**OVERVIEW**

Labour Force Trends - Employment growth was relatively flat in Ontario in October 2017

- Employment increased by just 5,200 in the province in October 2017.
- All of the job gains were in full-time positions (+22,000).
- The unemployment rate rose from 5.6% in September 2017 to 5.9% in October 2017.

Employment in Ontario saw little change in October 2017 after stronger results over the past three months. Job growth was fairly muted with a monthly gain of just 5,200. The increase came solely from full-time work as part-time employment dipped by 16,700. The provincial unemployment rate ticked up by 0.3 percentage points as well to 5.9% in October 2017. Similarly, the unemployment rate for Ontario’s youth aged 15 to 24 increased by 0.3 percentage points to 10.9%. This currently sits slightly below the national figure of 11.1%.

Across Canada, employment continued to forge ahead in October 2017. Employment rose by 35,300 for the eleventh consecutive monthly gain. Full-time employment surged with a gain of 88,700 while part-time work dropped by 53,400. Employment increased in most provinces with Quebec and Alberta leading the way. The national unemployment rate inched up to 6.3% as more Canadians entered the labour force. There was also a boost on the wages front in October. Average hourly wages grew by 2.4% across Canada over the past year for the second consecutive annual gain above the two-percentage mark. One factor that could weigh down on this momentum though may be the lacklustre trade environment. Exports and imports were both down in September 2017 with a sizeable drop in shipments of motor vehicles and parts likely because of a work stoppage at one of Ontario’s automotive assembly plants. Although exports have seen poorer growth throughout the third quarter of the year, some experts feel that underlying market conditions will continue to remain supportive.
Total nonfarm payroll employment increased by 261,000 in the United States in October 2017. While expectations hovered closer to the 310,000 range, this result suggests that the labour market bounced back following the hurricane-stricken numbers in September. Revised figures further showed that the American labour market actually gained jobs in September instead of losing 33,000 as initially stated, leading to 85-months of continuous growth. The unemployment rate fell slightly to 4.1%, as fewer people were active in the labour force. Despite the solid job report, subdued wage growth has the attention of some analysts especially with the possibility of another interest rate hike at the end of the year.

Over the past year, the provincial labour market has been quite robust. Employment increased by 149,200 between October 2016 and October 2017. Further, all of these job gains were in full-time work—an encouraging sign. The unemployment rate also fell by 0.5 percentage points to 5.9% and the participation rate inched up to 65.0% over this same period.

### Ontario Monthly Labour Force Statistics

<table>
<thead>
<tr>
<th>Seasonally Adjusted Monthly Data</th>
<th>October 2017</th>
<th>September 2017</th>
<th>October 2016</th>
<th>Monthly Variation</th>
<th>Yearly Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number (%)</td>
<td>Number (%)</td>
<td>Number (%)</td>
<td>Number (%)</td>
<td>Number (%)</td>
</tr>
<tr>
<td>Population 15 + ('000)</td>
<td>11,741.30</td>
<td>11,725.2</td>
<td>11,569.80</td>
<td>16.1</td>
<td>0.1</td>
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<tr>
<td>Labour Force ('000)</td>
<td>7,628.10</td>
<td>7,601.0</td>
<td>7,509.20</td>
<td>27.1</td>
<td>0.4</td>
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<tr>
<td>Employment ('000)</td>
<td>7,177.30</td>
<td>7,172.1</td>
<td>7,028.10</td>
<td>5.2</td>
<td>0.1</td>
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<tr>
<td>Full-Time ('000)</td>
<td>5,836.0</td>
<td>5,814.0</td>
<td>5,670.70</td>
<td>22.0</td>
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<tr>
<td>Part-Time ('000)</td>
<td>1,341.3</td>
<td>1,358.0</td>
<td>1,357.40</td>
<td>-16.7</td>
<td>-1.2</td>
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<tr>
<td>Unemployment ('000)</td>
<td>450.8</td>
<td>428.9</td>
<td>481.10</td>
<td>21.9</td>
<td>5.1</td>
</tr>
<tr>
<td>Unemployment Rate (%)</td>
<td>5.9</td>
<td>5.6</td>
<td>6.4</td>
<td>0.3</td>
<td>-0.5</td>
</tr>
<tr>
<td>Participation Rate (%)</td>
<td>65.0</td>
<td>64.8</td>
<td>64.9</td>
<td>0.2</td>
<td>-0.1</td>
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<tr>
<td>Employment Rate (%)</td>
<td>61.1</td>
<td>61.2</td>
<td>60.7</td>
<td>-0.1</td>
<td>0.4</td>
</tr>
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</table>

