



# Labour Market Bulletin

Ontario

March 2018



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 - Employment dropped in Ontario in the first quarter of 2018

- Employment decreased by 20,500 in the province in the first quarter of 2018
- Job gains were solely in full-time (+16,800) work
- The unemployment rate inched down to 5.5%

Employment dipped by 20,500 in Ontario in the first quarter of 2018. This was the first quarterly loss since Q3 of 2016 and the largest quarterly decline since Q2 of 2009 (on a seasonally adjusted basis). Minor gains in full-time (+16,800) work did not offset losses in part-time (-37,300) employment during this period. Both employment and participation rates slid by -0.6 and -0.5 percentage points respectively, over the term. The youth aged 15 to 24 unemployment rate rose by 0.4 percentage points to 11.5% in the first quarter, although it is down from 11.8% to 11.2% between February 2018 and March 2018.

Employment grew by only 10,300 in Canada in the first quarter of 2018, however, employment in both February (+15,400) and March (+32,300) rose on a month-over-month, seasonally-adjusted basis. Alberta, Quebec and Nova Scotia recorded the largest quarterly increases while Ontario and Manitoba saw the biggest declines. The national unemployment rate remained steady at 5.8% over the quarter as more people left the labour market. The provincial unemployment rate has trended downwards since the fall of 2017.

Total nonfarm payroll employment rose by 103,000 in the United States in March 2018.<sup>1</sup> This was the 90<sup>th</sup> monthly gain in a row, although at a reduced figure from the larger gains made in February (+326,000). Major contributors to employment growth in March were in the professional and business services (+33,000), manufacturing (+22,000), and health care (+22,000) industries. The unemployment rate held steady at 4.1% for the sixth

<sup>1</sup> Bureau of Labor Statistics. (2018, April 6). The Employment Situation – March 2018. *United States Department of Labor News Release*. Retrieved from <https://www.bls.gov/news.release/pdf/empst.pdf>

straight month. Another bright spot for the American labour market was the uptick in average hourly earnings by 2.7% over the year.

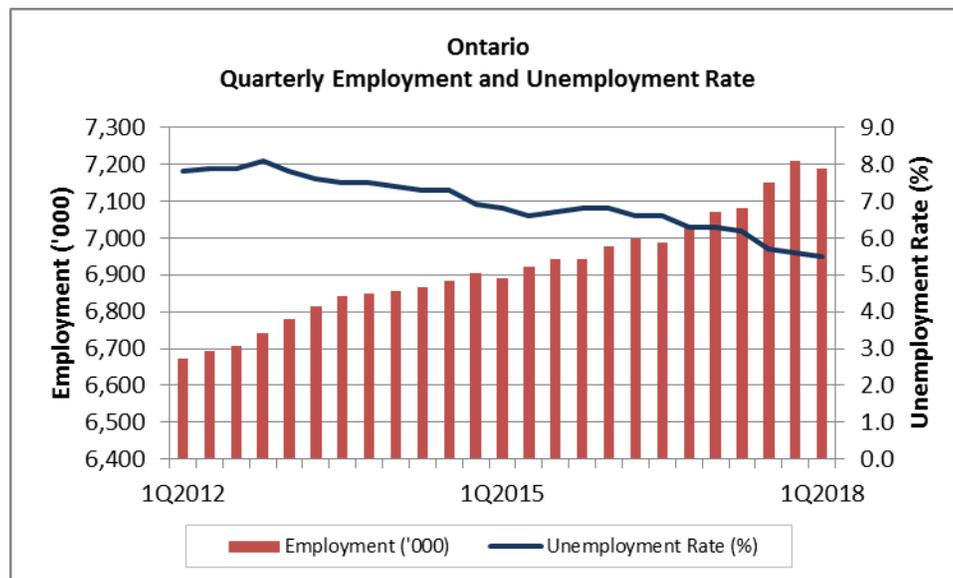
Employment grew by 115,900 in Ontario between the first quarters of 2017 and 2018. All of the job gains were in full-time work. The unemployment rate edged down by 0.8 percentage points however the participation rate inched down slightly over this period despite gains in the labour force. Wages over the year in Ontario also increased by 3.8% compared to the national average of 3.3%, potentially due to the provincial minimum wage increase as of January 1, 2018. Higher wage increases over the year were only seen in British Columbia (+5.6%) and Prince Edward Island (+4.5%), whereas wage declines were actualized in Newfoundland and Labrador (-0.4%) and Manitoba (-0.2%).

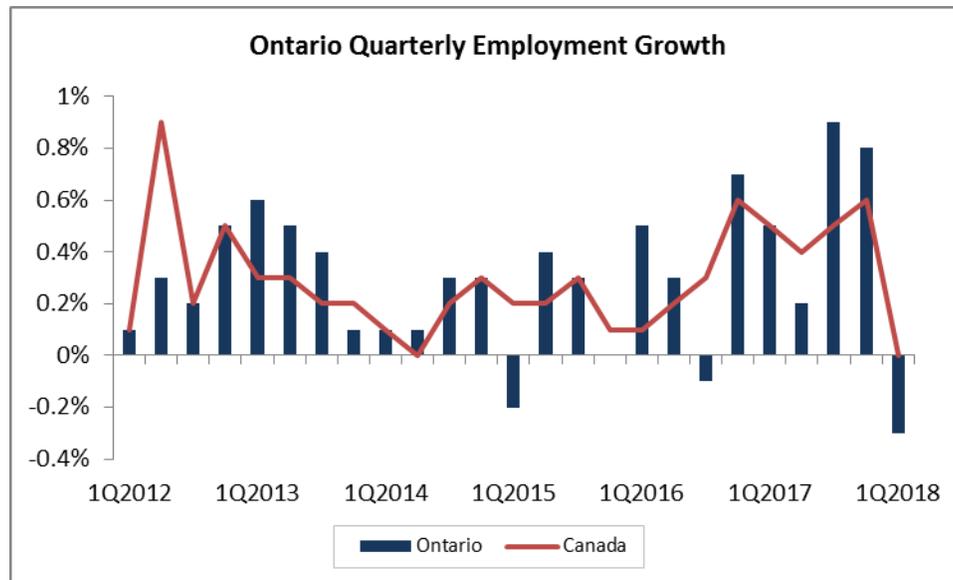
**Ontario Quarterly Labour Force Statistics**

Seasonally Adjusted Quarterly Data	1st Quarter 2018	4th Quarter 2017	1st Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	11,810.3	11,756.7	11,616.0	53.6	0.5	194.3	1.7
<b>Labour Force ('000)</b>	7,605.3	7,637.4	7,548.0	-32.1	-0.4	57.3	0.8
<b>Employment ('000)</b>	7,186.9	7,207.4	7,071.0	-20.5	-0.3	115.9	1.6
Full-Time ('000)	5,863.7	5,846.9	5,737.5	16.8	0.3	126.2	2.2
Part-Time ('000)	1,323.3	1,360.6	1,333.5	-37.3	-2.7	-10.2	-0.8
<b>Unemployment ('000)</b>	418.4	430.0	477.0	-11.6	-2.7	-58.6	-12.3
<b>Unemployment Rate (%)</b>	5.5	5.6	6.3	-0.1	-	-0.8	-
<b>Participation Rate (%)</b>	64.4	65.0	65.0	-0.6	-	-0.6	-
<b>Employment Rate (%)</b>	60.9	61.3	60.9	-0.4	-	0.0	-

Note: Totals may not add due to rounding

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





### Ontario Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter	4th Quarter	1st Quarter	Quarterly Variation (% points)	Yearly Variation (% points)
	2018 (%)	2017 (%)	2017 (%)		
<b>Total</b>	5.5	5.6	6.3	-0.1	-0.8
<b>25 years and over</b>	4.5	4.7	4.9	-0.2	-0.4
Men - 25 years and over	4.3	5.0	4.8	-0.7	-0.5
Women - 25 years and over	4.7	4.4	5.1	0.3	-0.4
<b>15 to 24 years</b>	11.5	11.0	14.5	0.5	-3.0
Men - 15 to 24 years	12.7	12.6	15.2	0.1	-2.5
Women - 15 to 24 years	10.2	9.3	13.7	0.9	-3.5

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

### A look at labour market conditions for Ontario's Indigenous People

In the first quarter (Q1) of 2017, the total population aged 15+ in Ontario was 11.6 million. The Indigenous population living off-reserve accounted for 2.1% of that, or 242,400 people. Employment among Indigenous people in Ontario was 124,100, representing an increase of +8,000 (+6.9%) from a year earlier (Q1 2016). All of the increase was in full-time (+8,800 or +10.5%) positions, partially offset by a decrease in part-time positions (-900 or -2.8%).

