground**. *The Intelligencer*. Retrieved from <http://www.thepeterboroughexaminer.com/2016/04/27/casino-breaks-ground>

<sup>37</sup> Sonnenberg, M. (2017, January 4). **DFO commissions \$1.4 million in repairs**. *Simcoe Reformer*. Retrieved from <http://www.simcoereformer.ca/2017/01/04/dfo-commissions-14-million-in-repairs>

<sup>38</sup> Werner, K. (2017, January 4). **Ancaster Aquatic Centre's upgrades will transform into a "new facility," says councillor**. *Ancaster News*. Retrieved from <http://www.hamiltonnews.com/news-story/7049718-ancaster-aquatic-centre-s-upgrades-will-transform-it-into-a-new-facility-says-councillor/>

<sup>39</sup> Benner, A. (2017, January 5). **Construction underway at Memorial Park Subdivision**. *The Tribune*. Retrieved from <http://www.niagarafallsreview.ca/2017/01/05/construction-underway-at-memorial-park-subdivision>

<sup>40</sup> Bales, P. (2017, January 13). **\$1.5M in funding for Orillia Opera House**. *The Orillia Packet and Times*. Retrieved from <http://www.orilliapacket.com/2017/01/13/15m-in-funding-for-orillia-opera-house>

<sup>41</sup> Niagara Falls Review. (2017, January 17). **Lee Valley coming to Niagara Falls**. *Niagara Falls Review*. Retrieved from <http://www.niagarafallsreview.ca/2017/01/17/lee-valley-coming-to-niagara-falls>

<sup>42</sup> Spiteri, R. (2017, January 18). **Monuments showcase business opens in Falls**. *Niagara Falls Review*. Retrieved from <http://www.niagarafallsreview.ca/2017/01/18/monuments-showcase-business-opens-in-falls>

The **Toronto** economic region posted a modest employment gain of 3,300 (+0.1%) year-over-year, and the unemployment rate fell 0.2 percentage points to 6.5% in January 2017. The retail sector in the region saw some losses mainly from the announced closures of HMV stores,<sup>45</sup> Grafton-Fraser Inc. owned chains,<sup>46</sup> and closure of Williams Sonoma's Bloor Street location.<sup>47</sup> Amid these losses, the sector is continuing to attract investments with a number of luxury retail locations opening in the coming months.<sup>48,49,50,51,52</sup> Substantial increase in Toronto housing starts in January 2017 compared to last year,<sup>53</sup> new redevelopment projects,<sup>54</sup> and new transit projects<sup>55</sup> continue to bolster the construction industry in the region.

Although the **Northeast** economic region posted a marginal employment gain (+900) year-over-year, the region received positive employment news: Millennium Process Group Inc. announced plans to establish a contact centre in Sudbury, with over 250 employees;<sup>56</sup> and Canada Revenue Agency announced plans to hire 650 employees for a tax-returns processing centre in Sudbury.<sup>57,58</sup>

Employment also grew in the **Stratford–Bruce Peninsula, Ottawa, and Windsor–Sarnia** economic regions.

<sup>43</sup> Marion, A. (2017, January 24). **Lococo's sees 'big opportunity' in city.** *Brantford Expositor*. Retrieved from <http://www.brantfordexpositor.ca/2017/01/24/lococos-sees-big-opportunity-in-city>

<sup>44</sup> Niagara This Week. (2017, January 17). **New liquidation stores open in Niagara.** *Niagara This Week*. Retrieved from <http://www.niagarathisweek.com/news-story/7084807-new-liquidation-stores-open-up-in-niagara/>

<sup>45</sup> Hong, J. (2017, January 27). **HMV in receivership, stores to close by Apr 30.** *Toronto Star*. Retrieved from <https://www.thestar.com/entertainment/music/2017/01/27/hmv-in-receivership-stores-to-close-by-apr-30.html>

<sup>46</sup> The Canadian Press. (2017, January 26). **Tip Top Tailors owner granted temporary protection amid cash crunch.** *Toronto Star*. Retrieved from <https://www.thestar.com/business/2017/01/26/tip-top-tailors-owner-granted-temporary-protection-amid-cash-crunch.html>

<sup>47</sup> Retail Insider. (2017, January 19). **Williams Sonoma Exits Mink Mile Ahead of Hermes Relocation.** *Retail-Insider.com*. Retrieved from <http://www.retail-insider.com/retail-insider/2017/1/williams-sonoma-hermes>

