



Labour Market Bulletin

Ontario



December 2016

The Quarterly Edition of the Labour Market Bulletin is a look back over the past three months, providing an analysis of quarterly Labour Force Survey results for the province of Ontario, including the regions of Hamilton—Niagara Peninsula, Kingston—Pembroke, Kitchener—Waterloo—Barrie, London, Muskoka—Kawarthas, Northeast, Northwest, Ottawa, Stratford—Bruce Peninsula, Toronto and Windsor—Sarnia.

OVERVIEW

Labour Force Trends – Ontario employment rebounds in the fourth quarter from a third quarter decline

- Employment increased by 55,300 in the fourth quarter of 2016, recovering from a 19,300 decrease in the third quarter
- Full-time employment (+6,200) and part-time employment (+49,100) both increased over the quarter
- The unemployment rate for the fourth quarter of 2016 fell to 6.4%, down 0.2 percentage points from the previous quarter, due to a decrease of 13,000 in unemployment

Employment in Ontario jumped by 55,300 (0.8%) in the fourth quarter (Q4) of 2016 from the third quarter (Q3) of 2016, rebounding from the decline in Q3 2016 to post the largest quarterly employment gain since the second quarter (Q2) of 2010. Despite the impressive overall employment gain, the majority of the increase was seen in part-time employment (+49,100) while full-time employment also increased (+6,200) yet more modestly. The provincial unemployment rate also fell, to 6.4% in Q4 2016, down 0.2 percentage points from the third quarter, as unemployment declined by 13,000 over the period. The labour force increased by 42,200, as the participation rate ticked up by 0.1 percentage points to 64.8%.

In Canada, employment expanded by a sizeable 122,400 (0.7 %) in Q4 2016, the largest increase since Q2 2012. As in Ontario, most of the employment gain came from part-time employment (+91,500) which saw about triple the gains seen in full-time employment (+30,900). The national unemployment rate inched lower to 6.9%, down 0.1 percentage points from last quarter. Ontario and Quebec led the way nationally, together accounting for almost 85% of the employment gains, with the public administration, educational services, and construction industries showing employment strength nationally, compared to the previous quarter.

In the United States, total non-farm payrolls increased by 156,000 in December, coming in below the expectation of 178,000. The fourth quarter saw an average employment gain of 165,000, lower than the third quarter gain of 212,000.¹ The federal unemployment rate (4.7%) is at low levels not seen since 2007, while

¹ Trading Economics. (2016, January 6). **U.S. Non-Farm Payrolls**. *Trading Economics*. Retrieved from <http://www.tradingeconomics.com/united-states/non-farm-payrolls>

average hourly earnings increased by 2.9% from December 2015 to December 2016.² The American labour market appears to have very little slack left and the conditions provided sufficient support for the U.S. Federal Reserve as they raised benchmark interest rates by 0.25 percentage points to 0.75%. They have stated that two additional increases are likely through 2017, which is expected by the majority of experts.³

Between the fourth quarter of 2015 and 2016, employment in Ontario expanded by 87,400 (+1.3%) year-over-year. The unemployment rate dropped by 0.4 percentage points to 6.4%, as unemployment fell by 28,300 (-5.6%). The participation rate dropped by 0.4 percentage points, as the growth in population (+1.3%) outpaced the increase in labour force (+0.8%).

The unemployment rate for youth aged 15 to 24 in Ontario declined by 0.6 percentage points to 13.7% in the fourth quarter of 2016, as unemployment increased by 14,200 (+1.5%). In addition, participation and employment rates both saw fairly strong increases from the third quarter, due to the increases in youth labour force and employment figures. Despite these positive quarterly numbers, the strength in the fourth quarter was seen in October and November, while December 2016 saw some negative youth figures. The provincial youth unemployment rate remains higher than the national youth unemployment rate of 12.1% in Q4 2016.

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

In the fourth quarter (Q4) of 2016, the total population aged 15+ in Ontario was 11.5 million. The Indigenous population living off-reserve accounted for 2.1% of that, or 239,500 people. Employment among the Indigenous population stood at 134,600 representing an increase of +16,600 (+14.1%) from a year earlier. The increase was in both full-time (+9,900), and part-time positions (+6,600).

The unemployment rate among the Indigenous population was 8.1% in Q4 2016, representing a decline of -1.5 percentage points (pp) from the previous year. The unemployment rate amongst the non-Indigenous population edged down slightly to 5.7% over the same time period (-0.5pp). Between Q4 2015 and Q4 2016, the participation rate of the Indigenous population increased to 61.2% (+3.7pp) year-over-year, while that of the non-Indigenous population edged down slightly to 64.5% (-0.4pp). The employment rate among the Indigenous population also increased from the previous year to 56.2% (+4.2pp), and the employment rate among non-Indigenous population the remained unchanged at 60.9%.

