Labour Market Bulletin

Ontario

April 2018


OVERVIEW

Labour Force Trends – Employment in Ontario increased in April, although unemployment rate also went up

- Ontario provincial employment figures increased by 9,300 in April
- Full-time employment increased by 19,500, balancing the losses in part-time (-10,300) employment
- The unemployment rate inched up to 5.6%, although the figure has remained relatively unchanged for the past six months

Employment levels in Ontario increased by 9,300 (+0.1%) from March to April 2018, totalling 7.21 million for the province. Full-time employment realized a gain of 19,500 (+0.3%) over the month, counterbalancing the losses in part-time employment (-10,300; -0.8%). However, unemployment levels increased by 4,100 (+1.0%) in Ontario over the month, resulting in a slight bump in the provincial unemployment rate to 5.6%. This figure, though, has remained relatively stable for the past six months. The provincial participation rate has been constant at 64.4% for the past four months, while the provincial employment rate has also hovered recently, at 60.8%.

The Ontario youth unemployment rate observed a jump of 0.4 percentage points to 11.6% in April, as youth unemployment increased by 1.2%, youth employment decreased by 2.2%, and the youth labour force shrank by 1.8%. However, the provincial youth unemployment rate had fallen by 0.6 percentage points to 11.2% in March.

Over the past year, the Ontario labour market gained 133,400 (+1.9%) in net employment figures from April 2017 to April 2018, although the net gains were fully in full-time employment (+141,600; +2.5%), as part-time employment as a whole decreased by 8,300 (-0.6%) over the year. The unemployment rate fell by 0.3 percentage points, from 5.9% to 5.6%, over the year, as unemployment fell by 18,700 (-4.2%) while the Canadian labour force expanded by 114,600 (+1.5%).
For the national picture, employment in Canada remained essentially the same from March to April, with a small decrease of 1,100 (-0.01%), with Quebec (-13,800; -0.3%) and Saskatchewan (-4,900; -0.9%) observing the largest losses. While full-time employment had increased by 28,800 (+0.2%) throughout Canada, part-time employment fell by 30,000 (-0.9%), causing the monthly national employment loss. The Canadian unemployment rate remained stable at 5.8%, as a small increase in unemployment was balanced by a corresponding increase in the national labour force.

The United States total nonfarm payroll employment increased by 164,000 in April, while the unemployment rate edged down to 3.9%. The continued improvement in the American economy and labour market is helping to contribute to increased Canadian exports, with total exports increasing by 5.3% from February to March 2018. However, the ongoing NAFTA negotiations between U.S. and Canada, and the number of trade disputes surrounding the negotiations, have left the short-term and medium-term future between trade among the two countries unclear moving forward in 2018, with manufacturing exports likely to be impacted significantly dependent on the outcome of the negotiations.

### Ontario Monthly Labour Force Statistics

<table>
<thead>
<tr>
<th>Seasonally Adjusted Monthly Data</th>
<th>April 2018</th>
<th>March 2018</th>
<th>April 2017</th>
<th>Monthly Variation</th>
<th>Yearly Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td>Population 15 + ('000)</td>
<td>11,850.3</td>
<td>22.9</td>
<td>11,642.4</td>
<td>207.9</td>
<td>1.8</td>
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<tr>
<td>Labour Force ('000)</td>
<td>7,632.5</td>
<td>13.3</td>
<td>7,517.9</td>
<td>114.6</td>
<td>1.5</td>
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<tr>
<td>Employment ('000)</td>
<td>7,208.5</td>
<td>9.3</td>
<td>7,075.1</td>
<td>133.4</td>
<td>1.9</td>
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<tr>
<td>Full-Time ('000)</td>
<td>5,893.2</td>
<td>19.5</td>
<td>5,751.6</td>
<td>141.6</td>
<td>2.5</td>
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<tr>
<td>Part-Time ('000)</td>
<td>1,315.2</td>
<td>-10.3</td>
<td>1,323.5</td>
<td>-8.3</td>
<td>-0.6</td>
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<td>Unemployment ('000)</td>
<td>424.1</td>
<td>4.1</td>
<td>442.8</td>
<td>-18.7</td>
<td>-4.2</td>
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<tr>
<td>Unemployment Rate (%)</td>
<td>5.6</td>
<td>0.1</td>
<td>5.9</td>
<td>-0.3</td>
<td>-</td>
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<tr>
<td>Participation Rate (%)</td>
<td>64.4</td>
<td>0.0</td>
<td>64.6</td>
<td>-0.2</td>
<td>-</td>
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<tr>
<td>Employment Rate (%)</td>
<td>60.8</td>
<td>-0.1</td>
<td>60.8</td>
<td>0.0</td>
<td>-</td>
</tr>
</tbody>
</table>

