



Environmental Scan

Ontario

Spring 2015



Once a year, the Service Canada Ontario Region Labour Market and Socio-economic Information Directorate develops an Economic/Environmental Scan (E-Scan), a report that provides a general overview of the demographic, economic and labour market conditions and trends for the province of Ontario. E-Scans are intended to support regional Service Canada operations by identifying potential pressures on service and program delivery. However, they may also be of interest to those who seek to know more about the state of a provincial or regional economy and labour market. Facts and statistics presented in this document reflect information available as of March 2015.

KEY POINTS

General Overview/Economic Context

- Global economic growth was uneven and uncertain throughout 2014 making pre-recession growth seem now unsustainable
- Clear strength in the United States (U.S.) and United Kingdom (U.K.) economies contrast mixed fortunes for Asian economies, slowing emerging markets, and a stagnant Eurozone dealing with increasing economic and political risks
- The U.S.—Ontario's largest external trading partner—is expected to have grown by 2.4% in 2014, and is projected to strengthen further to 3.6% in 2015, leading advanced economies globally
- The Canadian economy grew by an estimated 2.4% in 2014 based mainly on the strength of exports, but is expected to increase by only 2.3% in 2015 as impacts from the oil price decline partially offset strong exports
- Lower oil prices could lead manufacturing-centric provinces like Ontario to overtake the western provinces in 2015 Gross Domestic Product (GDP) growth
- Ontario's economy is expected to continue to improve with growth rates of 2.3% in 2014 and 2.7% in 2015 as exports, particularly manufacturing-related, receive a boost

Provincial and Local Labour Market Conditions

- The Ontario unemployment rate continued to fall post-recession to 7.3% in 2014, but it was mostly attributed to fewer people looking for work
- In 2015, employment is projected to grow by about 1.0% and the unemployment rate is expected to average 6.8%
- The labour market outcome of Ontario youth aged 15 to 29 improved in 2014
- Employment growth in the services-producing industries generally fared better than in the goods-producing industries, particularly the trade (+28,000), and professional, scientific, and technical services (+17,200) industries
- Employment growth was fastest in the Muskoka—Kawarthas (+10.6%) economic region, while the Toronto region remained flat (0.0%)

INTRODUCTION

The purpose of the Environmental Scan is to outline the major trends and issues facing Canada and the **Ontario region** that will influence the economic and social environment in current and future years. The document provides timely, evidence-based information which supports the business planning process and it is divided into two main parts. Section 1 includes a general overview of the Canadian and Ontario economic context with employment outlook information. Section 2 provides perspective on the provincial and local labour markets.

SECTION 1: GENERAL OVERVIEW / ECONOMIC CONTEXT

Global economic growth was uneven and uncertain throughout 2014. Average global growth of close to 5% during the pre-recession boom period between 2000 and 2007 now seems unsustainable, and the International Monetary Fund (I.M.F.) repeatedly cut global growth expectations throughout the year from 3.8% to 3.3%.¹ Emerging markets such as China and Brazil have been showing slowing growth, the Eurozone has been experiencing almost stagnant growth, and Japan has been seriously risking deflation and recession. Meanwhile, the U.S. has seen signs of a strengthening economy. The strength in the U.S. is beneficial to Canadian exports, and especially for Ontario's manufacturing industry.

Asian and emerging economies experience mixed performances

Asian economies have seen mixed fortunes through 2014. While China, India, and Japan faced some challenges, the rest of the Asia-Pacific region remains mostly positive, led by the ASEAN² economies and South Korea. China's growth was 7.4% in 2014 and is projected to be 6.8% in 2015³, lower than past annual growth rates of 9% or higher. China's slower industrial production, a good indicator of demand for energy and metal

¹ IMF. (2015, January). [World Economic Outlook](http://www.imf.org/external/pubs/ft/weo/2015/update/01/index.htm). Retrieved from <http://www.imf.org/external/pubs/ft/weo/2015/update/01/index.htm>

² Association of South-East Asian Nations (includes Indonesia, Philippines, Malaysia, Singapore, Thailand, Cambodia, Vietnam, Laos, Myanmar and Brunei)

³ IMF. (2015, January). [World Economic Outlook](http://www.imf.org/external/pubs/ft/weo/2015/update/01/index.htm). Retrieved from <http://www.imf.org/external/pubs/ft/weo/2015/update/01/index.htm>

commodities, coincides with reduced demand for Ontario's commodities, and the province's inventories of commodities remain higher.

Canada's recent trade pact with South Korea will benefit various industries — particularly energy, manufacturing and agriculture — in Canada by granting access to the expanding South Korean market. Furthermore, the agreement with China to create a Yuan currency-trading hub in Toronto will provide a boost to the financial sector. Both agreements will benefit the Ontario economy by creating stronger ties to Asian markets.

Europe remains sluggish with increasing risks

In the Eurozone, economic conditions remain stagnant and have the potential to worsen. Heightened economic and political risks have increased through 2014, and Europe has been plagued with deflationary risks. The European Central Bank has pushed for negative rates and is pursuing a large quantitative easing policy. This is creating political tensions and risks with opposition coming from Germany, amongst other European Union (E.U.) nations.

While 2014 started building on the E.U. improvements in 2013, the early optimism fizzled out as the growth outlook dropped to 0.8% in 2014 and 1.2% in 2015.⁴ Geopolitical risks have increased with tensions mounting with Russia over the situation in Ukraine, worries over natural gas supplies, and counter sanctions.