² Trading Economics. (2016, January 6). **U.S. Average Hourly Earnings**. *Trading Economics*. Retrieved from <http://www.tradingeconomics.com/united-states/average-hourly-earnings>

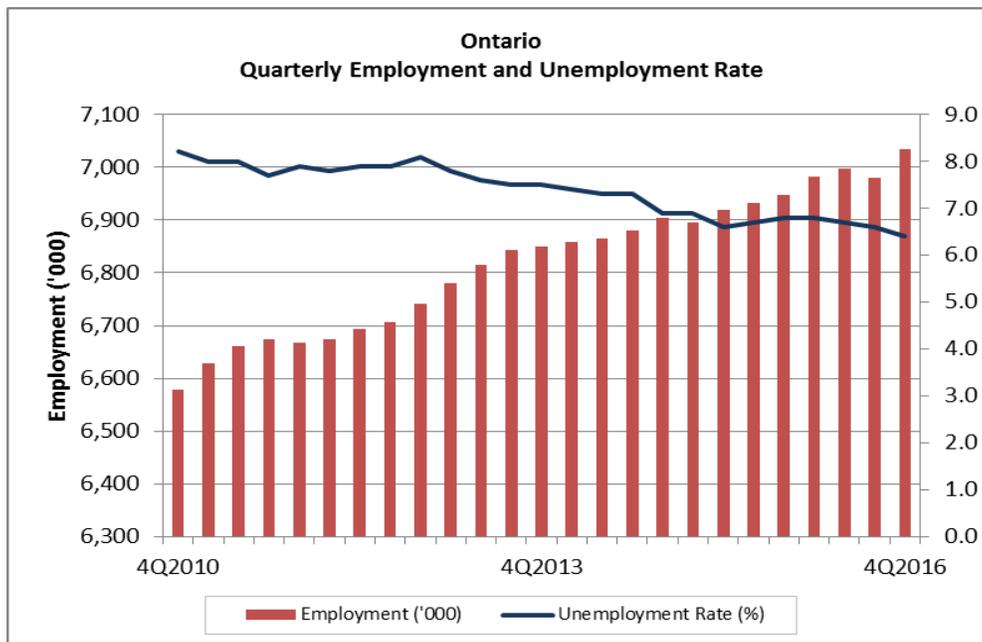
³ (2016, January 6). **FedWatch Tool - Latest probabilities of FOMC rate moves**. *CME Group*. Retrieved from <http://www.cmegroup.com/trading/interest-rates/countdown-to-fomc.html>

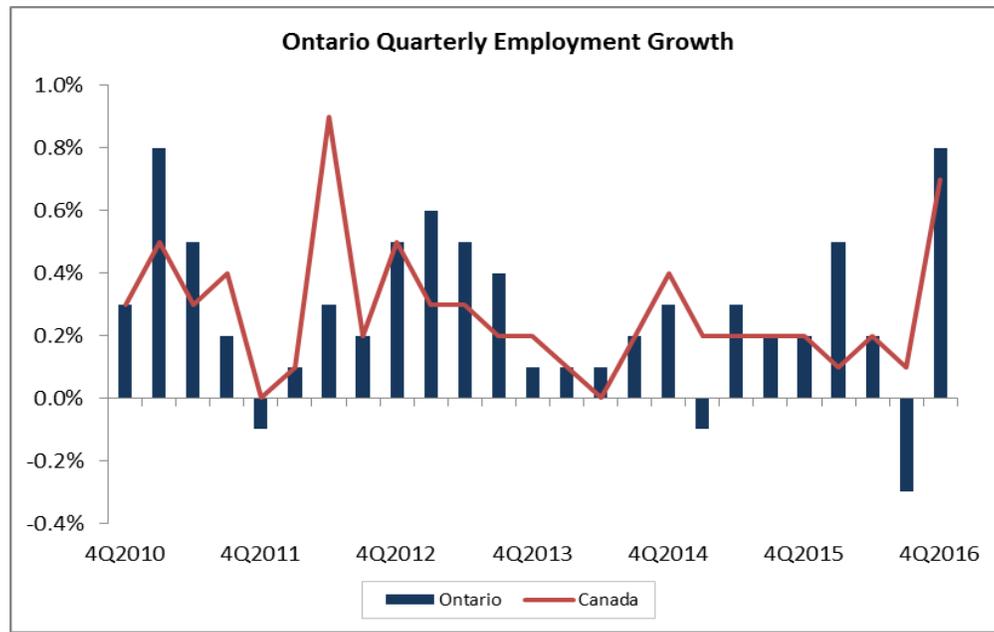
Ontario Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	4th Quarter	3rd Quarter	4th Quarter	Quarterly Variation		Yearly Variation	
	2016	2016	2015	Number	%	Number	%
Population 15 + ('000)	11,580.8	11,545.1	11,435.4	35.7	0.3	145.4	1.3
Labour Force ('000)	7,511.9	7,469.7	7,452.8	42.2	0.6	59.1	0.8
Employment ('000)	7,034.3	6,979.0	6,946.9	55.3	0.8	87.4	1.3
Full-Time ('000)	5,673.8	5,667.6	5,657.6	6.2	0.1	16.2	0.3
Part-Time ('000)	1,360.5	1,311.4	1,289.3	49.1	3.7	71.2	5.5
Unemployment ('000)	477.6	490.6	505.9	-13.0	-2.6	-28.3	-5.6
Unemployment Rate (%)	6.4	6.6	6.8	-0.2	-	-0.4	-
Participation Rate (%)	64.8	64.7	65.2	0.1	-	-0.4	-
Employment Rate (%)	60.8	60.4	60.8	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	4th Quarter 2016 (%)	3rd Quarter 2016 (%)	4th Quarter 2015 (%)	Quarterly Variation (% points)	Yearly Variation (% points)
	Total	6.4	6.6	6.8	-0.2
25 years and over	5.1	5.3	5.5	-0.2	-0.4
Men - 25 years and over	5.2	5.4	5.6	-0.2	-0.4
Women - 25 years and over	5.1	5.1	5.5	0.0	-0.4
15 to 24 years	13.7	14.3	14.1	-0.6	-0.4
Men - 15 to 24 years	14.5	16.1	15.8	-1.6	-1.3
Women - 15 to 24 years	12.9	12.5	12.4	0.4	0.5