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087*
Ontario Monthly Unemployment Rates, by Gender and Age

<table>
<thead>
<tr>
<th>Seasonally Adjusted Data</th>
<th>April 2018</th>
<th>March 2018</th>
<th>April 2017</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>5.6</td>
<td>5.5</td>
<td>5.9</td>
<td>0.1</td>
<td>-0.3</td>
</tr>
<tr>
<td>25 years and over</td>
<td>4.6</td>
<td>4.5</td>
<td>4.9</td>
<td>0.1</td>
<td>-0.3</td>
</tr>
<tr>
<td>Men - 25 years and over</td>
<td>4.5</td>
<td>4.3</td>
<td>4.9</td>
<td>0.2</td>
<td>-0.4</td>
</tr>
<tr>
<td>Women - 25 years and over</td>
<td>4.6</td>
<td>4.8</td>
<td>4.9</td>
<td>-0.2</td>
<td>-0.3</td>
</tr>
<tr>
<td>15 to 24 years</td>
<td>11.6</td>
<td>11.2</td>
<td>12.2</td>
<td>0.4</td>
<td>-0.6</td>
</tr>
<tr>
<td>Men - 15 to 24 years</td>
<td>12.5</td>
<td>12.7</td>
<td>13.1</td>
<td>-0.2</td>
<td>-0.6</td>
</tr>
<tr>
<td>Women - 15 to 24 years</td>
<td>10.6</td>
<td>9.6</td>
<td>11.2</td>
<td>1.0</td>
<td>-0.6</td>
</tr>
</tbody>
</table>

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

EMPLOYMENT BY INDUSTRY

Employment in the goods-producing sector decreased in Ontario in April

Employment in the goods-producing sector fell by 17,000 (-1.2%) in Ontario in April 2018. This was the sector’s largest monthly decline since February 2017. The construction (-10,400; -2.0%) and manufacturing (-8,800; -1.1%) industries saw the biggest losses, while the utilities industry experienced a small gain (+2,300; +4.4%).

Employment in Ontario’s construction industry dipped in April after two monthly gains. Policy measures and interest rate hikes will likely ease activity in the residential market in the coming months. Housing starts fell in the first quarter of 2018 for the second consecutive quarterly decline.¹ All of the losses came from a drop in single-detached units, while multi-dwelling starts, especially for apartments, increased in the first quarter of the year. A few high-rise residential projects moved forward in April, including the Duke Tower Kitchener,² the Prestige condominium in Toronto,³ and the Edge Towers in Mississauga.⁴ Non-residential construction remained the key driver for the industry. Some of the larger projects to get underway include a new mass transit hub at the Kipling bus and GO Transit station in Toronto,⁵ the $16M Dundas Place project in London,⁶ expansion work at the Kingston Airport,⁷ and construction of two schools in Espanola worth $25M.⁸

Employment in the manufacturing industry decreased in Ontario in April. One of the oldest steelmakers in the province announced that it would shutter operations, as Hamilton Specialty Bar Inc. entered liquidation at the

¹ This is non-Statistics Canada information. Table 027-0008 - Canada Mortgage and Housing Corporation, housing starts, under construction and completions, all areas, quarterly (units), CANSIM (database).
Employment in the services-producing sector increased in Ontario in April 2018

Employment rose in the services-producing sector by 26,300 (+0.5%) in Ontario in April. The finance, insurance, real estate and leasing (+14,200; +2.6%) and professional, scientific and technical services (+11,000; +1.8%) industries saw the highest gains. Meanwhile, the wholesale and retail trade (-10,400; -1.0%) and transportation and warehousing (-3,500; -1.0%) industries experienced the biggest losses.