In Q1 2017, the unemployment rate among the Indigenous population declined -0.2 percentage points from a year earlier, to 11.8%. The unemployment rate amongst the non-Indigenous population decreased to 6.4% (-0.5pp). The participation rate of the Indigenous population increased to 58.0% (+0.6pp) year-over-year, while that of the non-Indigenous population edged down slightly to 64.3%. The employment rate among Indigenous people also increased from the previous year to 51.2% (+0.6pp). For the non-Indigenous population, the employment rate was 60.2%.

There were several positive announcements this quarter targeting Indigenous communities. Much funding in recent months has been directed towards supporting Indigenous economic development. The provincial government will provide \$2.5 million to 13 projects in northwestern Ontario to support economic development centres and hubs, provide training and employment opportunities for Indigenous peoples, and support Indigenous

entrepreneurship and business.<sup>2</sup> The provincial government is also investing in Indigenous economic development across the province including \$585,891 in the Timmins area,<sup>3</sup> \$847,746 in the Thunder Bay area,<sup>4</sup> \$442,056 in the Georgian Bay area,<sup>5</sup> \$167,265 in the Manitoulin Island area; \$400,544 in central and southwestern Ontario,<sup>6</sup> \$156.075 in southeastern Ontario,<sup>7</sup> and \$100,000 in Fort Albany First Nation.<sup>8</sup> Additionally, the federal government will support training, education, and employment opportunities for Indigenous youth throughout southern Ontario through nearly \$9 million in funding for the Niagara Peninsula Aboriginal Area Management Board (NPAAMB).<sup>9</sup>

Several efforts are being undertaken to support Indigenous health and social services. The provincial government is investing \$6.1 million over four years to support 10 Indigenous organizations to hire Indigenous System Coordinators, as well as \$87 million over four years to fund community-based mental health care services for Indigenous children and youth.<sup>10</sup> Significant investments are also being made to improve access to care for Indigenous peoples and support Indigenous communities to develop and deliver their health services.<sup>11</sup> These investments will focus on home care, primary care, palliative care, mental health and wellness, and healing and treatment

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<sup>2</sup> Ministry of Indigenous Relations and Reconciliation. (2018, March 16). Ontario Investing in Indigenous Economic Development in Northwestern Ontario. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mirr/en/2018/03/ontario-investing-in-indigenous-economic-development-in-northwestern-ontario.html>

<sup>3</sup> Ministry of Indigenous Relations and Reconciliation. (2018, March 1). Ontario Investing in Indigenous Economic Development in Timmins Area. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mirr/en/2018/03/ontario-investing-in-indigenous-economic-development-in-timmins-area.html>

<sup>4</sup> Ministry of Indigenous Relations and Reconciliation. (2018, January 19). Ontario Investing in Job Training for Thunder Bay Area First Nations. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mirr/en/2018/01/ontario-investing-in-job-training-for-thunder-bay-area-first-nations.html>

<sup>5</sup> Ministry of Indigenous Relations and Reconciliation. (2018, February 22). Ontario Investing in First Nations Economic Development in Georgian Bay. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mirr/en/2018/02/ontario-investing-in-first-nations-economic-development-in-georgian-bay.html>

<sup>6</sup> Ministry of Indigenous Relations and Reconciliation. (2018, February 15). Province Investing in Economic Development for Indigenous Communities in Central and Southwestern Ontario. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mirr/en/2018/02/post-1.html>

<sup>7</sup> Ministry of Indigenous Relations and Reconciliation. (2018, February 27). Ontario Investing in Indigenous Economic Development in Southeastern Ontario. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mirr/en/2018/02/ontario-investing-in-indigenous-economic-development-in-southeastern-ontario.html>

<sup>8</sup> [Ministry of Indigenous Relations and Reconciliation](#). (2018, February 14). Ontario Investing in Economic Development in Fort Albany First Nation. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mirr/en/2018/02/ontario-investing-in-economic-development-in-fort-albany-first-nation.html>

<sup>9</sup> Benner, A. (2018, March 14). \$9M for Indigenous youth programming. *The St. Catharines Standard*. Retrieved from <https://www.stcatharinesstandard.ca/news-story/8329354--9m-for-indigenous-youth-programming/>

<sup>10</sup> Office of the Premier. (2018, March 21). Ontario Making Historic Investment in Mental Health and Addictions Care for Every Stage of Life. *Government of Ontario*. Retrieved from <https://news.ontario.ca/opo/en/2018/03/ontario-making-historic-investment-in-mental-health-and-addictions-care-for-every-stage-of-life.html>

<sup>11</sup> Ministry of Health and Long-Term Care. (2018, February 14). Ontario Taking Action on Indigenous Health Care. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mohlrc/en/2018/02/ontario-taking-action-on-indigenous-health-care.html>

centres.<sup>12</sup> The provincial government is also investing up to \$70 million over two years in culturally relevant child care and family programs for Indigenous children and families living in urban and rural areas.<sup>13</sup>

Investments in infrastructure in Indigenous communities have also emerged as a priority in recent years. The federal and provincial governments announced a \$1.6 billion investment in the Wataynikaneyap Power Transmission Line Project which will connect 16 remote First Nations communities in Northwestern Ontario to the provincial power grid.<sup>14</sup> Cultural programming also received a boost with the announced launch of two Indigenous radio stations in Ottawa and Toronto by June 2018<sup>15</sup> as well as \$75,669 in provincial funding to the Ojibwe Cultural Foundation (OCF) to expand its cultural programming for the arts community and tourists.<sup>16</sup>

### Ontario - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q1 2018	Q1 2017	number	%	Q1 2018	Q1 2017	number	%
Population 15 + ('000)	251.7	242.4	9.3	3.8%	11,558.6	11,373.5	185.1	1.6%
Labour Force ('000)	152.3	140.6	11.7	8.3%	7,355.5	7,314.0	41.5	0.6%
Employment ('000)	139.5	124.1	15.4	12.4%	6,940.0	6,842.6	97.4	1.4%
Full-Time ('000)	104.3	92.7	11.6	12.5%	5,600.8	5,486.2	114.6	2.1%
Part-Time ('000)	35.2	31.4	3.8	12.1%	1,339.3	1,356.4	-17.1	-1.3%
Unemployment ('000)	12.8	16.5	-3.7	-22.4%	415.4	471.4	-56.0	-11.9%
Unemployment Rate (%)	8.4	11.8	-3.4	-	5.6	6.4	-0.8	-
Participation Rate (%)	60.5	58.0	2.5	-	63.6	64.3	-0.7	-
Employment Rate (%)	55.4	51.2	4.2	-	60.0	60.2	-0.2	-

**Notes:** The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

**Source:** Statistics Canada Labour Force Survey - ESDC custom table.

<sup>12</sup> Ministry of Health and Long-Term Care. (2018, February 14). Ontario Investments in Indigenous Health and Wellness. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mohltc/en/2018/02/ontario-investments-in-indigenous-health-and-wellness.html>

<sup>13</sup> Ministry of Education. (2018, February 9). Ontario Expanding Early Years Programming for Indigenous Children. *Government of Ontario*. Retrieved from <https://news.ontario.ca/edu/en/2018/02/ontario-expanding-early-years-programming-for-indigenous-children.html>