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

Ontario - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q4 2016	Q4 2015	Number	%	Q4 2016	Q4 2015	Number	%
Population 15 + ('000)	239.5	227.1	12.4	5.5%	11,341.4	11,208.2	133.2	1.2%
Labour Force ('000)	146.5	130.5	16.0	12.3%	7,318.9	7,273.5	45.4	0.6%
Employment ('000)	134.6	118.0	16.6	14.1%	6,902.8	6,825.0	77.8	1.1%
Full-Time ('000)	102.1	92.2	9.9	10.7%	5,543.3	5,532.6	10.7	0.2%
Part-Time ('000)	32.4	25.8	6.6	25.6%	1,359.4	1,292.4	67	5.2%
Unemployment ('000)	11.9	12.5	-0.6	-4.8%	416.1	448.5	-32.4	-7.2%
Unemployment Rate (%)	8.1	9.6	-1.5	-	5.7	6.2	-0.5	-
Participation Rate (%)	61.2	57.5	3.7	-	64.5	64.9	-0.4	-
Employment Rate (%)	56.2	52.0	4.2	-	60.9	60.9	0	-

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.

EMPLOYMENT BY INDUSTRY

Employment in the goods-producing sector supported by construction

Ontario's goods-producing sector added 2,400 positions (0.2%) in the last three months of 2016. This was the second quarter of gains in seasonally adjusted employment. Growth was driven by a surge in construction employment (+13,900) and dampened by softness in manufacturing (-9,300) and agriculture (-2,900).

In **construction**, building activity maintained its strength early in the quarter with consistent gains in residential permit values and a rebound in commercial while institutional and governmental permit values mined new lows.⁴ Positive forward-looking signals from strong residential permits contrasted with actual housing starts, which fell by a third in November, even after controlling for seasonal fluctuation.⁵

Recent construction announcements include a residential condominium in Kitchener⁶, commercial space in Centre Wellington⁷ as well as infrastructure expansion in Hamilton to support commercial growth.⁸ Other non-residential investments at post-secondary facilities in Ontario may lead to new opportunities in educational services down the road with several colleges and universities receiving funding.^{9 10 11 12 13 14}

⁴ Statistics Canada. CANSIM Table 026-0006, Building permits, by structure type/area, seasonally adjusted monthly (\$ unless otherwise noted). *Statistics Canada*. Retrieved from <http://www5.statcan.gc.ca/cansim/a26?lang=eng&id=260006>

⁵ Statistics Canada. CANSIM Table 027-0054, CMHC, housing starts, seasonally adjusted at annual rates, monthly (units x 1,000). *Statistics Canada*. Retrieved from <http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=0270054>

⁶ Flanagan, R. (2016, October 31). One Hundred ground-breaking in of downtown Kitchener's boom. *CTV News*. Retrieved from: <http://kitchener.ctvnews.ca/one-hundred-groundbreaking-latest-sign-of-downtown-kitchener-s-boom-1.3139918>

⁷ Robinson, M. (2016, December 2). Pearle Hospitality hosts official ground-breaking for \$120-million Elora Mill project. *The Wellington Advertiser*. Retrieved from <http://www.wellingtonadvertiser.com/comments/index.cfm?articleID=33631>

⁸ Pearson, M. (2016, November 15). Roadwork in Winona begins in anticipation of Costco development. *Hamilton Community News. Stoney Creek News via Hamilton Community News*. Retrieved from: <http://www.hamiltonnews.com/news-story/6967878-roadwork-in-winona-begins-in-anticipation-of-costco-development/>

⁹ Morden, P. (2016, September 23). Lambton College announces \$11.8-million renovation. *Sarnia Observer*. Retrieved from <http://www.theobserver.ca/2016/09/23/lambton-college-announces-118-million-renovation>

¹⁰ Noseworthy, K. (2016, September 30). Ottawa gives Mohawk College \$20M for new technology lab building. *Hamilton Spectator*. Retrieved from <http://www.thespec.com/news-story/6887363-ottawa-gives-mohawk-college-20m-for-new-technology-lab-building/>

¹¹ Government of Canada. (2016, October 7). Canada and Ontario invest in infrastructure at Sheridan College. *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?nid=1134489>

¹² Hicks, J. (2016, December 19). Conestoga to double size of Waterloo campus with \$43.5-million makeover. *The Waterloo Record*. Retrieved from <http://www.therecord.com/news-story/7027578-conestoga-to-double-size-of-waterloo-campus-with-43-5-million-makeover/>

¹³ Government of Canada. (2016, November 7). Canada and Ontario invest in post-secondary infrastructure at Carleton University. *Government of Canada Newsroom*. Retrieved from: <http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=7&nid=1149079&crtr.tp1D=1>