*Note: Totals may not add due to rounding*

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

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Ontario Monthly Unemployment Rates, by Gender and Age

<table>
<thead>
<tr>
<th>Seasonally Adjusted Data</th>
<th>October 2017</th>
<th>September 2017</th>
<th>October 2016</th>
<th>Monthly Variation</th>
<th>Yearly Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>(% points)</td>
<td>(% points)</td>
</tr>
<tr>
<td>Total</td>
<td>5.9</td>
<td>5.6</td>
<td>6.4</td>
<td>0.3</td>
<td>-0.5</td>
</tr>
<tr>
<td>25 years and over</td>
<td>5.1</td>
<td>4.8</td>
<td>5.2</td>
<td>0.3</td>
<td>-0.1</td>
</tr>
<tr>
<td>Men - 25 years and over</td>
<td>5.4</td>
<td>5.1</td>
<td>5.3</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Women - 25 years and over</td>
<td>4.8</td>
<td>4.6</td>
<td>5.1</td>
<td>0.2</td>
<td>-0.3</td>
</tr>
<tr>
<td>15 to 24 years</td>
<td>10.9</td>
<td>10.6</td>
<td>13.5</td>
<td>0.3</td>
<td>-2.6</td>
</tr>
<tr>
<td>Men - 15 to 24 years</td>
<td>12.3</td>
<td>11.9</td>
<td>14.8</td>
<td>0.4</td>
<td>-2.5</td>
</tr>
<tr>
<td>Women - 15 to 24 years</td>
<td>9.4</td>
<td>9.1</td>
<td>12.0</td>
<td>0.3</td>
<td>-2.6</td>
</tr>
</tbody>
</table>

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

EMPLOYMENT BY INDUSTRY

Employment grew in the goods-producing sector in Ontario in October 2017

The goods-producing sector posted employment gains of 11,000 in October 2017. The employment expansion was supported by the construction industry, which increased by 9,100, while all of the other industries held rather steady.
Although the construction industry saw employment gains, the total value of building permits decreased in Ontario in August after reaching an all-time high this past June.\(^2\) This decline was partially offset by a large increase in institutional and governmental permits, which was up 66.3% compared to a year earlier, as well as multifamily residential permits (+6.2%). Meanwhile, all other areas including permits for single-family residential units dropped compared to August 2016. Nevertheless, housing starts, another closely watched economic indicator, were up 12.1% between September 2016 and September 2017.\(^3\)

In non-residential construction, work moved ahead on major projects such as the 35,000-sq.-ft. OPP Communications Centre in London, which should be open by the spring of 2019.\(^4\) The Confederation GO Station in east Hamilton will also begin construction by the end of 2017, with completion expected in 2019. The station will cost about $35M, with another $115M used to improve existing rail service.\(^5\) In addition, a large broadband infrastructure project was announced in October. The provincial and federal governments will contribute up to $69.2M combined to install 880km of fibre optic cable to bring high-speed internet service to five remote Indigenous communities in northern Ontario.\(^6\) On the residential front, two large construction projects got underway in October. The Wildpine retirement residence broke ground in Stittsville,\(^7\) and work started on an 85-storey condominium tower in Toronto that will feature retail stores, restaurants, an event space, and hotel worth $1B.\(^8\)

Compared to October 2016, employment in the goods-producing sector was up 30,300. Year-over-year growth was driven by the manufacturing (+26,800) and construction (+9,900) industries, while employment in agriculture declined (-6,600).

**Employment in the services-producing sector declined in October 2017**

The services-producing sector posted a decline of 5,800 in October 2017. The decline was driven by employment losses in wholesale and retail trade (-15,000) and business, building and other support services (-8,600), whereas the information, culture and recreation (+12,800) and accommodation and food services (+11,200) industries recorded growth.


\(^3\) Canada Mortgage and Housing Corporation. (2017, October 23). 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). Retrieved from [http://www5.statcan.gc.ca/cansim/a26?id=0270054](http://www5.statcan.gc.ca/cansim/a26?id=0270054)


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3 Canada Mortgage and Housing Corporation. (2017, October 23). 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). Retrieved from [http://www5.statcan.gc.ca/cansim/a26?id=0270054](http://www5.statcan.gc.ca/cansim/a26?id=0270054)