<sup>48</sup> Insauga. (2017, January 10). **New Nordstrom Rack Opening in Mississauga.** *Insauga.com*. Retrieved from <https://www.insauga.com/new-nordstrom-rack-opening-in-mississauga>

<sup>49</sup> Retail Insider. (2017, January 19). **Mink Mile Colonnade Sees New and Expanded Luxury Retailers.** *Retail-Insider.com*. Retrieved from <http://www.retail-insider.com/retail-insider/2017/1/colonnade>

<sup>50</sup> Retail Insider. (2017, January 2). **Van Cleef & Arpels to open 1<sup>st</sup> Freestanding Toronto Store.** *Retail-Insider.com*. Retrieved from <http://www.retail-insider.com/retail-insider/2016/12/van-cleef-arpels-yorkdale-toronto>

<sup>51</sup> CNW. (2017, January 9). **Raffi Jewellers Inaugurates New Rolex Boutique in Mississauga, Ontario, Canada.** *The Province*. Retrieved from <http://www.theprovince.com/business/cnw/release.html?rkey=20170109C1665&filter=4007>

<sup>52</sup> Retail Insider. (2016, November 22). **Richemont Launches Canadian Luxury Boutique.** *Retail-Insider.com*. Retrieved from <http://www.retail-insider.com/retail-insider/2016/11/richemont>

<sup>53</sup> Canadian Mortgage and Housing Corporation. (2017, February 8). **Preliminary Housing Start Data.** *CMHC-SCHL*. Retrieved from <https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?cat=58&itm=1&lang=en&fr=1486678682855>

<sup>54</sup> Dmitrieva, K. (2017, January 23). **'The real estate market is so hot right now': RioCan CEO plots 2017 Toronto projects as home demand spikes.** *Financial Post*. Retrieved from <http://business.financialpost.com/news/property-post/riocan-ceo-plots-2017-toronto-projects-as-home-demand-spikes>

<sup>55</sup> Transport Canada. (2017, January 11). **Bus Terminal to be built in Vaughan for York Region Transit.** *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do;jsessionid=dd447c8f837002dafcc1d86466b5bb2800387a1dbf9c591fd81a19be31867d49.e38RbhaLb3qNe3eOa310?mthd=index&ctr.page=1&nid=1177999>

<sup>56</sup> Keown, M. (2017, January 13). **Good news for Sudbury on jobs front.** *The Sudbury Star*. Retrieved from <http://www.thesudburystar.com/2017/01/13/good-news-for-sudbury-on-jobs-front>

<sup>57</sup> The Sudbury Star. (2016, November 18). **CRA to add 543 jobs in Sudbury.** *The Sudbury Star*. Retrieved from: <http://www.thesudburystar.com/2016/11/18/cra-to-add-543-in-sudbury>

<sup>58</sup> Postmedia Network. (2017, January 21). **Move to Sudbury, taxation workers are told.** *The Sudbury Star*. Retrieved from: <http://www.thesudburystar.com/2017/01/21/move-to-sudbury-taxation-workers-are-told>



## Employment declined in three economic regions

The **Kitchener–Waterloo–Barrie** region posted the largest employment loss (-20,500) between January 2016 and January 2017. The unemployment rate, though, held steady at 5.2% due to a decrease in labour force participation. The regional manufacturing base was affected by the closure of Midland's General Mills plant in January<sup>59</sup> and layoffs at CCL Industries Inc. facility in Penetanguishene.<sup>60</sup> However, the sector will be bolstered through new investments including \$492 million investment by Honda of Canada Manufacturing in its Alliston facility and<sup>61</sup> \$8.7 million investment by Guelph Manufacturing to expand its manufacturing capabilities.<sup>62</sup> The construction sector in the region is receiving a significant boost particularly through infrastructure investments in several post-secondary institutions including \$30 million in Georgian College,<sup>63</sup> \$30.69 million in Wilfred Laurier University,<sup>64</sup> and \$88 million in University of Waterloo.<sup>65</sup> In addition, other infrastructure projects such as \$4.6 million redevelopment of Penetanguishene's Main Street<sup>66</sup> and \$96 million investment in widening Highway 401<sup>67</sup> will further support the sector in this region.