¹⁴ Ministry of Advanced Education and Skills Development. (2016, December 13). Ontario Supporting Modern Science and Technology Facilities for Ottawa Students. *Ontario Newsroom*. Retrieved from

While there are signs **manufacturing** may be better off than its employment figures suggest,¹⁵ the industry has strained to post consistent gains. So although the national Purchasing Managers Index signalled expansion and increased staffing over the quarter, Ontario manufacturing and export sales were weaker than the national average. However, stronger domestic demand may bode well for 2017.¹⁶

In the key light automotive segment, agreements reached between Unifor and the big three automakers averted strike action and called for investments in Ontario going forward. Fiat Chrysler Automobile announced some hiring activity¹⁷ as did some upstream parts makers.¹⁸ However, the downturn in commodities prices is affecting heavy-duty auto makers.¹⁹ In other manufacturing, Sofina Foods Inc.,²⁰ and Diamond Aircraft Industries Inc.²¹ had positive hiring announcements, while BlackBerry Ltd. announced it will outsource design and production of its BlackBerry devices.²² Fellow Canadian manufacturer Bombardier Inc., will also eliminate 2,000 jobs nationwide, with an unknown impact in Ontario.²³

Compared to the fourth quarter of 2015, goods-producing sector employment increased by 8,900 (+0.6%), with construction (+22,900) again driving most of the growth. Year-over-year declines were highest in forestry, fishing, mining, quarrying, oil and gas (-10,000) and in manufacturing (-5,700).

Widespread services-producing sector growth led by educational services and public administration

The majority of Ontario's fourth quarter employment growth came from the services-producing sector which added 52,900 positions (1.0%). Gains were highest in educational services (+20,500) and public administration (+14,200) but were spread across most industries. Losses were only recorded in trade (-8,000) and in information, culture and recreation (-1,700).

Gains in **educational services** compensated for losses in the previous quarter as industry employment was only slightly off its year ago levels. Growth was likely more in post-secondary than earlier tiers as declining school enrollments²⁴ have affected employment levels. Expected hiring at post-secondary institutions²⁵ should only

<https://news.ontario.ca/maesd/en/2016/12/ontario-supporting-modern-science-and-technology-facilities-for-ottawa-students.html>

¹⁵ Statistics Canada. **Table 281-0063 - SEPH, employment & average weekly earnings by NAICS, seasonally adjusted**. *Statistics Canada*. Retrieved from <http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=2810063>

¹⁶ Markit Economics. (2017, January 3). **Markit Canada Manufacturing PMI**. *Markit Economics*. Retrieved from <https://www.markiteconomics.com/Survey/PressRelease.mvc/aad4d3c30e9f4bd3a5a22389a0027c24>

¹⁷ Thorne, L. (2016, October 18). **FCA Hiring Production Team Members**. *Windsorite News*. Retrieved from <http://windsorite.ca/2016/10/fca-hiring-production-team-members/>

¹⁸ CTV Kitchener. (2016, November 28). **Stratford auto parts plant to undergo \$50-million expansion**. *CTV News*. Retrieved from <http://kitchener.ctvnews.ca/stratford-auto-parts-plant-to-undergo-50-million-expansion-1.3180382>

¹⁹ Seto, C. (2016, December 7). **Hitachi's Guelph plant lays off 129 production workers**. *Guelph Mercury Tribune*. Retrieved from <http://www.guelphmercury.com/news-story/7007793-hitachi-s-guelph-plant-lays-off-129-production-workers/>

²⁰ Simmons, G. (2016, December 5). **Sofina's in Mitchell set to commence operations in 2017**. *The Mitchell Advocate*. Retrieved from <http://www.mitchelladvocate.com/2016/12/05/sofinas-in-mitchell-set-to-commence-operations-in-2017>

²¹ Daniszewski, H. (2016, December 21). **More jobs on horizon as Chinese firm buys stake in London's Diamond Aircraft**. *The Woodstock Sentinel Review*. Retrieved from <http://www.woodstocksentinelreview.com/2016/12/20/london-diamond-aircraft-sold-to-chinese-interests-reports-say>

²² Sagan, A. (2016, September 28). **BlackBerry to leave smartphone hardware business**. *Guelph Mercury Tribune*. Retrieved from <http://www.guelphmercury.com/news-story/6882771-blackberry-to-leave-smartphone-hardware-business/>

²³ Marowits, R. (2016, October 21). **Bombardier announces 2,000 cuts in Canada**. *Global News*. Retrieved from <http://globalnews.ca/news/3017508/bombardier-announces-2000-job-cuts-in-canada-5500-more-worldwide/>

²⁴ Government of Ontario, Ministry of Education. (2016, February 16). **Education Facts, 2014-2015**. Retrieved from <http://www.edu.gov.on.ca/eng/educationfacts.html>

further support industry growth. **Public administration** employment growth came from across federal, provincial, and municipal levels of government. Provincial hiring included correctional safety officers²⁶ while federally both the Canada Revenue Agency²⁷ and Service Canada²⁸ made hiring announcements.