The U.K. economy is performing well with estimated growth at 2.6% in 2014 and 2.7% in 2015.⁵ The strength in the U.K. benefits Ontario's economy as the U.K. is the second largest export destination for Ontario-produced goods. Ontario exports to the U.K. include precious metals and minerals, as well as aerospace parts and products.

The Canadian government has finalized a trade agreement between Canada and the E.U. that eliminates many tariffs between the two markets and drives additional exchange of goods, services, and labour. This implies positive medium to long-term impacts for Ontario's aerospace, automotive, and mining industries. Despite the benefits of the free trade agreement, if Europe's economy continues to languish, Ontario will feel the effects of lower E.U. demand for commodities and certain manufactured parts or products.

United States showing strength and promise

In the U.S., Ontario's largest external trading partner, 2014 was a volatile year with a poor first quarter but recovery thereafter. Historically, Ontario has moved closely with the U.S. in terms of growth and this is not expected to change in the near future. The U.S. is expected to grow by 2.4% in 2014, and up to 3.6% in 2015, leading advanced economies globally. The U.S. economy created over 2.5M jobs in 2014 and this job creation should be reached again in 2015. Weekly claims for unemployment benefits and short-term unemployment are trending at low levels and new hiring has picked up. Despite the improving labour market conditions, they remain far from normal. Long-term unemployment and the number of involuntarily part-time workers remain historically high, while the labour force participation rate has fallen.

⁴ IMF (2015, January). [World Economic Outlook](http://www.imf.org/external/pubs/ft/weo/2015/update/01/index.htm). Retrieved from <http://www.imf.org/external/pubs/ft/weo/2015/update/01/index.htm>

⁵ IMF. (2015, January). [World Economic Outlook](http://www.imf.org/external/pubs/ft/weo/2015/update/01/index.htm). Retrieved from <http://www.imf.org/external/pubs/ft/weo/2015/update/01/index.htm>

Overall, the U.S. is finally experiencing a normal recovery in response to low interest rates as banks are lending money more freely and households have lowered debt levels and are able to borrow. Average wage growth remains somewhat weak, limiting potential consumer spending. Low gasoline prices could slightly offset this as oil prices are expected to remain depressed well into 2015.

The U.S. manufacturing industry has shown signs of recovery and while low energy costs are a key driver, the industry has become less labour intensive as manufacturing processes are automated. The automotive subsector looks particularly strong as growth in lending is leading to growth in sales. The U.S. manufacturing industry's strength will filter into Ontario's manufacturing industry, given the strong ties between manufacturing firms in the U.S. and in Ontario through process sharing and value-added manufacturing. Business activity and capital expenditures improved in 2014 compared to 2013 and should remain positive into 2015.

Canada balancing negative impacts of declining oil with economic benefits from U.S. strength

In Canada, the economy grew by an estimated 2.4% in 2014.⁶ After a poor first quarter, growth has since rebounded. This momentum was based mainly on the strength of exports. The expectation for growth in 2015 is only 2.3%⁷ as negative impacts from the decline in oil prices partially offset the strong exports. The Bank of Canada surprised many by cutting interest rates to help deal with slower expected growth in the first half of 2015. The Bank of Canada expects the economy to recover in the second half of 2015 as oil prices stabilize and exports continue to drive growth.

With a strengthening U.S. economy, Canada's manufacturing industry has ended the year strongly relative to past years. It should remain robust into 2015, alongside increasing exports. Factors such as the falling Canadian currency and higher domestic spending fuel this optimism. The Canadian dollar (CAD) has depreciated relative to the U.S. dollar (USD), further driving exports. Although consumer spending should still grow, additional growth is limited by high debt levels.⁸ Despite the strength in manufacturing, Canadian employment growth has slowed somewhat through 2014 relative to past years. As Canada moves to more export-led growth, employment will not grow proportionately since exporters are less labour intensive per unit produced relative to many service sectors⁹; for example, the manufacturing industry is less labour intensive than in the past as it employs more automated processes. The impact of increased exports will therefore not achieve the same level of job gains in manufacturing as it did in the past.

The recent decline in oil and gas prices benefits consumers and businesses, outside of the oil sector, through lower energy costs. Consumers have more disposable income to increase spending while businesses can reduce operating costs and increase profits. However, the oil and gas decline mutes the pace of business investment growth, since the oil and gas sectors account for about 25% of all business investment in Canada. Other drawbacks include a slowdown in the Western provinces, lower federal government revenue, and a rise in import prices due to CAD depreciation. Due to continued lower oil prices, TD estimates that the more manufacturing-centric provinces led by Ontario will overtake the western provinces in 2015 GDP growth.

⁶ BMO Capital Markets. (2014, December 12). [Canadian Economic Outlook](http://www.bmonesbittburns.com/economics/forecast/). Retrieved from <http://www.bmonesbittburns.com/economics/forecast/>

⁷ Bank of Canada. (2015, January 21). [January Monetary Policy Report](http://www.bankofcanada.ca/wp-content/uploads/2014/07/mpr-2015-01-21.pdf). Retrieved from <http://www.bankofcanada.ca/wp-content/uploads/2014/07/mpr-2015-01-21.pdf>

⁸ BMO Capital Markets. (2014, December 12). [Canadian Economic Outlook](http://www.bmonesbittburns.com/economics/forecast/). Retrieved from <http://www.bmonesbittburns.com/economics/forecast/>

⁹ TD Economics. (2015, January 9). [Canadian Employment Data Commentary](http://www.td.com/document/PDF/economics/comment/CanadianEmployment_Dec2014.pdf). Retrieved from http://www.td.com/document/PDF/economics/comment/CanadianEmployment_Dec2014.pdf

The Bank of Canada has expressed concerns over an overvalued housing market in Canada, particularly in big city centres such as Toronto, Vancouver and Montreal. As long as the low interest rate environment persists, there should not be much change in the sector. While the impact of oil prices on the Western province economies will put downward pressure on the housing markets in cities like Calgary and Edmonton, prices and sales have continued to rise in several areas, notably Toronto. While non-residential construction was buoyed by several large infrastructure projects, institutional and governmental investment growth may moderate in 2014 and 2015, as spending declines at all levels of government.