Employment fell in the **London** economic region by 5,900 year-over-year with declines being observed since the second quarter of 2016. The unemployment rate rose from 5% in January 2016 to 5.5% in January 2017. The automobile manufacturing sector in the region will experience significant changes in the coming months in relation to both job gains and losses. Some employment gains are expected from Armo-Tool's \$7.6M expansion of its London facility creating 15 jobs<sup>68</sup> as well as the addition of 40 employees in January by GM at its CAMI Automotive Inc. assembly plant in Ingersoll.<sup>69</sup> However, these gains will be offset when GM cuts 625 jobs at its CAMI Au-

<sup>59</sup> Ward, A. (2017, January 27). **End of an era: General Mills closes in Midland**. *CTV News*. Retrieved from <http://barrie.ctvnews.ca/end-of-an-era-general-mills-closes-in-midland-1.3260039>

<sup>60</sup> Burns, I. (2016, December 1). **End is near for CCL containers in Penetanguishene**. *Midland Mirror*. Retrieved from <http://www.simcoe.com/news-story/6994959-end-is-near-for-ccl-containers-in-penetanguishene/>

<sup>61</sup> Innovation, Science and Economic Development Canada. (2017, January 9). **Government of Canada invests \$41.8 million in Honda of Canada Manufacturing to maintain middle class jobs and maintain clean technologies**. *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&crtr.page=4&nid=1177019>

<sup>62</sup> Ministry of Economic Development and Growth. (2017, January 27). **Ontario Investing in Manufacturing in Guelph**. *Ontario.ca* Retrieved from <https://news.ontario.ca/medg/en/2017/01/ontario-investing-in-manufacturing-in-guelph.html>

<sup>63</sup> Innovation, Science and Economic Development Canada. (2017, January 9). **Canada and Ontario invest in infrastructure at Georgian College**. *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&crtr.page=5&nid=1176589>

<sup>64</sup> Innovation, Science and Economic Development Canada. (2017, January 12). **Canada and Ontario invest in Infrastructure at Wilfred Laurier University**. *Government of Canada Newsroom*. Retrieved from [http://news.gc.ca/web/article-en.do?mthd=index&crtr.page=1&nid=1178389&\\_ga=1.17737465.1560703.1437082960](http://news.gc.ca/web/article-en.do?mthd=index&crtr.page=1&nid=1178389&_ga=1.17737465.1560703.1437082960)

<sup>65</sup> Innovation, Science and Economic Development Canada. (2017, January 12). **Government of Canada invests in infrastructure at the University of Waterloo**. *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&crtr.page=3&nid=1178429>

<sup>66</sup> Burns, I. (2017, January 3). **Penetanguishene embarking on major redevelopment of Main Street in 2017**. *Simcoe.com*. Retrieved from <http://www.simcoe.com/news-story/7022526-penetanguishene-embarking-on-major-redevelopment-of-main-street-in-2017/>

<sup>67</sup> Infrastructure Canada. (2017, January 27). **Highway 401 widening to improve safety and traffic flow for Ontario residents**. *Government of Canada Newsroom*. Retrieved from [http://news.gc.ca/web/article-en.do?mthd=index&crtr.page=1&nid=1182839&\\_ga=1.250055622.1560703.1437082960](http://news.gc.ca/web/article-en.do?mthd=index&crtr.page=1&nid=1182839&_ga=1.250055622.1560703.1437082960)

<sup>68</sup> Ministry of Economic Development and Growth. (2017, January 25). **Strengthening Auto Sector Manufacturing in London**. *Ontario.ca*. Retrieved from <https://news.ontario.ca/medg/en/2017/01/strengthening-auto-sector-manufacturing-in-london.html>

<sup>69</sup> Stacey, M. (2017, January 12). **GM Cami Assembly plant in Ingersoll starts building next generation Chevrolet Equinox and plans for phase out of GMC Terrain as production of its new model moves to Mexico**. *Ingersoll Times*. Retrieved from <http://www.ingersolltimes.com/2017/01/12/gm-cami-assembly-plant-in-ingersoll-starts-building-next-generation-chevrolet-equinox-and-plans-for-phase-out-of-gmc-terrain-as-production-of-its-new-model-moves-to-mexico>

tomotive Inc. assembly plant in July 2017.<sup>70</sup> Recent investments in other areas of manufacturing in the region are expected to create some jobs this year including Hanwha L&C adding a new production line which is expected to create about 85 jobs,<sup>71</sup> Cross Country Manufacturing expanding its Bleinheim facility which is expected to create 100 jobs,<sup>72</sup> and Diamond Aircraft expecting to add 50-150 jobs in the coming months.<sup>73</sup> There is some cause for optimism in the construction sector with London posting almost five times as many housing starts in January 2017 as compared to January 2016<sup>74</sup> and the construction of a new office building as part of the London Roundhouse project.<sup>75</sup>