<sup>14</sup> CBC News. (2018, March 22). \$1.6 billion funding announced to connect FN communities to provincial power grid. *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/thunder-bay/thunder-bay-funding-announcement-1.4588388>

<sup>15</sup> Ngabo, G. (2018, January 3). 'It's about time:' New Indigenous radio stations soon to hit airwaves. *Metro*. Retrieved from <http://www.metronews.ca/news/toronto/2018/01/03/it-s-about-time-two-new-indigenous-radio-stations-to-hit-airwaves-this-year.html>

<sup>16</sup> Ministry of Indigenous Relations and Reconciliation. (2018, February 21). Ontario Investing in First Nations Economic Development in Manitoulin Island Area. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mirr/en/2018/02/ontario-investing-in-first-nations-economic-development-in-manitoulin-island-area.html>

## EMPLOYMENT BY INDUSTRY

### Employment decline in the goods-producing sector mainly attributed to weaker construction estimates

Employment fell in Ontario's goods-producing sector by 2,300 (-0.2%) in the first quarter of 2018, based on seasonally-adjusted estimates. Three subsectors posted declines with the largest in construction (-4,000). The utilities sector reported the greatest increase (+3,900), while the change in manufacturing employment was tepid (+500).

The utilities industry is in the midst of structural changes. The province continues to move towards cleaner sources of energy,<sup>17</sup> and is also embarking on improvements to water and wastewater infrastructure<sup>18</sup> and natural gas lines in several communities, which are supporting job growth in this sector.

Overall, employment declined in the primary industries which collectively include agriculture, forestry, fishing, mining, quarrying and oil and gas. Some noteworthy news in the **mining** segment that will help boost employment numbers includes Premier Gold Mines Limited plan to invest \$37.9M to advance development at its Greenstone Gold property near Geraldton in northwestern Ontario.<sup>19</sup> Also, Vale Canada Ltd. and Glencore's Sudbury Integrated Nickel Operations are spending more than \$1.4B on major mine development projects in the Sudbury Basin.<sup>20</sup> The prices of most base and precious metals are continuing to recover from the slump experienced a few years ago, and this should spur further activities in the sector.<sup>21</sup> Meanwhile in the **agricultural** area, more investments flowed into the emerging marijuana industry, with expansion plans at the FV Pharma Inc. facility in Coburg,<sup>22</sup> and Aphria Inc. in Leamington. Together these projects are expected to generate over 400 jobs.<sup>23</sup>

Employment in **construction** was relatively weak but activities remained robust in many segments. In the residential sector, many projects are underway or announced especially for condominium developments in different areas.<sup>24,25</sup> However in the resale market in the Toronto area, the number of homes sold and the average selling

<sup>17</sup> Ontario Ministry of Energy. Ontario's Electricity System. Retrieved from <http://www.energy.gov.on.ca/en/ontarios-electricity-system/>

<sup>18</sup> Ministry of the Environment and Climate Change. Minister's Annual Report on Drinking Water 2017. Retrieved from <https://www.ontario.ca/page/ministers-annual-report-drinking-water-2017>

<sup>19</sup> Northern Ontario Business Staff. (2018, January 30). Premier Gold Mines drops a bundle in the northwest. *Northern Ontario Business Ltd.* Retrieved from <https://www.northernontariobusiness.com/industry-news/mining/premier-gold-mines-drops-a-bundle-in-the-northwest-826467>

<sup>20</sup> Northern Ontario Business Staff. (2018, March 2). Glencore, Vale approve \$1.4 billion in spending for Sudbury mine developments. *Northern Ontario Business Ltd.* Retrieved from <https://www.northernontariobusiness.com/industry-news/mining/glencore-vale-approve-14-billion-in-spending-for-sudbury-mine-developments-852630>

<sup>21</sup> Natural Resources Canada Information Bulletin, March 2018. Canadian Mineral Production. *Government of Canada.* Retrieved from <http://www.nrcan.gc.ca/mining-materials/publications/17722>

<sup>22</sup> Wisniewski, D. (2018, March 17). Cobourg marijuana plant in former Kraft plant to hire 200 people over the next year. *Peterborough Examiner.* Retrieved from <https://www.thepeterboroughexaminer.com/news-story/8334028-cobourg-marijuana-plant-in-former-kraft-plant-to-hire-200-people-over-the-next-year/>

<sup>23</sup> Battagello, D. (2018, March 13). Job growth skyrockets locally as marijuana industry ramps up. *Windsor Star.* Retrieved from <http://windsorstar.com/news/local-news/job-continues-to-escalate-locally-within-marijuana-industry>

<sup>24</sup> Landau, J. (2018, April 5). Excavation Wraps Up, Crane Base Installed for PJ Condos. *Urban Toronto.* Retrieved from <http://urbantoronto.ca/news/2018/04/excavation-wraps-crane-base-installed-pj-condos>

<sup>25</sup> Lea, D. (2018, January 16). North Oakville condos get the go-ahead. *Oakville Beaver.* Retrieved from <https://www.insidehalton.com/news-story/8076438-north-oakville-condos-get-the-go-ahead/>

price declined in March when measured against the high level of activities last year.<sup>26</sup> Factors such as the Non-Resident Speculation Tax/foreign buyer real estate tax, the increase in interest rates, and new mortgage rules for federally regulated financial institutions,<sup>27</sup> are helping to cool the residential real estate market. There are also indications of an increase in borrowing from alternative lenders.<sup>28</sup>

The news was also significant for commercial construction.<sup>29</sup> TCI Titan Group secured a contract to build the customs plaza on the Canadian side of the Ambassador Bridge in Windsor, which will generate between 500-1,000 skilled jobs.<sup>30</sup> Other announcements related to institutional developments include multi-million dollar provincial bids awarded to EllisDon Corporation to build a courthouse in Toronto,<sup>31,32</sup> renovate and develop a new patient care tower at the Michael Garron Hospital (formerly Toronto East General Hospital),<sup>33</sup> and for the Brockville General Hospital Redevelopment Project.<sup>34</sup>

On the infrastructure front, work began on the \$65-million Cherry Street Stormwater and Lakefilling scheme, which is the first phase of the \$1.25-billion Port Lands Flood Protection Project in Toronto.<sup>35</sup> Work also started on the Henvey Inlet Wind project off Georgian Bay, the largest on-reserve wind installation development in Canada, which is expected to create 500 jobs during construction.<sup>36</sup>

In **manufacturing**, the Markit Canada Manufacturing Purchasing Managers' Index remained above the 50.0 benchmark for the twenty-fifth consecutive month. In March, the index rose to 55.7 on the strength of increased new orders and output, and strong sales both in the domestic and export markets. Employment also rose, while purchases of raw materials were nearly at a seven-year high, attributed both to rising production and the

<sup>26</sup>Thorpe, J. (2018, April 4). Toronto home prices see biggest drop in almost 30 years. *Financial Post*. Retrieved from <http://business.financialpost.com/real-estate/toronto-luxury-home-sales-tank-from-last-years-record-pace>

<sup>27</sup> Office of the Superintendent of Financial Institutions. (2017, October 17). OSFI is reinforcing a strong and prudent regulatory regime for residential mortgage underwriting. *OSFI*. Retrieved from [http://www.osfi-bsif.gc.ca/Eng/osfi-bsif/med/Pages/B20\\_dft\\_nr.aspx](http://www.osfi-bsif.gc.ca/Eng/osfi-bsif/med/Pages/B20_dft_nr.aspx)

<sup>28</sup> Ligaya, A. (2018, February 5). New mortgage stress test rules have borrowers flocking to alternative lenders. *The Canadian Press-CBC News*. Retrieved from <http://www.cbc.ca/news/business/mortgage-stress-test-1.4519972>