Losses in the **trade** industry were likely more in retail than wholesale trade.²⁹ Despite an uptick in retail sales at the start of the quarter,³⁰ the industry has been impacted by uncertainty. Consumer confidence in Ontario has waned slightly since its recent mid-2016 highs, but showed some signs of recovery at year-end.³¹ While wholesale trade saw positive news over the quarter,^{32 33} news in retail was mixed. Encouraging store openings³⁴ and seasonal holiday hiring, such as at Amazon.com Inc.,³⁵ were balanced out by layoff announcements at established retailers such as Sears Canada^{36 37} and independents such as D. H. Foods.³⁸

Despite decreasing this quarter, **information and culture** employment remained high (+4.4%, year-over-year) after several quarters of strong growth even as the industry adapts to an ever-changing media landscape. Rogers Communications Inc.³⁹ and Rogers Media⁴⁰ announced layoffs in Toronto as the media incumbent

²⁵ Federal Economic Development Agency for Southern Ontario (2016, December 19). **FedDev Ontario Invests in Manufacturing Innovation in the Golden Horseshoe**. *Government of Canada Newsroom*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=4&nid=1171469&crtr.tp1D=1>

²⁶ Ministry of Community Safety and Correctional Services. (2016, December 15). **Ontario Hiring More Staff; enhancing Correctional Services**. *Ontario Government Newsroom*. Retrieved from <https://news.ontario.ca/mcscs/en/2016/12/ontario-hiring-more-staff-and-enhancing-supports-to-reform-correctional-services.html>

²⁷ The Sudbury Star. (2016, November 18). **CRA to add 543 jobs in Sudbury**. *The Sudbury Star*. Retrieved from: <http://www.thesudburystar.com/2016/11/18/cra-to-add-543-in-sudbury>

²⁸ MacDonald, D. (2016, November 22). **Feds announce 83 new jobs for Sudbury**. *Sudbury.com*. Retrieved from: <https://www.sudbury.com/local-news/feds-announce-83-new-jobs-for-sudbury-471099>

²⁹ Statistics Canada. **Table 281-0063 - SEPH, employment & average weekly earnings by NAICS, seasonally adjusted**. *Statistics Canada*. Retrieved from <http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=2810063>

³⁰ Statistics Canada. **CANSIM Table 080-0020 - Retail trade, sales by NAICS, monthly (dollars)**. *Statistics Canada*. Retrieved from <http://www5.statcan.gc.ca/cansim/a26?lang=eng&id=800020>

Statistics Canada. **CANSIM Table 080-0024 - Retail trade, sales, chained dollars and price index based on NAICS, monthly**. *Statistics Canada*. Retrieved from <http://www5.statcan.gc.ca/cansim/a05?&id=0800024&pattern=0800024>

³¹ Nanos Research. (2016, December 30). **Canada's Weekly Economic Mood**. *Bloomberg Nanos Canadian Confidence Index (BNCCI)*. Retrieved from <http://www.nanosresearch.com/tickers/PDF/Bloomberg%20Nanos%20BNCCI%202016-12-30.pdf>

³² Ontario Ministry of Agriculture, Food and Rural Affairs. (2016, December 13). **Ontario Helping Create Jobs and Boost Economic Growth in Burlington**. *Ontario Government Newsroom*. Retrieved from <https://news.ontario.ca/omafra/en/2016/12/ontario-helping-create-jobs-and-boost-economic-growth-in-burlington.html>

³³ Kopun, F. (2016, December 14). **Costco to launch new store format in GTA**. *The Toronto Star*. Retrieved from <https://www.thestar.com/business/2016/12/14/costco-to-launch-new-store-format-in-gta.html>

³⁴ *Retail Insider*. (2016, December 1). **MEC Continues Unprecedented Store Expansion into 2017**. Retrieved from <http://www.retail-insider.com/retail-insider/2016/12/mec>

³⁵ Patnaik S. and Ganapavaram A. (2016, October 13). **Amazon to hire over 2,000 seasonal workers for holidays**. *BNN*. Retrieved from <http://www.bnn.ca/amazon-to-hire-more-than-2-000-seasonal-workers-in-canada-for-holidays-1.584332>

³⁶ Terfloth, T. (2016, October 26). **Sears won't renew lease at DCC**. *Chatham Daily News*. Retrieved from <http://www.chathamdailynews.ca/2016/10/26/sears-wont-renew-lease-at-dcc>

³⁷ MacDonald, V. (2016, November 23). **Cobourg Sears store to close in March**. *Northumberland Today - The Peterborough Examiner*. Retrieved from <http://www.thepeterboroughexaminer.com/2016/11/23/cobourg-sears-store-to-close-in-march>

³⁸ Clutchey, C. (2016, November 17). **Long-running grocery store in Marathon closes**. *The Chronicle Journal*. Retrieved from: http://www.chroniclejournal.com/news/long-running-grocery-store-in-marathon-closes/article_c77e2bc2-ace1-11e6-9292-d7a6099a4783.html

³⁹ Posadzki, A. (2016, September 30). **Rogers announces magazine overhaul**. *CTV News*. Retrieved from <http://www.ctvnews.ca/business/rogers-announces-magazine-overhaul-will-stop-printing-4-publications-1.3095964>

restructures while Deluxe Entertainment Services Group's Stereo D plans to expand its digital media operations, also in Toronto.⁴¹

Between the fourth quarter of 2015 and the fourth quarter of 2016, services-producing sector employment grew by 78,600 (+1.4%). Gains were highest in healthcare and social assistance (+22,600), accommodation and food services (+20,500) and in information, culture and recreation (+19,300). Losses were felt most in trade (-4,800) and business, building and other support services (-4,200).