Ontario – Getting a boost from the U.S. economy

Ontario's GDP accounts for just under 40% of Canada's total GDP therefore the success of Ontario's economy is important to Canada's success. Analysts' consensus is that Ontario continues its improving trend, since 2011, with GDP growth rates of 2.3% in 2014 and about 2.7% in 2015 as exports, particularly manufacturing-related, receive a boost. While the auto sector should continue to improve, it faces pressure from capacity constraints due to a lack of significant new investment. It also faces pressure, in terms of assembly activity, as plants close and move to southern U.S. and Mexico. Sustained low oil prices and a lower CAD may alleviate some of these pressures.¹⁰

The real estate market has been strong in Ontario but is expected to gradually soften. While commercial real estate seems to be hitting a peak, expected employment increases in some business will fill empty commercial spaces to help maintain some price stability. For example, demand for certain manufacturing assembly facilities could increase due to projected stronger exports, and demand for warehousing/distribution space may grow due to retailers pushing into e-commerce. The housing market, particularly the Toronto condominium market, remains a risk to Ontario.¹¹ In 2014, employment growth in construction began to show some minor signs of slowing down in Ontario and should continue through 2015.

SECTION 2: REGIONAL, PROVINCIAL, AND LOCAL LABOUR MARKET CONDITIONS

The Ontario labour market continued to expand in 2014, albeit at a slower rate than the previous year, supported by increased strength in the Canadian and Ontario economies. Statistics Canada's Labour Force Survey (LFS) reports employment growth of 0.8% in 2014 compared to 2013, mainly in full-time work. Growth was less than half that of 2013 and marginally below the 10-year average growth rate over 2004–2014.^{12,13} The unemployment rate in 2014 stood at 7.3%, shrinking at a similar pace to 2013. However, the decrease in the unemployment rate may be due to a smaller proportion of the population looking for work compared to 2013.^{14,15}

Other sources of labour market indicators also support improved employment growth reported in the LFS. Statistics Canada's Survey of Employment, Payrolls and Hours (SEPH) suggests Ontario's employment growth

¹⁰ EDC. (2014, November). [Surging US Growth will help revive Ontario Exports](http://www.pcb.ca/news.cfm?ID=5042). Retrieved from <http://www.pcb.ca/news.cfm?ID=5042>

¹¹ TD Economics. (July 2014). [TD Housing Market Report](http://www.td.com/document/PDF/economics/special/QuarterlyRegionalHousing_July2014.pdf). Retrieved from http://www.td.com/document/PDF/economics/special/QuarterlyRegionalHousing_July2014.pdf

¹² Statistics Canada. Table 282-0002: Labour Force Survey estimates (LFS) by sex and detailed age group annual (persons x 1,000) and 282-0088, LMSID calculations.

¹³ Statistics Canada. Table 282-0008: Labour force survey estimates (LFS), by North American Industry Classification System (NAICS), sex and age group, annual (persons x1,000)

¹⁴ Statistics Canada. Table 282-0002: Labour Force Survey estimates (LFS) by sex and detailed age group annual (persons x 1,000) and 282-0088, LMSID calculations 282-0087, LMSID calculations.

¹⁵ Statistics Canada. Table 282-0087: Labour force survey estimates (LFS), by sex and age group, seasonally adjusted and unadjusted, monthly (persons x 1,000)

rate was slightly higher in 2014. The supply of jobs improved relative to demand, as the agency's Job Vacancy Survey reported higher vacancies for most of 2014 compared to a year earlier but lower than in 2012. The ratio of unemployed per job vacancy fell in the latter part of 2014 reaching 5.8 for the three months ending December 2014, which represents a 3-year low.¹⁶

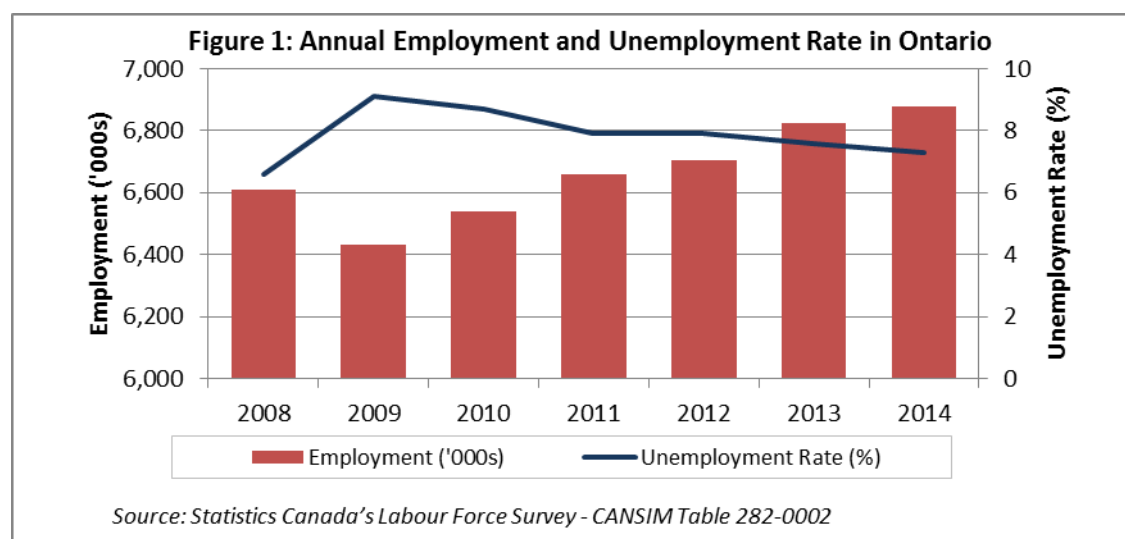
In 2015, overall growth in both goods-producing and services-producing sector industries – in manufacturing and transportation and warehousing among others – should support Ontario's labour market. It is expected that employment will grow by about 1.0% while the unemployment rate is projected to average 6.8%.