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Labour Market Bulletin – Ontario – October 2017
Despite annual gains in wholesale\(^9\) and retail trade sales\(^10\) in August 2017, there were a number of large layoff announcements in the wholesale and retail trade industry as of late. Sears Canada Inc. announced that it would liquidate its entire inventory and close all of its stores across Canada to end 65 years of business.\(^11\) The number of staff affected in Ontario is estimated to be about 5,500. Loblaw Companies Limited also announced that it would cut 500 staff nationwide. The company cited heavy competition and a need to lower operational costs as reasons for the job losses.\(^12\) Meanwhile, Metro Inc. announced that it would cut 280 positions across its Ontario distribution network starting in 2021.\(^13\)

Partially offsetting employment declines in the wholesale and retail trade industry were a number of encouraging announcements in accommodation and food services. Montana’s BBQ & Bar will open a restaurant at the end of November in Alliston with 80 to 100 workers.\(^14\) The Cheesecake Factory, Inc. will open its first Canadian restaurant with a 10,400-sq.-ft. location inside of Toronto’s Yorkdale Shopping Centre.\(^15\) Further, The Keg Steakhouse + Bar will open in Barrie’s Park Place this fall.\(^16\)

Compared to October 2016, employment in the services-producing sector expanded by 118,900. Gains were most pronounced in professional, scientific and technical services (+53,400), wholesale and retail trade (+41,400), and health care and social assistance (+30,400), with declines in business, building and other support services (-22,100) and educational services (-21,500).


The **Toronto** economic region had the highest gain in employment (99,900) between October 2016 and October 2017 (measured on a year-over-year, seasonally unadjusted basis), with most of the gains in full-time jobs (+68,200). The unemployment rate fell 1.3 percentage points to 6.0% between October 2016 and 2017. The transportation and warehousing industry was a bright spot for the region. GO Transit announced that it has nearly completed its Whitby Rail Maintenance Facility, which will create between 300 to 400 jobs when fully operational.\(^\text{17}\) Meanwhile, the local aerospace manufacturing industry had a mixed month. While MHI Canada Aerospace Inc. announced that it would create 90 jobs as part of a $36.2M investment,\(^\text{18}\) Northstar Aerospace closed its Milton plant, which resulted in 200 layoffs.\(^\text{19}\)

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The Hamilton–Niagara Peninsula economic region experienced an employment gain of 36,200 year-over-year, largely in full-time positions. Brantford’s manufacturing industry received a couple of major investments, which should bode well for employment over the coming months. The Government of Ontario announced that it would invest up to $11M in Ferrero Canada Ltd. as part of a $90M expansion project that will create 80 jobs.20 A sizeable investment in J.P. Bowman Precision Tooling to meet growing demand will also lead to 16 additional jobs.21 The educational services industry saw some gains as well. Most of this was concentrated in Hamilton with the hiring of 21 teachers at the Hamilton-Wentworth District School Board22 and the opening of the New Heights Learning Centre, which employs eight staff.23

The Kitchener–Waterloo–Barrie economic region posted year-over-year gains in employment for the sixth consecutive month with the addition of 32,700 jobs. Most of these gains were in full-time positions (+25,800). The regional labour market seems to be gaining strength. The unemployment rate fell to 4.5% from 5.2% last October, and both the size of the labour force and the participation rate increased over the same period. The regional manufacturing industry has been particularly positive for job creation. The opening of a facility by Streit Manufacturing Inc. in Midland will add between 75 and 120 jobs,24 and Eclipse Automation Inc.’s new Cambridge location will add 120 high-skilled positions.25 The industry will see further growth as the provincial government announced that it would invest in Weber Manufacturing Technologies, which should lead to 17 jobs and retain 220 positions.26 Outside of manufacturing, expansions in other industries will continue to support the local labour market. The addition of 36 transitional beds will lead to 70 jobs at the Royal Victoria Regional Health Centre in Barrie.27 The professional, scientific and technical services industry also received a boost with the announcement that Shopify Inc. plans to add 300 to 500 staff in Waterloo over the next three to five years to build its online platform.28

The Muskoka–Kawarthas economic region saw an increase of 9,000 year-over-year with most of the job gains in full-time positions. The unemployment rate increased slightly by 0.3 percentage points to 5.5%, and the participation rate rose as well. The local manufacturing industry should receive a significant boost in the coming months.

months as FV Pharma Inc. establishes a plant in Cobourg, which is expected to create 150 jobs by the end of 2018 and up to 1,200 jobs over the next five years.  

The **Stratford–Bruce Peninsula** economic region experienced an employment gain of 6,600 between October 2016 and October 2017, mostly in full-time positions. The unemployment rate increased slightly to 4.0% as more people participated in the labour market. The region saw gains across multiple industries. In manufacturing, Exceldor Foods Limited announced that it plans to hire 60 full-time staff at its poultry processing plant in Hanover. SNC-Lavalin Group Inc. opened an office in Port Elgin with plans to fill 35 positions. Further, work is progressing to revitalize Goderich’s Agricultural Park worth $3.2M.