Ontario Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	4th Quarter 2016	3rd Quarter 2016	4th Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	7,034.3	6,979.0	6,946.9	55.3	0.8	87.4	1.3
Goods-producing sector	1,418.9	1,416.5	1,410.0	2.4	0.2	8.9	0.6
Agriculture	73.7	76.6	77.3	-2.9	-3.8	-3.6	-4.7
Forestry, fishing, mining, quarrying, oil and gas	33.9	33.1	43.9	0.8	2.4	-10.0	-22.8
Utilities	50.2	50.3	44.9	-0.1	-0.2	5.3	11.8
Construction	516.3	502.4	493.4	13.9	2.8	22.9	4.6
Manufacturing	744.8	754.1	750.5	-9.3	-1.2	-5.7	-0.8
Services-producing sector	5,615.4	5,562.5	5,536.8	52.9	1.0	78.6	1.4
Trade	1,026.3	1,034.3	1,031.1	-8.0	-0.8	-4.8	-0.5
Transportation and warehousing	327.1	325.7	327.9	1.4	0.4	-0.8	-0.2
Finance, insurance, real estate and leasing	557.6	551.0	553.9	6.6	1.2	3.7	0.7
Professional, scientific and technical services	596.2	591.3	590	4.9	0.8	6.2	1.1
Business, building and other support services	326.7	324.8	330.9	1.9	0.6	-4.2	-1.3
Educational services	506.3	485.8	504.4	20.5	4.2	1.9	0.4
Health care and social assistance	844.3	843.1	821.7	1.2	0.1	22.6	2.8
Information, culture and recreation	323.4	325.1	304.1	-1.7	-0.5	19.3	6.3
Accommodation and food services	463.7	456.1	443.2	7.6	1.7	20.5	4.6
Other services	282.6	277.2	282.7	5.4	1.9	-0.1	0.0
Public administration	361.1	347.9	346.9	13.2	3.8	14.2	4.1

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Muskoka–Kawartha led employment growth in the fourth quarter of 2016

Employment increased by 32,600 in the **Muskoka–Kawartha** economic region between the fourth quarters of 2015 and 2016 (measured on a year-over-year, seasonally unadjusted basis). The region posted one of the lowest unemployment rates in the province as it fell from 6.3% to 3.9% over the year. Labour market conditions continued to pick up in the area and employment gains were entirely realized in the services-producing sector. However, news coming out of the goods-producing sector in the quarter was a cause for

⁴⁰ Craig, S. (2016, December 1). **Rogers Media lays off 27 employees as part of restructuring at English-language publications**. *The National Post*. Retrieved from <http://business.financialpost.com/news/rogers-media-announces-layoffs-and-restructuring-at-english-language-publications>

⁴¹ Ministry of Economic Development and Growth. (2016, December 13). **Ontario Partnering with Digital Media Industry Leader to Expand Operations**. Ontario Government Newsroom. Retrieved from <https://news.ontario.ca/medg/en/2016/12/ontario-partnering-with-digital-media-industry-leader-to-expand-operations.html>

optimism. In construction, new projects include the expansion of the Bata Research and Innovation Cluster at Trent University in Peterborough,⁴² the construction of the Hospice Peterborough Care Center,⁴³ the modernization of Fleming College campuses in Peterborough and Lindsay,⁴⁴ as well as the construction of a new wastewater treatment plant and condominium units near Lake Muskoka.⁴⁵

The **Kingston–Pembroke** economic region continued its trend of job creation as employment grew by 23,800 over the year. In addition, the unemployment rate dropped from 5.6% to 4.3% and the labour market participation increased in the region. Both the goods-producing sector and the services-producing sector contributed to employment gains. In the manufacturing industry, infant formula manufacturer Feihe International Inc. will open a plant in Kingston by 2019. It is expected to create about 1,000 jobs during construction and 200 full-time jobs once completed.⁴⁶ Also, the Government of Ontario has announced that it will invest \$4M into the Lavern Heideman & Sons Ltd. sawmill in Eganville, creating 18 new positions.⁴⁷

Employment recovered in the **Hamilton–Niagara Peninsula** economic region in the fourth quarter following a loss registered in the previous quarter. The region posted a year-over-year employment gain of 18,800 and the unemployment rate fell from 6.1% to 5.5%. The region's deep manufacturing base received good news this past quarter with job creation announcements coming from Gay Lea Foods,⁴⁸ Allied Marine & Industrial Inc.,⁴⁹ Cambridge Pro Fab Inc.,⁵⁰ and Parrish and Heimbecker Ltd.⁵¹ In the educational services industry, the Hamilton

⁴² Ministry of Advanced Education and Skills Development. (2016, October 12). Ontario Supporting Innovative Learning for Peterborough Residents. *Ontario.ca*. Retrieved from <https://news.ontario.ca/maesd/en/2016/10/ontario-supporting-innovative-learning-for-peterborough-students.html>

⁴³ Guthrie, S. (2016, November 1). Ground breaking for Hospice Peterborough Center. *CHEXTV*. Retrieved from <http://www.chextv.com/2016/11/01/ground-breaking-for-hospice-peterborough-care-center-on-london-street/>