<sup>29</sup> Fox, C. (2018, March 1). BMO plans new 'urban campus' for 3,500 employees at Yonge and Dundas. *CTV News Toronto*. Retrieved from <https://toronto.ctvnews.ca/bmo-plans-new-urban-campus-for-3-500-employees-at-yonge-and-dundas-1.3824133>

<sup>30</sup> CBC News Windsor. (2018, March 1). Skilled workers needed to fill \$50M bridge plaza job awarded to local contractor. Retrieved from <http://www.cbc.ca/news/canada/windsor/skilled-workers-needed-to-fill-50m-bridge-plaza-job-awarded-to-local-contractor-1.4557354>

<sup>31</sup>EllisDon Corporation Press Release. (2018, February 22). EllisDon Infrastructure Reaches Financial Close On New Toronto Courthouse Project. Retrieved from <http://www.ellisdon.com/news/ellisdon-infrastructure-reaches-financial-close-on-new-toronto-courthouse-project/>

<sup>32</sup> Infrastructure Ontario Press Release. (2018, February 22) Contract Awarded for New Toronto Courthouse Project. *Government of Ontario*. Retrieved from <http://www.infrastructureontario.ca/Financial-Close-New-Toronto-Courthouse/>

<sup>33</sup> EllisDon Corporation Press Release. (2018, February 6). Financial Close Reached on Major Hospital Redevelopment Project. Retrieved from <http://www.ellisdon.com/news/financial-close-reached-on-major-hospital-redevelopment-project/>

<sup>34</sup>EllisDon Corporation. (2018, March 1). EllisDon Reaches Financial Close on Brockville General Hospital Redevelopment. *Press Release*. Retrieved from <http://www.ellisdon.com/news/ellisdon-reaches-financial-close-on-brockville-general-hospital-redevelopment/>

<sup>35</sup> Fox, C. (2018, January 11). Construction begins on first phase of \$1.25 billion project to protect Port Lands from flooding. *CablePulse 24*. Retrieved from <https://www.cp24.com/news/construction-begins-on-first-phase-of-1-25-billion-project-to-protect-port-lands-from-flooding-1.3754982>

<sup>36</sup>Wall, D. (2018, January 18). Henvey Inlet First Nation signs \$1B wind power deal. *Daily Commercial News Staff*. Retrieved from <https://canada.constructconnect.com/dcn/news/resource/2018/01/henvey-inlet-first-nation-signs-1b-wind-power-deal>

maintenance of safe levels of inventories. However, the sector continued to face supply chain pressures and Ontario registered the sharpest rate of factory gate price inflation.<sup>37,38</sup>

There were new business entrants and intentions in various areas of manufacturing which should add to the sector's employment growth. These include a new production line at the Bombardier Inc. facility in Kingston,<sup>39</sup> and expansions at both the Dr. Oetker Canada Ltd. frozen pizza plant in London<sup>40,41</sup> and Linamar Corporation, a motor vehicle parts manufacturer based in Guelph.<sup>42</sup> In addition, Xinyi Glass Holdings Limited will invest \$450M to build a glass manufacturing plant in Guelph, creating about 400 mostly technical jobs.<sup>43</sup> During the quarter, some wood product manufacturers also benefitted from provincially-supported funding announcements.<sup>44,45</sup>

On the negative side, Campbell Company of Canada will close its Etobicoke plant within the next 18 months, eliminating about 380 positions, due to changing consumer preferences and lower sales. While the company will keep its headquarters and commercial operations in Toronto, retaining nearly 200 of the nearly 600 jobs from this location, the manufacturing operations will be moved to the existing plants in the United States.<sup>46,47</sup>

On a year-over-year quarterly basis, employment in the goods-producing sector increased by 37,900 (+2.7%). Increases were significant in manufacturing (+25,500) and construction (+15,300). The agriculture sector reported the largest decline (-4,200).

### Five subsectors contributed to the employment decline in the services-producing sector

Employment decreased in the services-producing sector by 18,100 (-0.3%). The largest contributors were health care and social assistance (-16,900), and professional, scientific and technical services (-16,800). Losses were also reported in wholesale and retail trade (-11,800). Employment increases were more significant in business, building and other support services (+11,700), and transportation and warehousing (+10,200).

<sup>37</sup> IHS Markit. (2018, April 2). *Markit Canada Manufacturing PMI*. IHS Markit. Retrieved from

<https://www.markiteconomics.com/Survey/PressRelease.mvc/e8928e17585e4af9a722b0cd43399c67>

<sup>38</sup> Trading Economics. Canada Manufacturing PMI. Retrieved from <https://tradingeconomics.com/canada/manufacturing-pmi>

<sup>39</sup> Crosier, S. (2018, February 7). Bombardier hires predominantly in Kingston: official. *Kingston Whig-Standard*. Retrieved from <http://www.thewhig.com/2018/02/07/bombardier-hires-predominantly-in-kingston-official>

<sup>40</sup> Sturgeon, N. (2018, January 30). Dr. Oetker's closure of New Brunswick pizza plant 'a slap in the face'. *CBC News New Brunswick*. Retrieved from <http://www.cbc.ca/news/canada/new-brunswick/dr-oetker-closes-grand-falls-plant-1.4510545>

<sup>41</sup> De Bono, N. (2018, January 31). London's Dr. Oetker frozen pizza plant boosting production after New Brunswick plant shuttered. *The London Free Press*. Retrieved from <http://www.lfpress.com/2018/01/30/londons-dr-oetker-frozen-pizza-plant-boosting-production-after-new-brunswick-plant-shuttered>

<sup>42</sup> Blatchford, A. (2018, January 15). Feds, Ontario invest \$100M to support Linamar auto parts maker. *The Canadian Press - CTV News*. Retrieved from <https://www.ctvnews.ca/business/feds-ontario-invest-100m-to-support-linamar-auto-parts-maker-1.3759692>

<sup>43</sup> Myslik, J. (2018 March 23). Chinese company plans \$450-million glass plant in Guelph-Eramosa. *The Wellington Advertiser*. Retrieved from <http://www.wellingtonadvertiser.com/comments/index.cfm?articleID=39489>  
<http://trilliummfg.ca/xinyi-glass-holdings-to-open-new-float-plant-in-canada/>

<sup>44</sup> Ministry of Natural Resources and Forestry News Release. (2018, March 14). Ontario Supporting Sawmill in Killaloe. *Government of Ontario*. Retrieved from <https://news.ontario.ca/mnr/en/2018/03/ontario-supporting-sawmill-in-killaloe.html>

<sup>45</sup> Dalheim, R. (2018, March 15). Ontario invests \$3.2 million in Columbia Forest Products. *Woodworking Network*. Retrieved from <https://www.woodworkingnetwork.com/news/canadian-news/ontario-invests-32-million-columbia-forest-products>

<sup>46</sup> The Canadian Press Staff. (2018, January 24). Campbell Soup shuttering 87-year-old Toronto facility, 380 jobs to be impacted. *Financial Post*. Retrieved from <http://business.financialpost.com/pmn/business-pmn/campbell-soup-shuttering-87-year-old-toronto-facility-380-jobs-to-be-impacted>

<sup>47</sup> Toronto Star Staff. (2017, August 31). Campbell Soup expects sales to drop as people opt for fresher foods. *The Toronto Star*. Retrieved from <https://www.thestar.com/business/2017/08/31/campbell-soup-expects-sales-to-drop-as-people-opt-for-fresher-foods.html>

Although employment fell in **professional, scientific and technical services**, many areas of the sector are advancing and should generate a significant number of high-skilled jobs. Notably, Fraunhofer Project Centre for Biomedical Engineering and Advanced Manufacturing opened in Hamilton's McMaster Innovation Park, creating 75 jobs,<sup>48</sup> while Miovision Technologies, a traffic solutions company, moved to Catalyst137, a new Internet of Things innovation centre in Kitchener with plans to create 275 jobs over the next few years.<sup>49</sup> In addition, the governments of Canada, Ontario and Quebec, in partnership with five major digital technology companies, will invest \$400M towards the ENCQOR project to develop a 5G wireless network platform.<sup>50</sup>