Table 1: Annual Labour Force Statistics in Ontario

Seasonally unadjusted Data	Year			2013 to 2014		2012 to 2013	
	2014	2013	2012	Number	%	Number	%
Population 15 + ('000)	11,269.3	11,142.1	10,998.4	127.2	1.1	143.7	1.3
Labour Force ('000)	7,418.6	7,383.8	7,276.4	34.8	0.5	107.4	1.5
Employment ('000)	6,877.9	6,823.4	6,702.6	54.5	0.8	120.8	1.8
Full-Time ('000)	5,540.0	5,489.5	5,412.0	50.5	0.9	77.5	1.4
Part-Time ('000)	1,337.9	1,334.0	1,290.6	3.9	0.3	43.4	3.4
Unemployment ('000)	540.7	560.3	573.8	-19.6	-3.5	-13.5	-2.4
Unemployment Rate (%)	7.3	7.6	7.9	-0.3	-	-0.3	-
Participation Rate (%)	65.8	66.3	66.2	-0.5	-	0.1	-
Employment Rate (%)	61.0	61.2	60.9	-0.2	-	0.3	-

Note: Totals may not add due to rounding.

Source: Statistics Canada's Labour Force Survey -CANSIM Table 282-0002



¹⁶ Statistics Canada. Table 284-0003: Job Vacancy Statistics (JVS), number of job vacancies, number of unemployed and unemployment-to-job vacancies ratio by North American Industry Classification (NAICS), 3-month moving average, unadjusted for seasonality, monthly

Employment by Industry

Industry classification is based on the North American Industry Classification System (NAICS), and refers to the general nature of the business in which workers in Ontario are employed. These industries are divided into two sectors based on primary function: goods-producing and services-producing. Employment growth in the services-producing sector more than offset the losses in the goods-producing sector in 2014, with strong gains in the trade, and professional, scientific and technical services industries. However, the second consecutive year of manufacturing declines continued to weaken the goods-producing sector in Ontario.

Employment in agriculture continues to face obstacles

In 2014, the province registered a decrease of 2,000 in agricultural employment, a decline of 2.4% from 2013. This sector continues its trend of lower labour usage and increased mechanization, and farm consolidation has changed the landscape of this industry in recent years. From 1996 to 2011, the number of farms in Ontario decreased by approximately 23%, while the number of farms which employed paid agricultural labour decreased by about 42%.¹⁷ Since self-employment is a major component of agriculture, the decline in the number of farms with external employment is expected to continue to negatively affect the outlook for the industry. Farm ownership is also becoming less accessible due to the high farm and land prices. This is especially true for areas in Southern Ontario such as Simcoe County, where land prices have reached record highs.¹⁸ These trends of decline, along with fallen prices of agricultural products, caused employment in the sector to contract in 2013. Despite a slight recovery in farm commodity prices, employment in 2014 has yet to recover to highs seen in previous years and the situation is unlikely to improve in the near future.

Forestry, fishing, mining, quarrying, and oil and gas extraction industry declines as mineral prices fall

Employment in Ontario's forestry, fishing, mining, quarrying, and oil and gas extraction industry fell in 2014 by 2,700 to 33,200, a 7.5% decrease over 2013. Due to the continued decline in the global metals pricing,¹⁹ a number of mining companies reduced their workforce in the past year including Kirkland Lake Gold Inc.,²⁰ KGHM International Ltd.,²¹ and Glencore Kidd Operations.²² In the Northwest economic region, the province has also faced setbacks in the development of the Ring of Fire project, especially after news of Cliffs Natural Resources' withdrawal.²³ For 2015, employment growth in Ontario's mining, quarrying, and oil and gas extraction sector is expected to be muted should recent trends of falling prices and unstable market demand persist in the metals market. The size of Ontario's oil and gas extraction industry is small, and the effect of oil prices on provincial employment is minimal. Fishing and hunting's employment impact on this broader industry is also negligible due to its size. Employment in the forestry sector has declined by 55.0% in 2014 compared to 2004, as the industry continues to face challenges such as the weakening paper industry and rising transportation costs.