The **Northwest** economic region posted an employment gain of 4,400 year-over-year, the majority of which were in full-time positions. The unemployment rate dropped from 6.4% to 5.3% between October 2016 and October 2017. Further, there was an increase in the size of the labour force and the participation rate, which could indicate some improvement in the local job market. The construction industry received some positive news this month. The federal and provincial governments announced a combined $3.7M to build a cogeneration power plant and wood pellet manufacturing facility near to Thunder Bay. The project will create 64 full-time jobs and 60 seasonal positions.

Meanwhile, employment was relatively steady in the **Northeast** economic region between October 2016 and October 2017.

**Kingston–Pembroke posted the largest job loss and the highest unemployment rate in October 2017**

The **Kingston–Pembroke** economic region witnessed the largest job loss of 11,300 year-over-year, most of which were in part-time positions. The region also posted the highest unemployment rate at 6.7%, surpassing the provincial level. The steady closure of Sears Canada Inc. over the course of the year hit the region particularly hard, as it will affect a significant portion of the local retail workforce. However, the construction industry should provide some relief with multiple projects underway including the $7.5M reconstruction of the Sunset Strip west of Owen Sound and the $1.5M St. Patrick’s Catholic Church parish hall project.

The **London** economic region experienced a year-over-year employment loss of 8,600. Although the unemployment rate remained steady at 5.8%, fewer people participated in the regional workforce. News for the local manufacturing industry was mixed this month. While the London area should see about 90 additional manufac-

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uring jobs through multiple investments, the closure of the Firestone Fibers & Textiles Company plant in Woodstock will result in 170 layoffs by mid-2018. On the other hand, the construction industry should see some activity with the building of an IKEA store slated for completion in 2019.

The Ottawa economic region saw a year-over-year employment loss with a decline of 6,100 jobs. The unemployment rate fell to 5.9% from 6.1% between October 2016 and October 2017, as fewer people participated in the workforce. Despite these losses, the region received some good news that should carry forward to the months ahead. Xplornet Communications Inc. opened an office in Cornwall creating 120 jobs and Giant Tiger Stores Limited opened its distribution centre in the United Counties of Leeds and Grenville creating about 60 additional jobs.

Employment fell in the Windsor–Sarnia region by 2,700 while the unemployment rate increased to 6.3% between October 2016 and October 2017. Year-over-year losses were observed mostly in full-time positions. Even though job growth was limited this month, some gains should come with the opening of a windfarm near Lakeshore, a Surplus Furniture & Mattress Warehouse in Chatham, and new hires for a medical marijuana facility in Enniskillen Township.

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## Ontario Monthly Labour Force Statistics, by Economic Region

<table>
<thead>
<tr>
<th>Economic Regions</th>
<th>Employment October 2017 ('000)</th>
<th>Employment October 2016 ('000)</th>
<th>Yearly Variation (%)</th>
<th>Unemployment Rate October 2017 (%)</th>
<th>Unemployment Rate October 2016 (%)</th>
<th>Yearly Variation (%) points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontario</td>
<td>7,193.7</td>
<td>7,033.4</td>
<td>2.3</td>
<td>5.7</td>
<td>6.6</td>
<td>-0.9</td>
</tr>
<tr>
<td>Ottawa</td>
<td>689.2</td>
<td>695.3</td>
<td>-0.9</td>
<td>5.9</td>
<td>6.1</td>
<td>-0.2</td>
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<tr>
<td>Kingston—Pembroke</td>
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<td>218.2</td>
<td>-5.2</td>
<td>6.7</td>
<td>5.7</td>
<td>1.0</td>
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<td>5.5</td>
<td>5.2</td>
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<td>Toronto</td>
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<td>3,374.6</td>
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<td>6.0</td>
<td>7.3</td>
<td>-1.3</td>
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<td>Kitchener—Waterloo—Barrie</td>
<td>735.0</td>
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<td>4.5</td>
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<tr>
<td>Hamilton—Niagara Peninsula</td>
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<td>728.1</td>
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<td>6.3</td>
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<td>Northwest</td>
<td>105.5</td>
<td>101.1</td>
<td>4.4</td>
<td>5.3</td>
<td>6.4</td>
<td>-1.1</td>
</tr>
</tbody>
</table>

**Note:** Totals may not add due to rounding

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

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**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.

**Prepared by:** Labour Market and Socio-economic Information (LMSI) Directorate, Service Canada, Ontario, Service Canada, Ontario


**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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