Over the year, the **Northwest** economic region posted an employment loss of 500 and an increase in the unemployment rate from 6.1% to 6.3% between January 2016 and January 2017. Labour force participation also fell slightly, from 61.9% to 61.3%. However, some employment is expected to be generated through new investments in public transit in Thunder Bay,<sup>76</sup> and hiring in the public administration sector including in Veterans Affairs Canada<sup>77</sup> and Nishnawbe Aski Police Service.<sup>78</sup>

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<sup>70</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/>

<sup>71</sup> Daniszewski, H. (2016, November 25). **Hanwha countertop plant in London doubling production capacity, adding jobs**. *The London Free Press*. Retrieved from <http://www.lfpress.com/2016/11/25/hanwha-countertop-plant-in-london-doubling-production-capacity-adding-jobs>

<sup>72</sup> Canadian Manufacturing. (2016, October 13). **Trailer maker Cross Country investing \$5.5M in Ontario plant expansion**. *Canadianmanufacturing.com*. Retrieved from <http://www.canadianmanufacturing.com/manufacturing/trailer-maker-cross-country-manufacturing-investing-5-5m-in-ontario-plant-177113/>

<sup>73</sup> Swartz, K. (2016, December 22). **Diamond Canada poised for growth**. *Skies Magazine*. Retrieved from <https://www.skiesmag.com/news/diamond-canada-poised-growth/>

<sup>74</sup> Canadian Mortgage and Housing Corporation. (2017, February 8). **Preliminary Housing Start Data**. *CMHC-SCHL*. Retrieved from <https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?cat=58&itm=1&lang=en&fr=1486678682855>

<sup>75</sup> Daniszewski, H. (2017, January 29). **A new office building is under construction that will expand the Horton Street tech corridor**. *The London Free Press*. Retrieved from <http://www.lfpress.com/2017/01/28/a-new-office-building-is-under-construction-that-will-expand-the-horton-street-tech-corridor>

<sup>76</sup> Infrastructure Canada. (2017, January 16). **Governments of Canada and Ontario invest in public transit in Thunder Bay**. *Market Wired*. Retrieved from <http://www.marketwired.com/press-release/governments-of-canada-and-ontario-invest-in-public-transit-in-thunder-bay-2188591.htm>

<sup>77</sup> Veterans Affairs Canada. (2017, January 26). **Veterans Affairs Canada office reopens in Thunder Bay**. *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&ctr.page=2&nid=1181369>

<sup>78</sup> CKDR. (2017, January 2). **NAPS Welcoming New Officers**. *CKDR.net*. Retrieved from <http://www.ckdr.net/news/1635242395/naps-welcoming-new-officers>

## Ontario Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	January 2017 ('000)	January 2016 ('000)	Yearly Variation (%)	January 2017 (%)	January 2016 (%)	Yearly Variation (% points)
<b>Ontario</b>	7,018.6	6,919.2	1.4	6.0	6.4	-0.4
<b>Economic Regions</b>						
Ottawa	703.9	681.7	3.3	5.1	5.9	-0.8
Kingston–Pembroke	222.7	195.7	13.8	4.0	6.7	-2.7
Muskoka–Kawarthas	187.9	156.7	19.9	5.2	5.1	0.1
Toronto	3,366.5	3,363.2	0.1	6.5	6.7	-0.2
Kitchener–Waterloo–Barrie	695.3	715.8	-2.9	5.2	5.2	0.0
Hamilton–Niagara Peninsula	732.8	711.0	3.1	5.7	6.9	-1.2
London	324.0	329.9	-1.8	5.5	5.0	0.5
Windsor–Sarnia	295.2	286.5	3.0	5.8	8.1	-2.3
Stratford–Bruce Peninsula	150.9	139.6	8.1	5.2	5.7	-0.5
Northeast	240.4	239.5	0.4	7.1	7.6	-0.5
Northwest	99.0	99.5	-0.5	6.3	6.1	0.2

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

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