¹⁷ Statistics Canada. Table 004-0013: Census of Agriculture, paid agricultural work, Canada and provinces, every 5 years (number)

¹⁸ CBC News. (2014, October 03). [Farmland Prices Hitting Records in Ontario, Alberta](http://www.cbc.ca/news/business/farmland-prices-hitting-records-in-ontario-alberta-1.2786853). Retrieved from <http://www.cbc.ca/news/business/farmland-prices-hitting-records-in-ontario-alberta-1.2786853>

¹⁹ IMF. (2014, December 03). [Indices of Primary Commodity Prices, 2004-2014](http://www.imf.org/external/np/res/commmod/Table1a.pdf). Retrieved from <http://www.imf.org/external/np/res/commmod/Table1a.pdf>

²⁰ Kirkland Lake Gold Inc. (2014, February 04). [Kirkland Lake Gold Inc.: Operational Update and Fiscal 2014 Third Quarter Operating Results](http://www.marketwired.com/press-release/kirkland-lake-gold-inc-operational-update-fiscal-2014-third-quarter-operating-results-tsx-kgi-1875275.htm). Retrieved from <http://www.marketwired.com/press-release/kirkland-lake-gold-inc-operational-update-fiscal-2014-third-quarter-operating-results-tsx-kgi-1875275.htm>

²¹ Mulligan, C. (2014, February 24). [Sudbury Mine Layoffs Reduced](http://www.thesudburystar.com/2014/02/26/sudbury-mine-layoffs-reduced). *The Sudbury Star*. Retrieved from <http://www.thesudburystar.com/2014/02/26/sudbury-mine-layoffs-reduced>

²² Gillis, L. (2014, September 24). [Kidd Mine Laying Off 50+ Workers](http://www.timminspress.com/2014/09/24/kidd-mine-laying-off-50-workers). *Timmins Press*. Retrieved from <http://www.timminspress.com/2014/09/24/kidd-mine-laying-off-50-workers>

²³ Younglai, R. (2014, September 18). [Cliffs Natural Resources Looking to Exit Ontario's Ring of Fire](http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/cliffs-natural-resources-looking-to-exit-ontarios-ring-of-fire/article20651617/). *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/cliffs-natural-resources-looking-to-exit-ontarios-ring-of-fire/article20651617/>

Commitment towards cleaner nuclear, wind and solar energy shaping the utilities industry

The trend towards cleaner energy continued in 2014 in the Ontario utilities industry with the construction of wind and solar farms and the elimination of coal-powered energy.²⁴ Decommission of older coal stations contributed to a sustained decline in the province's utilities employment. Despite the subsequent conversions of some of these stations to biomass power stations, employment in utilities in Ontario has declined in five of the past six years, dropping from 62,800 in 2008 to 51,100 in 2014. Ontario accounts for over 90% of the national nuclear power generation, and beginning in 2016, there will be significant work in two of its three nuclear power generation stations as the Darlington and Bruce stations are both scheduled to begin its refurbishment processes.²⁵ However, the Pickering station is expected to close by 2020, while a proposal to build new units at the Darlington station has been put on hold by the provincial government, in line with the emphasis on energy conservation and supply moderation in the provincial government's Long-Term Energy Plan.²⁶ Despite the suspension of expansion plans at Darlington, the refurbishment work at the Bruce and Darlington stations ensures that employment in the utilities industry will likely be sustained in the coming years.

Numerous public infrastructure projects leading the way for the construction industry

Employment in Ontario's construction industry increased in 2014 by 1.8% to 467,300. A number of large-scale projects took place in 2014, including transit systems in Toronto,²⁷ Waterloo²⁸ and Ottawa,²⁹ as well as stadiums in St. Catharines³⁰ and Ottawa.³¹ Looking forward, employment in construction is expected to grow moderately over the next few years due to further expansions in public transit and the launch of large utilities engineering projects.³² Non-residential investment may increase over the next few years due to a strengthening U.S. economy and increased manufacturing capacity.³³ However, a rise in office vacancy rates in Toronto signals a potential weakening in the commercial sub-sector.

Much attention remains on the residential housing market and its potential cooling due to possible excess supply and high prices, and the relatively high levels of household debt. The housing prices in the Greater Toronto Area (GTA) re-sale market have remained elevated,³⁴ and the number of provincial housing starts declined in 2014 for the second year in a row. However, residential building permits rebounded strongly in 2014 after a decrease in 2013, with condos remaining a popular option in the GTA, partly due to the encouragement of urban buildup within the provincial smart growth plan.³⁵ In addition, low mortgage rates may help sustain demand in the housing market. It is expected that the Bank of Canada will tighten its

²⁴ Independent Electricity System Operator. (2014, April 1). [Ready Set Go: Capturing the New Found Flexibility in Ontario's Power Grid \(2013 Annual Report\)](http://www.ieso.ca/annualreport/default.aspx). Retrieved from <http://www.ieso.ca/annualreport/default.aspx>

²⁵ Ontario Power Generation. (2014). [2013 Annual Report](http://www.opg.com/news-and-media/pages/reports.aspx). Retrieved from <http://www.opg.com/news-and-media/pages/reports.aspx>

²⁶ Ontario Ministry of Energy. (2013, December 1). [Achieving Balance: Ontario's Long-Term Energy Plan](http://www.energy.gov.on.ca/en/ltep/). Retrieved from <http://www.energy.gov.on.ca/en/ltep/>

²⁷ City of Toronto. (2015). [TTC - Eglinton-Scarborough Crosstown Transit Project - LRT - Subway](http://www.toronto.ca/311/knowledgebase/75/101001061775.html). Retrieved from <http://www.toronto.ca/311/knowledgebase/75/101001061775.html>

²⁸ Region of Waterloo. (2015). [About the iON Project](http://rapidtransit.regionofwaterloo.ca/en/aboutus/abouttheproject.asp). Retrieved from <http://rapidtransit.regionofwaterloo.ca/en/aboutus/abouttheproject.asp>

²⁹ City of Ottawa. (2015). [Confederation Line](http://www.ligneconfederationline.ca/). Retrieved from <http://www.ligneconfederationline.ca/>