The employment decline in **wholesale and retail trade** was more likely associated with weaker retail activities. Among the planned retail departures, Reitmans (Canada) Limited will close all 17 Hyba activewear locations across Canada by the end of 2018,<sup>51</sup> 6 of which are in Ontario.<sup>52</sup> However, the sector will benefit from store openings at shopping centres, including at Vaughan Mills<sup>53</sup> and Conestoga Mall.<sup>54</sup>

During the quarter, employment also declined in **finance, insurance, real estate, rental and leasing** (-3,000) as the sector continued to restructure. Manulife Financial announced cuts to 80 positions across Canada, including 35 jobs in Kitchener-Waterloo as the operations become more digital.<sup>55</sup>

Employment in **transportation and warehousing** was at a peak level in March, and significant growth is expected to continue in the sector. As a result of an increase in the number of businesses and the rise in e-commerce, UPS Canada Ltd. plans to make investments towards expanding facilities and improving technologies at locations across Canada, including in the Greater Toronto Area and other parts of Ontario. The investment is expected to create more than 1,000 jobs nationally.<sup>56</sup>

Although **business, building and other support services** reported a strong increase in employment, some of the closures planned in call centres will result in setbacks in the sector. These include those by Transcom Canada in Barrie and Brockville,<sup>57,58</sup> and Shaw Communications Inc. in Windsor.<sup>59</sup> However, some call centres in northern

<sup>48</sup> McNeil, M. (2018, March 7). \$33-million biomedical research centre opens at innovation park. *Hamilton Spectator*. Retrieved from <https://www.thespec.com/news-story/8312765--33-million-biomedical-research-centre-opens-at-innovation-park/>

<sup>49</sup> CBC News Staff. (2018, January 30) Miovision Technologies expands to create 275 new jobs *Canadian Broadcasting Corporation Kitchener-Waterloo*. Retrieved from <http://www.cbc.ca/news/canada/kitchener-waterloo/miovision-expansion-1.4510528>

<sup>50</sup> Innovation, Science and Economic Development Canada press release. (2018, March 19). New Canadian partnership in next-generation wireless technology. *Government of Canada*. Retrieved from <https://www.canada.ca/en/innovation-science-economic-development/news/2018/03/new-canadian-partnership-in-next-generation-wireless-technology.html>

<sup>51</sup> The Canadian Press Staff. (2018, March 1). Reitmans to close all of its Hyba activewear stores over the next year. *CTV News*. Retrieved from <https://www.ctvnews.ca/business/reitmans-to-close-all-of-its-hyba-activewear-stores-over-the-next-year-1.3824319>

<sup>52</sup> Reitmans (Canada) Limited website at <https://www.reitmans.com/en/hyba-find-a-store.html>

<sup>53</sup> Deschamps, T. (2018, March 19). The Nordstrom Rack coming to Vaughan Mills with Toronto store to follow. *CTV News Toronto*. Retrieved from <https://toronto.ctvnews.ca/nordstrom-rack-coming-to-vaughan-mills-with-toronto-store-to-follow-1.3849577>

<sup>54</sup> CTV Kitchener news staff. (2018, March 14). 12 stores to open in Conestoga Mall's former Target space. *CTV Kitchener*. Retrieved from <https://kitchener.ctvnews.ca/12-stores-to-open-in-conestoga-mall-s-former-target-space-1.3843076>

<sup>55</sup> CTV Kitchener news staff. (2018, March 18). Layoffs at Manulife Financial including 35 jobs cut in KW. *CTV Kitchener*. Retrieved from <https://kitchener.ctvnews.ca/layoffs-at-manulife-financial-including-35-jobs-cut-in-kw-1.3843961>

<sup>56</sup> Canada Newswire Press Release. (2018, March 21). UPS® to Invest \$500 Million in Canada and Create More than 1,000 New Jobs. *CNW Group Ltd*. Retrieved from <https://www.newswire.ca/news-releases/ups-to-invest-500-million-in-canada-and-create-more-than-1000-new-jobs-677548403.html>

<sup>57</sup> Ward, A. (2018, January 16). Transcom announces closure of Barrie call centre; 280 people affected. *CTV News Barrie*. Retrieved from <https://barrie.ctvnews.ca/transcom-announces-closure-of-barrie-call-centre-280-people-affected-1.3761839>

Ontario are ramping up hiring, including Sutherland Global Services Inc. in Sault Ste. Marie<sup>60</sup> and HGS Canada Inc. in North Bay<sup>61</sup> and Timmins.<sup>62</sup> The strong bilingual presence in the Northeast region is creating business and job growth in this sector.

The **information, culture and recreation services** industry also reported employment growth during the quarter. One positive development in the sector was the announcement that Gateway Casinos & Entertainment Ltd. will establish the gaming house Cascades Casino Chatham. The new location will replace the operation in Dresden. The company is also planning to add game facilities in other areas of Ontario.<sup>63</sup>

On a year-over-year quarterly basis, employment in the services-producing sector increased by 78,100 (+1.4%). Large gains were in wholesale and retail trade (+46,800) and transportation and warehousing (+33,900). Employment losses were reported in three sectors, but greatest in health care and social assistance (-22,300).

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<sup>58</sup>Zajac, R. (2018, January 16). Brockville's Transcom closing. *Recorder and Times*. Retrieved from <http://www.recorder.ca/2018/01/16/brockvilles-transcom-closing>

<sup>59</sup>Hill, S. (2018, January 15). Updated: Freedom Mobile call centre closing; Windsor under attack, says union. *Windsor Star*. Retrieved from <http://windsorstar.com/news/local-news/freedom-mobile-windsor-call-centre-closing-putting-130-out-of-work>

<sup>60</sup>SooToday Staff. (2018, January 22). 60 jobs available at Sutherland job fair. SooToday. Retrieved from <https://www.sootoday.com/local-news/60-jobs-available-at-sutherland-job-fair-819332>

<sup>61</sup>The Nugget Staff. (2018, March 7). Job fair Thursday in North Bay. *The Nugget*. Retrieved from <http://www.nugget.ca/2018/03/07/job-fair-thursday-in-north-bay>

<sup>62</sup>Hoggett, M. (2018, February 27). Contract renewal means new jobs at Timmins call centre. *Timmins Today*. <https://www.timminstoday.com/local-news/contract-renewal-means-new-jobs-at-timmins-call-centre-849349>

<sup>63</sup>Shreve, E. (2018, March 28). Gateway to build first new Ontario casino in Chatham. *Chatham Daily News*. Retrieved from <http://lfpres.com/news/local-news/gateway-to-build-first-new-ontario-casino-in-chatham>

## Ontario Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	1st Quarter	4th Quarter	1st Quarter	Quarterly Variation		Yearly Variation	
	2018	2017	2017	Number	%	Number	%
<b>Total employed, all industries</b>	7,186.9	7,207.4	7,071.0	-20.5	-0.3	115.9	1.6
<b>Goods-producing sector</b>	1,460.5	1,462.8	1,422.6	-2.3	-0.2	37.9	2.7
Agriculture	66.7	68.4	70.9	-1.7	-2.5	-4.2	-5.9
Forestry, fishing, mining, quarrying, oil and gas	33.8	34.8	34.3	-1.0	-2.9	-0.5	-1.5
Utilities	51.2	47.3	49.3	3.9	8.2	1.9	3.9
Construction	524.3	528.3	509.0	-4.0	-0.8	15.3	3.0
Manufacturing	784.6	784.1	759.1	0.5	0.1	25.5	3.4
<b>Services-producing sector</b>	5,726.5	5,744.6	5,648.4	-18.1	-0.3	78.1	1.4
Trade	1,080.9	1,092.7	1,034.1	-11.8	-1.1	46.8	4.5
Transportation and warehousing	361.0	350.8	327.1	10.2	2.9	33.9	10.4
Finance, insurance, real estate and leasing	555.0	558.0	570.2	-3.0	-0.5	-15.2	-2.7
Professional, scientific and technical services	624.7	641.5	604.6	-16.8	-2.6	20.1	3.3
Business, building and other support services	315.1	303.4	325.7	11.7	3.9	-10.6	-3.3
Educational services	503.4	501.9	496.4	1.5	0.3	7.0	1.4
Health care and social assistance	844.1	861.0	866.4	-16.9	-2.0	-22.3	-2.6
Information, culture and recreation	323.5	322.0	312.9	1.5	0.5	10.6	3.4
Accommodation and food services	467.2	463.2	459.7	4.0	0.9	7.5	1.6
Other services	288.4	281.0	279.1	7.4	2.6	9.3	3.3
Public administration	363.2	369.2	372.2	-6.0	-1.6	-9.0	-2.4