The professional, scientific and technical services industry continued to make headway across the province. A recent report stated that the Toronto Waterloo Region Corridor is one of the top 20 technology clusters in the globe with strengths in financial technology, artificial intelligence-big data, life sciences, and advanced manufacturing–robotics. There were multiple announcements in the industry as of late. Element AI Inc. opened an office in Toronto, Thalmic Labs opened another site in Kitchener to meet growth, and the University of Waterloo opened the Waterloo Artificial Intelligence Institute.

Employment rose in the information, culture and recreation industry in April. There were some significant developments in the industry over the past month. Gateway Casinos & Entertainment Limited announced that it plans to open a casino in Chatham in the summer of 2019, which will lead to 200 new jobs. Cineplex announced

end of April. The company will close its Hamilton steel plant, which will affect just under 220 employees and about 400 retirees. Despite a drop in employment, the Canadian Manufacturing Purchasing Managers’ Index (PMI) continued to stay in expansion mode at 55.5 in April 2018. Business conditions improved overall led by stronger export demand.

Ontario’s manufacturing industry will get a significant boost from the large-scale refurbishment program set to begin in 2020 at the Bruce Nuclear Generating Station, with Bruce Power signing several large contracts recently with local manufacturers to supply parts for its Major Component Replacement Program. As part of the program, BWXT Canada Ltd. will build 32 steam generators at its Cambridge facility worth $642M, while Laker Energy Products Ltd. will manufacture end fittings, liners and flow elements at its Oakville site valued at $144M. In addition, Nu-Tech Precision Metals will fabricate pressure tubes at its Arnprior facility pegged at $66M, while Cameco Fuel Manufacturing Inc. will also produce tubes and spacers at its Cobourg plant estimated at $62M. These contracts will help sustain work at the plants and create spinoff opportunities over the next few years.

Over the past year, employment in the goods-producing sector increased by 34,000 (+2.4%) between April 2017 and April 2018. The strongest annual gains were in construction (+17,000; +3.4%), manufacturing (+8,800; +1.2%) and utilities (+7,200; +15.3%).
that it would convert its Cineplex Odeon Orion Gate Cinemas in Brampton to a Playdium location.\textsuperscript{17} The company expects to open the entertainment centre in mid-2019. Great Canadian Gaming also announced that it plans to open a casino in Pickering in 2019.\textsuperscript{18} The casino will be part of a larger entertainment and hospitality complex that will include hotels, convention space, and an indoor water park and film studio.

Over the past year, employment in the services-producing sector increased by 99,400 (+1.8\%) between April 2017 and April 2018. The strongest annual gains were in accommodation and food services (+28,300; +6.4\%), transportation and warehousing (+28,100; +8.3\%) and wholesale and retail trade (+26,600; +2.6\%). The largest declines were in health care and social assistance (-28,700; -3.3\%) and business, building and other support services (-13,600; -4.1\%).

\begin{table}[h]
\centering
\begin{tabular}{|l|c|c|c|c|c|c|}
\hline
\textbf{Ontario Monthly Labour Force Statistics, by Industry} & \multicolumn{3}{c|}{Seasonally Adjusted Data ('000)} & \multicolumn{2}{c|}{Yearly Variation} \\
\cline{3-6}