³⁰ St. Catharines Standard Staff. (2014, October 13). [Public gets knockout view of Meridian Centre](http://www.stcatharinesstandard.ca/2014/10/11/meridian-centre-officially-open). *St. Catharines Standard*. Retrieved from <http://www.stcatharinesstandard.ca/2014/10/11/meridian-centre-officially-open>

³¹ CTV Ottawa Staff. (2014, July 6). [Local residents get first look at new TD Place stadium](http://ottawa.ctvnews.ca/local-residents-get-first-look-at-new-td-place-stadium-1.1901502). *CTV Ottawa*. Retrieved from <http://ottawa.ctvnews.ca/local-residents-get-first-look-at-new-td-place-stadium-1.1901502>

³² BuildForce Canada. (2015). [2015 Construction and Maintenance Looking Forward Highlights Reports – Ontario Highlights](http://www.buildforce.ca/en/products/ontario-2015-highlights). Retrieved from <http://www.buildforce.ca/en/products/ontario-2015-highlights>

³³ Ontario Construction Secretariat. (2015, March 1). [2015 Survey of Ontario's ICI Construction Industry](http://www.iciconstruction.com/resources/industry_publications/industry_issues.cfm). Retrieved from http://www.iciconstruction.com/resources/industry_publications/industry_issues.cfm

³⁴ Toronto Real Estate Board. (2015, January 7). [Near Record Sales in 2014](http://www.torontorealestateboard.com/market_news/market_watch/index.htm). Retrieved from http://www.torontorealestateboard.com/market_news/market_watch/index.htm

³⁵ Ministry of Municipal Affairs and Housing Ontario. (2006). [Growth Plan for the Greater Golden Horseshoe, 2006](https://www.placestogrow.ca/index.php?option=com_content&task=view&id=9&Itemid=14). Retrieved from https://www.placestogrow.ca/index.php?option=com_content&task=view&id=9&Itemid=14

monetary policy in coming years which could help usher the housing market to a gentle landing, according to various analysts.³⁶

Exports to drive manufacturing recovery

For the third year in a row, employment in the manufacturing industry fell in Ontario. However, after nine slow months, the industry picked up in the last part of 2014 to end the year on a high note. This late surge came from stronger growth in the U.S. and a lower CAD. Combined, this fueled an export-led push. Although manufacturing sales grew in 2014, the industry still faced hurdles. Two main factors were supply constraints and competition from lower-cost regions, which were key challenges for the motor vehicle sub-industry. In 2014, strong sales could not curb the slide in automotive production in Ontario. Meanwhile, food processing had a moderate year as new plants and investments³⁷ offset layoffs and closures.³⁸ For metal producers, there was a hint of doubt with cuts at some of the major plants.³⁹ In Southern Ontario, the area saw a jump in the number of microbreweries⁴⁰ and the start of medical marijuana manufacturing.⁴¹ In Northern Ontario, a few large mills were lost in paper manufacturing⁴² while wood production improved thanks to an active housing market south of the border.⁴³

Going forward, the manufacturing industry should see more activity. Key areas will be machinery, chemicals, and metals, which tend to be export-driven. However, new technologies will likely limit job growth across the industry.

Wholesale trade employment looks for a boost from manufacturing in 2015

Wholesale employment grew for a second straight year in 2014 by 18,700. The arrival and expansion of several international retailers in Canada supported employment growth at wholesale suppliers. This is positive as wholesale workers tend to be relatively higher-paid and employed full-time. The industry saw some efficiency gains due to retailers introducing technological inventory control innovations to improve stock coordination with wholesalers. Nonetheless, the consolidation and growing size of retail firms have weakened the bargaining power of wholesalers, particularly for food, beverages, personal and household goods,⁴⁴ which may lead wholesale firms to limit the growth of their labour costs. Employment growth is expected to be moderate in 2015 and 2016, but may be buoyed by machinery, equipment and supplies wholesaler-distributors. This sub-industry employs the largest share of workers and will likely receive a boost from Ontario manufacturing, driven by a strengthening U.S. economy, cheaper energy, and a weaker CAD.

³⁶ Canada Mortgage and Housing Corporation. (2015, February 6). [Housing Market Outlook — Ontario Region Highlights](https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?lang=en&cat=99&itm=21&fr=1427230101823). Retrieved from <https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?lang=en&cat=99&itm=21&fr=1427230101823>

³⁷ Ontario Newsroom. (2014, March 24). [Ontario Government Supporting Economic Growth in Food Processing Sector](http://news.ontario.ca/omafra/en/2014/03/new-jobs-fresh-from-the-oven.html). Ontario Newsroom. Retrieved from <http://news.ontario.ca/omafra/en/2014/03/new-jobs-fresh-from-the-oven.html>

³⁸ CBC News. (2014, December 10). [Kellogg's London officially ends cereal production](http://www.cbc.ca/news/canada/windsor/kellogg-s-london-officially-ends-cereal-production-today-1.2867538). Retrieved from <http://www.cbc.ca/news/canada/windsor/kellogg-s-london-officially-ends-cereal-production-today-1.2867538>

³⁹ CBC News. (2014, February 04). [Layoffs coming at U.S. Steel](http://www.cbc.ca/news/canada/hamilton/news/layoffs-coming-at-u-s-steel-1.2522583). Retrieved from <http://www.cbc.ca/news/canada/hamilton/news/layoffs-coming-at-u-s-steel-1.2522583>

⁴⁰ Henry, B. (2014, May 15). [New microbrewery now open in Peterborough](http://www.thepeterboroughexaminer.com/2014/05/15/new-microbrewery-now-open-in-peterborough-n-food-smithworks-brewing-company-has-a-tasting-room-on-rye-st). *The Peterborough Examiner*. Retrieved from <http://www.thepeterboroughexaminer.com/2014/05/15/new-microbrewery-now-open-in-peterborough-n-food-smithworks-brewing-company-has-a-tasting-room-on-rye-st>