Note: Totals may not add due to rounding

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

## REGIONAL ANALYSIS

## Toronto at the helm of employment growth in Ontario in the first quarter of 2018

Employment grew by 113,700 in the **Toronto** economic region between the first quarters of 2017 and 2018 (measured on a year-over-year, seasonally unadjusted basis). The regional unemployment rate dropped as well to 5.7%. Labour market conditions remain robust in the area with solid gains over the past year. The Bank of Montreal announced that it would open a 350,000-sq.-ft. high-tech urban campus inside of the CF Toronto Eaton Centre.<sup>64</sup> The campus will house 3,500 employees and open in 2021. India-based Tech Mahindra announced that it would invest \$100M over five years to establish a centre of excellence in artificial intelligence and blockchain in Toronto. The centre will support greater demand for applications in the fintech industry and in the development of smart cities.<sup>65</sup> On the manufacturing front, Ford Motor Company of Canada Limited announced that it would

<sup>64</sup> The Canadian Press. (2018, March 01). Bank of Montreal to open new 'urban campus' at the Toronto Eaton Centre. *The CBC*. Retrieved from <http://www.cbc.ca/news/canada/toronto/bmo-toronto-eaton-centre-urban-campus-1.4558663>

<sup>65</sup> Pramanik, A. (2018, February 23). Tech Mahindra to invest 100 million Canadian dollar for centre of excellence in Toronto. *The Economic Times*. Retrieved from <https://economictimes.indiatimes.com/tech/ites/tech-mahindra-to-invest-100-million-canadian-dollar-for-centre-of-excellence-in-toronto/articleshow/63041953.cms>

start production of the Ford Edge ST this summer at its Oakville plant.<sup>66</sup> The company plans to export the model, which will feature various smart technologies, to 100 countries in 2019.

Labour market conditions remained solid in the **Hamilton–Niagara Peninsula** economic region. Employment increased by 16,300 in the first quarter of 2018 and the regional unemployment rate fell to 5.9%. After a strong showing in 2017, the local construction industry continued its momentum with several new developments in the first three months of the year. Construction moved forward on the Dover Wharf Condominiums in Port Dover, which will take about 15 months to complete.<sup>67</sup> Construction will start on the Niagara Regional Police detachment in St. Catharines in fall 2018,<sup>68</sup> and Stubbes Precast Commercial Ltd. plans to build an office complex worth \$5.5M in Brant County.<sup>69</sup> Stronger economic growth has spurred higher shipping activity in the region as well. The volume of cargo handled at the Port of Hamilton increased to more than 9.8M metric tonnes in 2017, with a record volume of agricultural goods<sup>70</sup> and a rise in steel-related goods.<sup>71</sup> Hamilton-based Stelco Holdings Inc. experienced its highest shipping volumes since late 2008.<sup>72</sup> The steel manufacturer expects steady conditions in the near term because of higher steel prices and elevated production efforts.

The **Stratford–Bruce Peninsula** economic region saw employment gains of 10,600 between the first quarters of 2017 and 2018. The Organization of Canadian Nuclear Industries opened an office in Port Elgin in March 2018 to better support the supply chain for upcoming refurbishment work at the Bruce Power facility.<sup>73</sup> The office will also include staff from the Indigenous Relations Suppliers' Network, which aims to raise participation of local Indigenous communities through employment, business partnerships, and procurement, throughout the refurbishment stage.<sup>74</sup> The entertainment industry will get a boost as well as Gateway Casinos and Entertainment Limited announced that it plans to undertake a multimillion-dollar expansion of its Hanover raceway.<sup>75</sup> Construction will start in the spring or summer of 2018 and should wrap up in the first half of next year.

Employment rose in the **Windsor–Sarnia** economic region by 4,300 between the first quarters of 2017 and 2018. The automotive industry received some positive news in early 2018 as Ford Motor Company of Canada Limited

<sup>66</sup> McLaughlin, A. (2018, January 11). Ford unveils Edge ST in Oakville, solidifies future of Canadian auto industry, union says. *The CBC*. Retrieved from <http://www.cbc.ca/news/canada/toronto/ford-edge-st-oakville-1.4482025>

<sup>67</sup> Port Dover Maple Leaf. (2018, February 21). 15 month 'Dover Wharf' construction begins at waterfront March 1. *Port Dover Maple Leaf*. Retrieved from <https://www.portdovermapleleaf.com/15-month-dover-wharf-construction-begins-waterfront-march-1/>

<sup>68</sup> Forsyth, P. (2018, January 10). Construction start on new police detachment expected by October. *Niagara This Week*. Retrieved from <https://www.niagarathisweek.com/news-story/8045786-construction-start-on-new-police-detachment-expected-by-october/>

<sup>69</sup> Gamble, S. (2018, February 16). Strong start for building permits. *Brantford Expositor*. Retrieved from <http://www.brantfordexpositor.ca/2018/02/16/strong-start-for-building>

<sup>70</sup> Flammini, D. (2018, January 26). Ontario ag sets export records at Port of Hamilton. *Farms.com*. Retrieved from <http://www.farms.com/ag-industry-news/ontario-ag-sets-export-records-at-port-of-hamilton-555.aspx>

<sup>71</sup> Port of Hamilton. Annual Cargo Statistics through 2017. Retrieved from <https://www.hamiltonport.ca/port-facts/cargo-statistics/cargo-tonnage/>

<sup>72</sup> The Canadian Press. (2018, February 22). Rising prices and production boost Stelco earnings in first report since IPO. *CTV News*. Retrieved from <https://www.ctvnews.ca/business/rising-prices-and-production-boost-stelco-earnings-in-first-report-since-ipo-1.3814973>

<sup>73</sup> Patterson, T. (2018, March 22). OCNI/ISN office will guide Bruce Power contractors working in Bruce, Grey, Huron region. *Kincardine News and Lucknow Sentinel*. Retrieved from <http://www.kincardineneews.com/2018/03/22/ocniisn-office-will-guide-bruce-power-contractors-working-in-bruce-grey-huron-region>

<sup>74</sup> Divinski, J. (2018, March 22). OCNI Opens New Office. *Bayshore Broadcasting Corporation*. Retrieved from [http://www.bayshorebroadcasting.ca/news\\_item.php?NewsID=100452](http://www.bayshorebroadcasting.ca/news_item.php?NewsID=100452)

<sup>75</sup> Gowan, R. (2018, February 15). Hanover casino expansion to move ahead. *Owen Sound Sun Times*. Retrieved from <http://www.owensoundsuntimes.com/2018/02/15/hanover-casino-expansion-to-move-ahead>

announced that it would assemble a new truck engine at its Windsor Engine plant in 2019.<sup>76</sup> Work is currently underway to retool the facility, which will become the only site to manufacture the 7X engine. Union representatives expect that the new engine program will add 450 to 500 jobs, and will allow the company to recall a large number of laid-off workers. Elsewhere, total light vehicle production increased at FCA Canada Inc.'s Windsor Assembly Plant during the first two months of 2018 compared to the same period last year.<sup>77</sup> All of this came from an increase in production of the Chrysler Pacifica model.