⁴⁴ Innovation, Science and Economic Development Canada. (2016 November 7). Canada and Ontario invest in post-secondary infrastructure at Sir Sandford Fleming College of Applied Arts and Technology. *Government of Canada News Release*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=index&crtr.page=1&nid=1149039>

⁴⁵ Cooper, B. (2016, November 20). New waste treatment plant underway at Touchstone Resort, Lake Muskoka. *Gravenhurst Banner*. Retrieved from <http://www.muskokaregion.com/news-story/6976391-new-waste-treatment-plant-underway-at-touchstone-resort-lake-muskoka/>

⁴⁶ Kingston Whig-Standard. (2016, December 1). Baby formula company to generate hundreds of jobs. *The Whig*. Retrieved from <http://www.thewhig.com/2016/12/01/baby-formula-company-to-generate-hundreds-of-jobs>

⁴⁷ Ministry of Natural Resources and Forestry. (2016, November 28). Ontario Supports Jobs in Eastern Ontario. *Ontario.ca*. Retrieved from <https://news.ontario.ca/mnr/en/2016/11/ontario-supporting-good-jobs-in-eastern-ontario.html>

⁴⁸ McNeil, M. (2016, November 18). Salerno to be home to \$3 million R&D facility. *Hamilton Spectator*. Retrieved from <http://www.thespec.com/news-story/6972836-salerno-to-be-home-to-3-million-r-d-facility/>

⁴⁹ Ministry of Economic Development and Growth. (2016, November 8). Ontario Investing in Advanced Manufacturing in Port Colborne. *Ontario.ca*. Retrieved from <https://news.ontario.ca/medg/en/2016/11/ontario-investing-in-advanced-manufacturing-in-port-colborne.html>

⁵⁰ FedDev Ontario. (2016, October 28). FedDev Ontario Invests in Brantford Manufacturer. *Government of Canada News Release*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=advSrch&crtr.mnthndVI=&crtr.mnthStrtVI=&crtr.page=1&nid=1143309&crtr.yrndVI=&crtr.kw=brantford&crtr.yrStrtVI=&crtr.dyStrtVI=&crtr.dyndVI>

⁵¹ Agriculture and Agri-Food Canada. (2016, October 27). Canada invests in new technology at Hamilton flour milling plant. *Government of Canada News Release*. Retrieved from <http://news.gc.ca/web/article-en.do?mthd=advSrch&crtr.mnthndVI=&crtr.mnthStrtVI=&crtr.page=1&nid=1143819&crtr.yrndVI=&crtr.kw=hamilton&crtr.yrStrtVI=&crtr.dyStrtVI=&crtr.dyndVI>

Public School Board hired an extra 54 elementary school teachers as a result of higher student enrolment in 2016-2017.⁵²

Sluggish growth persisted in the **Toronto** economic region, with employment increasing by just 5,000 in the fourth quarter. The unemployment rate dropped to 6.3% as fewer people looked for work. However, activity in the retail sales and construction industries remained high with a number of new store openings and new construction projects announced.

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

Employment declines recorded in two economic regions this quarter

The largest year-over-year loss this quarter was in the **Kitchener–Waterloo–Barrie** economic region, which saw a drop of 20,900 between the fourth quarters of 2015 and 2016. The unemployment rate, though, held steady at 4.8% due to a decrease in labour force participation. The regional manufacturing industry suffered some losses in the last three months. Cambridge Towel Company Inc. closed their manufacturing facility in November, which affected approximately 160 workers.⁵³ Hitachi Construction Truck Manufacturing Ltd. laid off 129 production workers at its Guelph facility in December, though some workers may be recalled in January.⁵⁴ In addition, aluminum cans and bottles manufacturer CCL Industries Inc. will begin laying off about 70 employees in Penetanguishene in January 2017.⁵⁵ However, firms such as Clearpath Robotics Inc.,⁵⁶ Innovative Automation Inc.,⁵⁷ and MTM Automation and Aerospace Manufacturing Inc.⁵⁸ have announced plans to invest into their operations, which bodes well for the industry going forward.

Employment in the **London** economic region declined by a modest 8,700 in the fourth quarter, and the regional unemployment rate increased from 5.3% to 5.6% over the year. The most significant layoff news came from Maple Leaf Foods, which will shut down its turkey processing plant in Thamesford by early 2018. About 400 employees will be laid off as a result.⁵⁹

⁵² Leitner, R. (2016, October 13). **Hamilton elementary school enrolment jump adds 54 teachers**. *Hamilton Mountain News*. Retrieved from <http://www.hamiltonnews.com/news-story/6906836-hamilton-elementary-school-enrolment-jump-adds-54-teachers/>

⁵³ Vivian, R. (2016, November 3). **UPDATE: Loss of Walmart contract preceded Cambridge Towel's pending closure**. *Cambridge Times*. Retrieved from <http://www.cambridgetimes.ca/news-story/6946277-update-loss-of-walmart-contract-preceded-cambridge-towel-s-pending-closure/>

⁵⁴ Seto, C. (2016, December 7). **Hitachi's Guelph plant lays off 129 production workers**. *Guelph Mercury*. Retrieved from <http://www.guelphmercury.com/news-story/7007793-hitachi-s-guelph-plant-lays-off-129-production-workers/>

⁵⁵ Burns, I. (2016, December 1). **End is near for CCL Containers in Penetanguishene**. *Midland Mirror*. Retrieved from <http://www.simcoe.com/news-story/6994959-end-is-near-for-ccl-containers-in-penetanguishene/>