⁴¹ CTV Ottawa News Staff. (2014, June 16). [Tweed Inc. grows seeds of hope in Smith Falls](http://ottawa.ctvnews.ca/tweed-inc-grows-seeds-of-hope-in-smiths-falls-1.1871574). CTV News Ottawa. Retrieved from <http://ottawa.ctvnews.ca/tweed-inc-grows-seeds-of-hope-in-smiths-falls-1.1871574>

⁴² CBC News. (2014, December 05). [Resolute shuts Iroquois Falls mills, affecting 180 workers](http://www.cbc.ca/news/canada/sudbury/resolute-shuts-iroquois-falls-mill-affecting-180-workers-1.2861645). Retrieved from <http://www.cbc.ca/news/canada/sudbury/resolute-shuts-iroquois-falls-mill-affecting-180-workers-1.2861645>

⁴³ Macklin, Andrew. (2015, February 03). [Back in production](http://www.woodbusiness.ca/sawmilling/back-in-production). Retrieved from <http://www.woodbusiness.ca/sawmilling/back-in-production>

⁴⁴ Strauss, M. and Gray, J. (2014, November 17). [Watchdog probes alleged 'restrictive trade practices' at Loblaw](http://www.theglobeandmail.com/report-on-business/loblaw-faces-competition-bureau-probe-over-pricing-strategies/article21613053/?cmpid=rss1). *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/loblaw-faces-competition-bureau-probe-over-pricing-strategies/article21613053/?cmpid=rss1>

Retail trade employment growth may moderate in the short-term

Retail employment in Ontario increased by 1.2% in 2014, all in full-time positions. The arrival of new firms, the expansion of recent entrants and attempts by established firms to remain competitive all contributed to employment growth in 2014.^{45,46,47,48,49} Established retailers grew their market share through expansions and consolidations, notably Loblaw Companies Ltd.'s purchase of Shoppers Drug Mart⁵⁰ and Sobeys Inc.'s takeover of Safeway Inc.⁵¹ Competition from other retailers, growth in e-commerce and corporate challenges led Target Canada to announce the closure of all its stores in early 2015. The shuttering of one of Canada's largest retailers after only two years of operation is likely to lead to between 8,000 and 10,000 layoffs in Ontario. Several other retailers also announced shutdowns, including Mexx Canada Co. and Sony of Canada Ltd.⁵² However, foreign retailers still have confidence in the Canadian market, as several leading brands are slated to open stores in Ontario in 2015.^{53,54,55,56,57} Going forward, weakness in the CAD may result in lower retailer profits due to higher import costs, which could dampen employment growth. Conversely, cross-border shopping by Canadians has been shown to decrease with weaker CAD, a potential boon for domestic retailers.⁵⁸

Cheap oil supports growth in transportation and warehousing

Employment in transportation and warehousing declined in Ontario by 2.2% in 2014. A lower CAD should stimulate exports and boost the movement of goods by truck across the border as the U.S. economy improves. However, the weaker currency will somewhat undercut a drop in oil prices and fuel savings may not be passed on directly to consumers. Airlines, for example, may hold off on reducing ticket prices to temporarily support thin profit margins in the sub-industry, potentially easing some of the pressure to reduce their labour costs.^{59,60} While cheaper fuel will support most transport sub-industries, it may have a mixed effect on transit by lowering

⁴⁵ O'Flanagan, R. (2014, July 23). [Costco ready for its Guelph opening on Friday](http://www.guelphmercury.com/news-story/4646921-costco-ready-for-its-guelph-opening-on-friday/). *Guelph Mercury*. Retrieved from <http://www.guelphmercury.com/news-story/4646921-costco-ready-for-its-guelph-opening-on-friday/>

⁴⁶ Retail Insider. (2014, March). [Dollarama to open 400 more Canadian stores](http://www.retail-insider.com/retail-insider/2014/3/dollarama-to-open-400-more-canadian-stores). Retrieved from <http://www.retail-insider.com/retail-insider/2014/3/dollarama-to-open-400-more-canadian-stores>

⁴⁷ Canadian Newswire. (2014, February 4). [Walmart Canada announces expansion plans](http://www.newswire.ca/en/story/1299653/walmart-canada-announces-expansion-plans). Retrieved from <http://www.newswire.ca/en/story/1299653/walmart-canada-announces-expansion-plans>

⁴⁸ Canadian Newswire. (2014, January 29). [Target to Continue Canadian Expansion in 2014](http://www.newswire.ca/en/story/1296625/target-to-continue-canadian-expansion-in-2014). Retrieved from <http://www.newswire.ca/en/story/1296625/target-to-continue-canadian-expansion-in-2014>

⁴⁹ Crscione, P. (2014, January 22). [Walmart to open new supercenters in Brampton](http://www.bramptonguardian.com/news-story/4328933-walmart-to-open-new-supercentres-in-brampton). *Brampton Guardian*. Retrieved from <http://www.bramptonguardian.com/news-story/4328933-walmart-to-open-new-supercentres-in-brampton>

⁵⁰ Marotte, B. (2013, July 15). [Loblaw to buy Shoppers Drug Mart for \\$12.4-billion](http://www.theglobeandmail.com/report-on-business/loblaw-to-buy-shoppers-drug-mart-for-124-billion/article13215651/). *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/loblaw-to-buy-shoppers-drug-mart-for-124-billion/article13215651/>