The **Ottawa** economic region saw employment gains in the first quarter of 2018. Construction will start on a Comfort Inn & Suites in Kemptville in spring 2018. The hotel will employ 20 full-time staff when it opens in March 2019.<sup>78</sup> Serenity Design & Development announced that it would begin construction on a condominium project near to the Kanata North Business Park in early 2018.<sup>79</sup> Work will also start shortly to rehabilitate infrastructure and improve visitor experience at the Fort Wellington National Historic Site in Prescott over the next two years.<sup>80</sup>

Employment increased across Northern Ontario between the first quarters of 2017 and 2018. The unemployment rate fell in the **Northeast** and the **Northwest** economic regions as well. There were several positive developments in the **Northeast** economic region. Voyageur Airways announced that it would expand operations at the North Bay Jack Garland Airport.<sup>81</sup> The company plans to invest in infrastructure at its aircraft engineering, maintenance, and repair and overhaul facility and hire about 40 new staff. Maker North Inc. announced that it would open a location in Sault Ste. Marie in May 2018.<sup>82</sup> The site will feature advanced manufacturing technologies such as 3D printers, laser cutters, and computer numerical controlled machines, to promote the usage of innovative equipment and processes. In addition, four mining supply and services companies will undertake projects to design, build, and test new equipment to serve the mining industry.<sup>83</sup> In the **Northwest** economic region, there were two large announcements at local mills. FPInnovations and Resolute Forest Products will invest in a \$21M pilot project at Resolute's Pulp and Paper Mill in Thunder Bay.<sup>84</sup> The pilot will include building a thermal-mechanical-pulp bio-refinery demonstration plant to look into the production and commercialization of bio-chemicals derived from wood. BioPower Sustainable Energy Corporation also announced that it would expand operations and boost employment at the former Rentech wood pellet mill in Atikokan. The company plans to operate at full capacity to serve the domestic and global markets in the coming years.<sup>85</sup>

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<sup>76</sup> CBC News. (2018, February 15). New truck engine to be built at the Ford Annex plant in Windsor. *The CBC*. Retrieved from <http://www.cbc.ca/news/canada/windsor/ford-canada-windsor-annex-plant-pickup-truck-engine-1.4536865>

<sup>77</sup> DesRosiers Automotive Consultants Inc. (2018, March 31). Volume 32, Issue 6.

<sup>78</sup> Hrebacka, P. (2018, January 11). New hotel for Kemptville to bring new jobs, boost economic development. *Kemptville Advance*. Retrieved from <https://www.insideottawavalley.com/news-story/8047816-new-hotel-for-kemptville-to-bring-new-jobs-boost-economic-development/>

<sup>79</sup> Kovessy, P. (2018, January 24). Developer adding condos to edge of Kanata North Business Park. *Ottawa Business Journal*. Retrieved from <http://www.obj.ca/article/developer-adding-condos-edge-kanata-north-business-park>

<sup>80</sup> Bedford, S. (2018, March 17). Fort Wellington restoration to begin in spring. *Brockville Recorder*. Retrieved from <http://www.recorder.ca/2018/03/17/fort-wellington-restoration-to-begin-in-spring>

<sup>81</sup> Turl, J. (2018, February 09). Forty jobs being created at North Bay's Voyageur Aviation. *Northern Ontario Business Ltd*. Retrieved from <https://www.northernontariobusiness.com/regional-news/north-bay/forty-jobs-being-created-at-north-bays-voyageur-aviation-835738>

<sup>82</sup> SooToday Staff. (2018, March 19). Maker North moves to new maker space this May. *SooToday.com*. Retrieved from <https://www.sootoday.com/local-news/maker-north-moves-to-new-maker-space-this-may-866610>

<sup>83</sup> Turl, J. (2018, March 05). Local mining suppliers get cash for new projects. *BayToday.ca*. Retrieved from <https://www.baytoday.ca/local-news/local-mining-suppliers-get-cash-for-new-projects-854443>

<sup>84</sup> Northern Ontario Business Staff. (2018, January 22). Bio-refinery funding boost. *Northern Ontario Business Ltd*. Retrieved from <https://www.northernontariobusiness.com/industry-news/forestry/bio-refinery-funding-boost-819671>

<sup>85</sup> Ross, I. (2018, March 29). Expansion in the works for Atikokan wood pellet mill. *Northern Ontario Business Ltd*. Retrieved from <https://www.northernontariobusiness.com/industry-news/forestry/expansion-in-the-works-for-atikokan-wood-pellet-mill-878381>

## Employment growth remained weak in parts of eastern Ontario in the first quarter of 2018

The **Kingston–Pembroke** economic region saw the largest drop in employment with a loss of 12,200 between the first quarters of 2017 and 2018. The area continues to see weaker labour market conditions with a drop in its participation and employment rates over this period. There were a number of closure announcements this quarter in the region. Sysco Canada announced that it would close its warehouse in Kingston in June 2018 and shift work to other locations.<sup>86</sup> The closure may affect staff in operations, transportation and distribution. The Bank of Montreal will also close its branch in Quinte West in August 2018 because of changing customer needs.<sup>87</sup>

The **Muskoka–Kawarthas** economic region saw a decline in employment of 11,600 between the first quarters of 2017 and 2018. Losses took place in both full-time and part-time employment. In February 2018, the Peterborough Victoria Northumberland and Clarington Catholic District School Board announced that it would close the St. Michael Catholic Elementary School in Cobourg.<sup>88</sup> Moondance will also close its record store in downtown Peterborough at the end of April 2018 after 46 years in operation.<sup>89</sup> Meanwhile, Kimberly-Clark Corporation announced that it would close or sell 10 facilities globally and expand other sites as part of a restructuring plan.<sup>90</sup> There is no update on the status of the Huntsville plant at this time.

Employment fell by 8,900 in the **Kitchener–Waterloo–Barrie** region between the first quarters of 2017 and 2018. There were a few layoff announcements in the area over this three-month period. The City of Guelph announced that it would lay off 18 staff from its solid waste division.<sup>91</sup> The Municipality stated that it would try to relocate affected employees to other branches. Manulife Financial Corporation cut 35 employees from its Kitchener office because of a change towards digital and customer-centred work.<sup>92</sup> Furthermore, Ten Thousand Villages will close its store in St. Jacobs<sup>93</sup> and Eating Well Organically will close its health food store in Waterloo.<sup>94</sup> Despite these events, there was a fair bit of activity in the local manufacturing base that may help create jobs in the near term. Desch Canada Ltd. announced that it would invest \$12.6M to increase floor space and buy new equipment

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<sup>86</sup> Jhutti, N. (2018, March 13). Sysco Canada shutting down Kingston plant this summer. *Global News*. Retrieved from <https://globalnews.ca/news/4079690/sysco-canada-shutting-down-kingston-plant-this-summer/>

<sup>87</sup> Davis, D and Cunningham, S. (2018, March 02). Frankford residents upset town's only bank branch is closing. *Global News*. Retrieved from <https://globalnews.ca/news/4056994/frankford-residents-upset-towns-only-bank-branch-is-closing/>

<sup>88</sup> Davis, G. (2018, February 27). Trustees approve closure of St. Michael Catholic Elementary School in Cobourg. *Global News*. Retrieved from <https://globalnews.ca/news/4050330/trustees-approve-closure-of-st-michael-catholic-elementary-school-in-cobourg/>

<sup>89</sup> Bain, J. (2018, February 01). Moondance music store in downtown Peterborough closing after 46 years. *Peterborough Examiner*. Retrieved from <https://www.thepeterboroughexaminer.com/news-story/8175246-moondance-music-store-in-downtown-peterborough-closing-after-46-years/>

<sup>90</sup> Cilliers, R. (2018, January 25). Kimberly-Clark expects to close or sell 10 facilities; Huntsville plant's future unclear. *MuskokaRegion.com*. Retrieved from <https://www.muskokaregion.com/news-story/8090260-kimberly-clark-expects-to-close-or-sell-10-facilities-huntsville-plant-s-future-unclear/>