⁵⁶ Dingman, S. (2016, October 5). **Clearpath Robotics raises \$30-million to bring drones to factory floors**. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/technology/clearpath-robotics-raises-30-million-to-bring-drones-to-factory-floors/article32256654/>

⁵⁷ Traber, C. (2016, November 17). **Barrie's Innovative Automation celebrates banner week**. *Barrie Advance*. Retrieved from <http://www.simcoe.com/news-story/6968075-barrie-s-innovative-automation-celebrates-banner-week/>

⁵⁸ Ministry of Economic Development and Growth. (2016, December 2). **Ontario Investing in Advanced Manufacturing in Guelph**. *Ontario.ca*. Retrieved from <https://news.ontario.ca/medg/en/2016/12/ontario-investing-in-advanced-manufacturing-in-guelph.html>

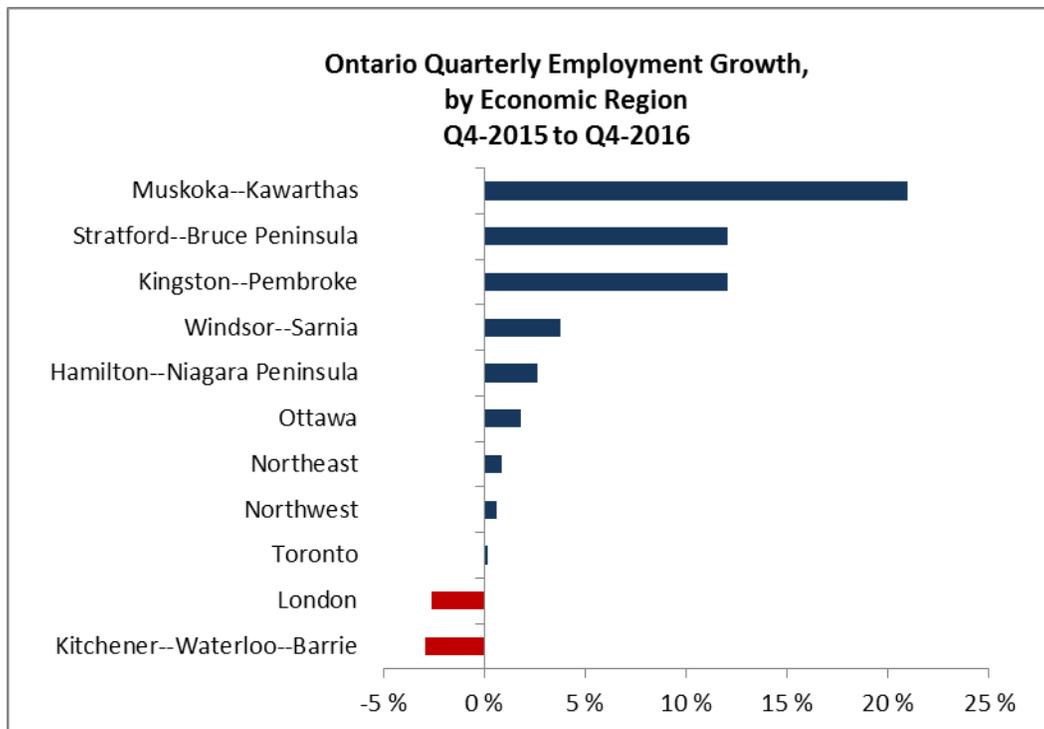
⁵⁹ Stacey, M. (2016, November 15). **Maple Leaf announces Thamesford plant will close; turkey processing move to Sofina facility in Mitchell, Ont.** *Woodstock Sentinel-Review*. Retrieved from <http://www.lfpress.com/2016/11/15/maple-leaf-announces-that-thamesford-plant-will-be-closed-and-fresh-turkey-processing-will-move-to-sofina-facility-in-mitchell-ont>

Ontario Quarterly Labour Force Statistics, by Economic Region

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	4th Quarter 2016 ('000)	4th Quarter 2015 ('000)	Yearly Variation (%)	4th Quarter 2016 (%)	4th Quarter 2015 (%)	Yearly Variation (% points)
Ontario	7,041.6	6,948.2	1.3	5.7	6.2	-0.5
Economic Regions						
Ottawa	703.0	690.3	1.8	5.3	5.5	-0.2
Kingston--Pembroke	220.9	197.1	12.1	4.3	5.6	-1.3
Muskoka--Kawarthas	188.3	155.7	20.9	3.9	6.3	-2.4
Toronto	3,370.6	3,365.6	0.1	6.3	6.6	-0.3
Kitchener--Waterloo--Barrie	697.8	718.7	-2.9	4.8	4.8	0.0
Hamilton--Niagara Peninsula	739.5	720.7	2.6	5.5	6.1	-0.6
London	324.1	332.8	-2.6	5.6	5.3	0.3
Windsor--Sarnia	298.2	287.3	3.8	5.6	8.0	-2.4
Stratford--Bruce Peninsula	154.0	137.4	12.1	3.8	5.7	-1.9
Northeast	245.7	243.6	0.9	6.6	7.5	-0.9
Northwest	99.5	98.9	0.6	6.2	5.4	0.8

Note: Totals may not add due to rounding

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



Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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