 & \textbf{April 2018} & \textbf{March 2018} & \textbf{April 2017} & \textbf{Monthly Variation} & \textbf{Yearly Variation} \\
\hline
\textbf{Total employed, all industries} & 7,208.5 & 7,199.2 & 7,075.1 & 9.3 & 133.4 \\
\textbf{Goods-producing sector} & 1,451.0 & 1,468.0 & 1,417.0 & -17.0 & 34.0 \\
\textbf{Total} & 70.1 & 69.4 & 68.1 & 0.7 & 2.0 \\
\textbf{Forestry, fishing, mining, quarrying, oil and gas} & 34.8 & 35.6 & 35.9 & -0.8 & -1.1 \\
\textbf{Utilities} & 54.3 & 52.0 & 47.1 & 2.3 & 7.2 \\
\textbf{Construction} & 519.8 & 530.2 & 502.8 & -10.4 & 17.0 \\
\textbf{Manufacturing} & 772.0 & 780.8 & 763.2 & -8.8 & 8.8 \\
\textbf{Services-producing sector} & 5,757.5 & 5,731.2 & 5,658.1 & 26.3 & 99.4 \\
\textbf{Total} & 1,068.9 & 1,079.3 & 1,042.3 & -10.4 & 26.6 \\
\textbf{Trade} & 364.9 & 368.4 & 360.2 & -3.5 & 28.1 \\
\textbf{Transportation and warehousing} & 563.5 & 549.3 & 563.7 & 14.2 & -0.2 \\
\textbf{Finance, insurance, real estate and leasing} & 636.0 & 625.0 & 620.5 & 11.0 & 15.5 \\
\textbf{Professional, scientific and technical services} & 316.6 & 316.9 & 330.2 & -0.3 & -13.6 \\
\textbf{Business, building and other support services} & 506.0 & 503.3 & 501.1 & 2.7 & 4.9 \\
\textbf{Public administration} & 837.0 & 839.7 & 865.7 & -2.7 & -28.7 \\
\textbf{Education and social assistance} & 325.4 & 319.2 & 300.9 & 6.2 & 24.5 \\
\textbf{Health care and social assistance} & 473.6 & 468.8 & 445.3 & 4.8 & 28.3 \\
\textbf{Information, culture and recreation} & 291.6 & 291.7 & 276.9 & -0.1 & 14.7 \\
\textbf{Accommodation and food services} & 374.1 & 369.6 & 374.8 & 4.5 & -0.7 \\
\textbf{Other services} & 189 & 190 & 191 & -1 & -1 \\
\textbf{Public administration} & 200 & 201 & 202 & 1 & 1 \\
\textbf{Note: Totals may not add due to rounding} & & & & & \\
\textbf{Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088}
\end{tabular}
\end{table}


**REGIONAL ANALYSIS**

**Toronto continues to dominate the province in employment growth**

Employment increased in the Toronto economic region by 103,700 (+3.1%) between April 2017 and April 2018. The net gains were found in full-time employment (+104,100), as part-time employment remained virtually unchanged from a year ago (-400). In addition, the regional unemployment rate dropped 0.9 percentage points to 5.8% year-over-year. Toronto’s manufacturing industry experienced a boost in April with the announcement of several large investments, including Sanofi Pasteur’s $500M vaccine manufacturing facility,\(^{19}\) Mondelez Canada’s $130M modernization and expansion project,\(^{20}\) and Baylis Medical Company’s $130.9M new R&D facility project.\(^{21}\) In addition, two post-secondary partnerships were announced in the region, between Ryerson University and Sheridan College’s new Brampton campus,\(^{22}\) and between Wilfrid Laurier University and Conestoga College’s new Milton Campus.\(^{23}\) Several other construction announcements, such as the Ashbridges Bay treatment plant\(^{24}\) and condo development projects,\(^{25}\) also contributed to the employment gains.

The Ottawa economic region experienced employment gains of 16,800 (+2.4%) year-over-year following several periods of stagnation and employment losses, leading to improved labour market conditions. The regional unemployment rate declined 1.1 percentage points to 4.6% between April 2017 and April 2018. A number of projects began in the region in April, with the Brockville General Hospital breaking ground on its $173M expansion, which is scheduled to be completed in September 2020.\(^{26}\) Further investments included a $10.2M water distribution system construction contract in North Glengarry\(^{27}\) and Ecolomondo Corporation’s announcement to open a tire waste processing facility in Hawkesbury,\(^{28}\) while the Government of Ontario is partnering with seven companies and the Township of Edwardsburgh/Cardinal to help create 273 new jobs and support 710 existing positions.

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in eastern Ontario. However, Fred Guy Moving & Storage Ltd. closed in Ottawa, laying off approximately 90 employees.