<sup>91</sup> Bueckert, K. (2018, March 19). 18 city employees laid off in Guelph's solid waste division. *The CBC*. Retrieved from <http://www.cbc.ca/news/canada/kitchener-waterloo/guelph-waste-solid-layoffs-job-city-1.4582307>

<sup>92</sup> CTV Kitchener. (2018, March 15). Layoffs at Manulife Financial including 35 jobs cut in KW. *CTV Kitchener*. Retrieved from <https://kitchener.ctvnews.ca/layoffs-at-manulife-financial-including-35-jobs-cut-in-kw-1.3843961>

<sup>93</sup> Weidner, J. (2018, February 08). Ten Thousand Villages closing 9 stores. *Waterloo Region Record*. Retrieved from <https://www.therecord.com/news-story/8125513-ten-thousand-villages-closing-9-stores/>

<sup>94</sup> CTV Kitchener. (2018, January 18). Uptown Waterloo store closing its doors after loss of parking and soaring costs. *CTV Kitchener*. Retrieved from <https://kitchener.ctvnews.ca/uptown-waterloo-store-closing-its-doors-after-loss-of-parking-and-soaring-costs-1.3765734>

at its Cambridge plant.<sup>95</sup> Sleeman Breweries Ltd. also announced that it would invest \$7.0M to increase capacity at its Guelph plant and bring some production back from the United States.<sup>96</sup>

Employment decreased by 8,100 in the **London** region between the first quarters of 2017 and 2018. The unemployment rate rose from 5.4% to 6.3% during this period as well. The area saw mixed news this quarter. Siemens Canada Limited officially shut its wind turbine plant in Tillsonburg in early 2018.<sup>97</sup> Doug Coleman Trucking Ltd. announced that it would lay off 57 employees at its Ingersoll operation.<sup>98</sup> The trucking company transports motor vehicle parts to the CAMI Assembly Plant operated by General Motors of Canada Company. On the positive side, Nestlé Canada announced that it would invest \$51.5M to expand production at its London ice cream plant, which will create 12 jobs.<sup>99</sup> Construction will also start on an academic pavilion at Brescia University College in London.<sup>100</sup> The facility is worth \$14M and will open in fall 2019.

### Ontario Quarterly Labour Force Statistics, by Economic Region

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	1st Quarter 2018 (‘000)	1st Quarter 2017 (‘000)	Yearly Variation (%)	1st Quarter 2018 (%)	1st Quarter 2017 (%)	Yearly Variation (% points)
<b>Ontario</b>	7,082.3	6,972.0	1.6	5.7	6.5	-0.8
<b>Economic Regions</b>						
Ottawa	701.5	698.0	0.5	5.1	5.4	-0.3
Kingston—Pembroke	203.9	216.1	-5.6	4.9	5.2	-0.3
Muskoka—Kawarthas	170.6	182.2	-6.4	6.3	6.3	0.0
Toronto	3,466.6	3,352.9	3.4	5.7	7.0	-1.3
Kitchener—Waterloo—Barrie	688.9	697.8	-1.3	5.7	6.0	-0.3
Hamilton—Niagara Peninsula	739.0	722.7	2.3	5.9	6.1	-0.2
London	324.9	333.0	-2.4	6.3	5.4	0.9
Windsor—Sarnia	294.7	290.4	1.5	5.9	6.7	-0.8
Stratford—Bruce Peninsula	155.6	145.0	7.3	4.9	6.8	-1.9
Northeast	236.5	234.9	0.7	7.1	8.2	-1.1
Northwest	100.1	99.0	1.1	5.4	6.5	-1.1

Note: Totals may not add due to rounding

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

<sup>95</sup> Canadian Manufacturing.com Staff. (2018, January 17). Industrial parts maker Desch invests \$12.6M to expand plant in Cambridge, Ont. *Canadian Manufacturing*. Retrieved from <https://www.canadianmanufacturing.com/manufacturing/industrial-parts-maker-desch-invests-12-6m-expand-plant-cambridge-ont-206808/>

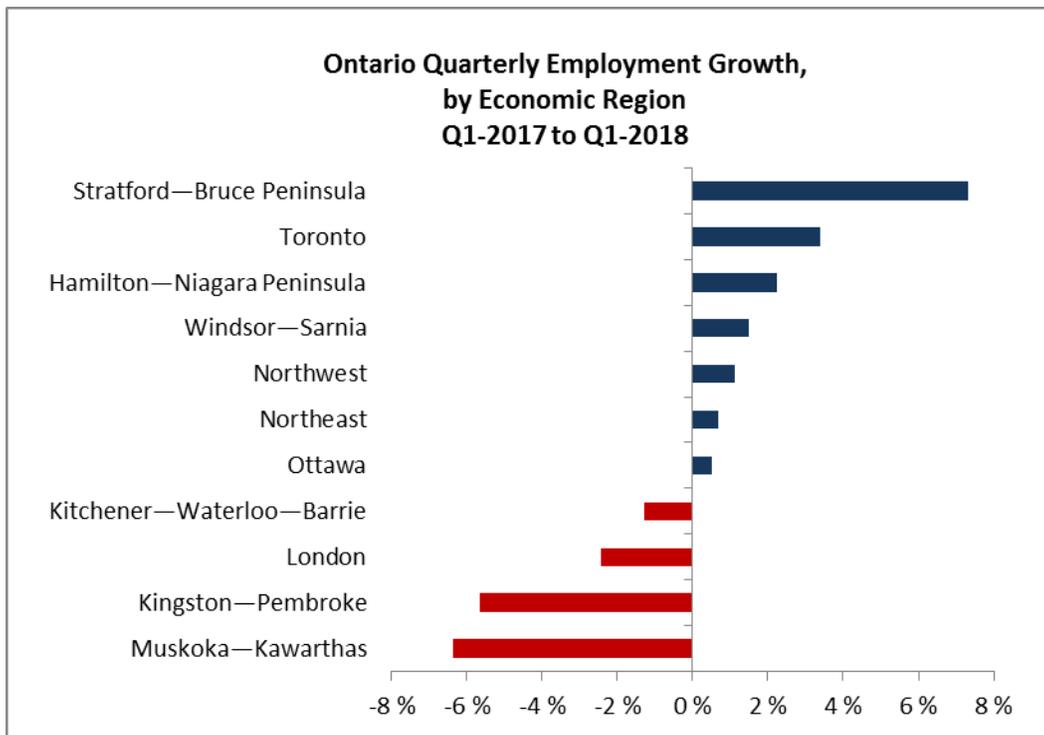
<sup>96</sup> Canadian Manufacturing.com Staff. (2018, March 12). Sleeman spending \$7M to scale up Guelph, Ont. brewing operation, reshore production. *Canadian Manufacturing*. Retrieved from <https://www.canadianmanufacturing.com/manufacturing/sleeman-spending-7m-scale-guelph-ont-brewing-operation-reshore-production-209775/>

<sup>97</sup> CBC News. (2018, July 18). 340 jobs axed at Siemens wind turbine plant in Tillsonburg. *The CBC*. Retrieved from <http://www.cbc.ca/news/canada/london/siemens-wind-turbine-closing-1.4210184>

<sup>98</sup> 980 CFPL Staff. (2018, February 27). London-based trucking company cuts operations at CAMI, lays off 57 employees. *Global News*. Retrieved from <https://globalnews.ca/news/4051594/london-based-trucking-company-cuts-operations-at-cami-lays-off-57-employees/>

<sup>99</sup> Chant, M. (2018, March 02). New Jobs At Nestle Plant. *BlackburnNews.com*. Retrieved from <http://blackburnnews.com/london/london-news/2018/03/02/new-jobs-nestle-plant/>

<sup>100</sup> 980 CFPL Staff. (2018, January 16). Brescia constructing new \$14M academic building. *Global News*. Retrieved from <https://globalnews.ca/news/3967417/brescia-constructing-new-14m-academic-building/>



**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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