Employment grew by 14,400 (+10.2%) in the Stratford–Bruce Peninsula economic region as the regional unemployment rate fell from 6.1% to 4.4% over the year, the lowest in Ontario. Provincial investments helped a number of manufacturers in the Huron-Brace area expand in April, creating a number of new jobs. The Windsor–Sarnia economic region also saw sizeable employment gains of 9,600 (+3.3%). Sarnia’s London Road Shopping Centre welcomed retailer Tepperman’s and announced a second phase of construction, which will include a Giant Tiger. Employment also grew in the Hamilton—Niagara Peninsula, Northeast and Northwest economic regions.

Employment declined in four economic regions in Ontario

The Muskokas–Kawartha economic region posted the largest employment decrease (-11,200; -6.3%) in Ontario between April 2017 and April 2018. The region’s unemployment rate also increased over the year by 0.5 percentage points to 6.8%. The largest decreases in the regional workforce were in the health care and social assistance and construction industries. Despite these employment losses, the medium-term outlook looks brighter, as the Government of Ontario is funding a $54M arena and aquatics complex at Trent University to be built in Peterborough. The Shorelines Casino Peterborough is under construction and will open in late summer, creating 150 jobs once completed. Peterborough County is also setting up for some projects on the new Crowe River Bridge, and the Municipality of Dysart is receiving $650K to rehabilitate the Oblong Narrows Bridge. Another 100 jobs are to be created, and 496 sustained across a variety of industries in the region, as the Government of Ontario is investing $3.7M into several companies to yield economic growth.

Employment also fell in the Kitchener–Waterloo–Barrie economic region (-10,200; -1.4%), and the regional unemployment rate inched up to 5.8%, hovering above the provincial rate. The London and Kingston–Pembroke economic regions also registered year-over-year employment losses in February.

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

<table>
<thead>
<tr>
<th>Economic Region</th>
<th>Employment ('000) April 2018</th>
<th>Employment ('000) April 2017</th>
<th>Yearly Variation (%)</th>
<th>Unemployment Rate April 2018 (%)</th>
<th>Unemployment Rate April 2017 (%)</th>
<th>Yearly Variation (% points)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontario</strong></td>
<td>7,108.4</td>
<td>6,982.8</td>
<td>1.8</td>
<td>5.7</td>
<td>6.3</td>
<td>-0.6</td>
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<td><strong>Economic Regions</strong></td>
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<tr>
<td>Ottawa</td>
<td>709.2</td>
<td>692.4</td>
<td>2.4</td>
<td>4.6</td>
<td>5.7</td>
<td>-1.1</td>
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<tr>
<td>Kingston—Pembroke</td>
<td>205.1</td>
<td>207.5</td>
<td>-1.2</td>
<td>4.6</td>
<td>5.8</td>
<td>-1.2</td>
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<tr>
<td>Muskoka—Kawarths</td>
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<td>179.0</td>
<td>-6.3</td>
<td>6.8</td>
<td>6.3</td>
<td>0.5</td>
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<td>Toronto</td>
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<td>3,368.7</td>
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<td>6.7</td>
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<td>Kitchener—Waterloo—Barrie</td>
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<td>5.8</td>
<td>5.7</td>
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<td>Hamilton—Niagara Peninsula</td>
<td>735.6</td>
<td>730.7</td>
<td>0.7</td>
<td>5.6</td>
<td>5.9</td>
<td>-0.3</td>
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<td>London</td>
<td>329.2</td>
<td>334.2</td>
<td>-1.5</td>
<td>5.8</td>
<td>5.4</td>
<td>0.4</td>
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<tr>
<td>Windsor—Sarnia</td>
<td>298.1</td>
<td>288.5</td>
<td>3.3</td>
<td>6.1</td>
<td>6.7</td>
<td>-0.6</td>
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<td>Stratford—Bruce Peninsula</td>
<td>155.0</td>
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<td>4.4</td>
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<td>-1.7</td>
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<td>Northeast</td>
<td>239.7</td>
<td>235.9</td>
<td>1.6</td>
<td>6.8</td>
<td>7.9</td>
<td>-1.1</td>
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<td>Northwest</td>
<td>101.0</td>
<td>99.6</td>
<td>1.4</td>
<td>5.7</td>
<td>6.3</td>
<td>-0.6</td>
</tr>
</tbody>
</table>

*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.

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

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