⁵¹ Strauss, M. and Ladurantaye, S. (2013, June 12). [Sobeys snaps up Safeway in western push](http://www.theglobeandmail.com/report-on-business/sobeys-to-buy-safeway-in-58-billion-deal/article12499648/). *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/sobeys-to-buy-safeway-in-58-billion-deal/article12499648/>

⁵² Rodriguez, J. (2015, January 16). [Retail retreat: Target isn't the only chain closing up shop in Canada](http://www.theglobeandmail.com/report-on-business/retail-retreat-target-isnt-the-only-chain-closing-up-shop-in-canada/article22487550/). *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/retail-retreat-target-isnt-the-only-chain-closing-up-shop-in-canada/article22487550/>

⁵³ Retail Insider. (2015, March). [German Womenswear Brand Gerry Weber plans Aggressive Canadian Expansion](http://www.retail-insider.com/retail-insider/2015/3/germy-weber). Retrieved from <http://www.retail-insider.com/retail-insider/2015/3/germy-weber>

⁵⁴ Retail Insider. (2015, March). [UK Fashion Brand REISS to Open in Canada](http://www.retail-insider.com/retail-insider/2015/3/reiss). Retrieved from <http://www.retail-insider.com/retail-insider/2015/3/reiss>

⁵⁵ Canadian Newswire. (2015, January 26). [UNIQLO to Enter Canadian market in Fall 2016 Opening First Stores in Yorkdale Shopping Centre and Toronto Eaton Centre](http://www.newswire.ca/en/story/1477175/uniqlo-to-enter-canadian-market-in-fall-2016-opening-first-stores-in-yorkdale-shopping-centre-and-toronto-eaton-centre). Retrieved from <http://www.newswire.ca/en/story/1477175/uniqlo-to-enter-canadian-market-in-fall-2016-opening-first-stores-in-yorkdale-shopping-centre-and-toronto-eaton-centre>

⁵⁶ Retail Insider. (2015, March). [New Details on Muji's 1st Canadian Location, Opening Next Week](http://www.retail-insider.com/retail-insider/2014/11/muji-new). Retrieved from <http://www.retail-insider.com/retail-insider/2014/11/muji-new>

⁵⁷ Roche, K. (2014, November 11). [Nordstrom set to hire 400 employees in Ottawa](http://www.ottawasun.com/2014/11/11/nordstrom-set-to-hire-400-employees-in-ottawa). *The Ottawa Sun*. Retrieved from <http://www.ottawasun.com/2014/11/11/nordstrom-set-to-hire-400-employees-in-ottawa>

⁵⁸ Corbi, P. (2014, October 8). [Estimates of Cross-border Shopping, 2006, to 2012](http://www.statcan.gc.ca/pub/13-604-m/13-604-m2014076-eng.htm). *Statistics Canada*. Income and Expenditure Accounts Technical Series Catalogue no. 13-604-M. Retrieved from <http://www.statcan.gc.ca/pub/13-604-m/13-604-m2014076-eng.htm>

⁵⁹ CBC News. (2014, December 10). [Airline profits set to increase 25% to \\$25 billion in 2015, IATA says](http://www.cbc.ca/news/business/airline-profits-set-to-increase-25-to-25-billion-in-2015-iata-says-1.2866980). Retrieved from <http://www.cbc.ca/news/business/airline-profits-set-to-increase-25-to-25-billion-in-2015-iata-says-1.2866980>

⁶⁰ Van Praet, N. (2014, December 10). [Air transport group says cheap oil will not mean lower airfares just yet](http://www.theglobeandmail.com/report-on-business/air-transport-group-says-cheap-oil-will-not-mean-lower-airfares-just-yet/article22032723/). *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/air-transport-group-says-cheap-oil-will-not-mean-lower-airfares-just-yet/article22032723/>

the incentive for ridership in the short to medium-term. Nonetheless, transit employment will be buoyed in 2015 by government infrastructure investments in and around the Toronto economic region to support the expected influx of visitors for the Pan Am/Parapan Am Games.⁶¹ Employment in postal service is likely to decline over the next ten years as a result of a restructuring announcement in 2014 by Canada Post.⁶²

Risky, low-interest investments continue to affect the willingness to hire in the finance, insurance, real estate and leasing industry (FIRE)

Employment in Ontario's FIRE industry grew in 2014 by 1,800, a 0.4% increase over 2013. The Canadian FIRE sector is heavily concentrated in Ontario, accounting for almost half the nation's employment within the sector, and about two-thirds of those employed in Ontario are located in the Toronto economic region. This industry has been strong, recovering well after the impacts of the recession. However, as concerns over the impacts of global uncertainties on the Canadian economy grow, industry employment and GDP will grow at a much slower pace relative to pre-recessionary levels. This industry's profitability is closely tied to interest rates, household and business credit use, returns on investments and overall economic stability. Since the 2008/2009 recession, all-time low interest rates have led to riskier investments. Households and businesses have taken on more debt and an interest rate increase could decrease disposable incomes and increase default risks. These risks negatively impact the profitability of the companies in this industry and their ability to employ.

Investment in Toronto-based research steers employment in professional, scientific and technical services (PSTS)

Employment in Ontario's PSTS industry jumped in 2014 by 17,200, a 3.2% increase over 2013. Over 60% of Ontario PSTS employees are located in the Toronto economic region, as Toronto has a diverse economy that uses this industry's services. Overall, the PSTS industry's growth is usually strong relative to other industries as increased use of technology spurs computer systems design, solid real estate demand drives architecture, engineering and design, and businesses regularly require legal and accounting services. The industry is driven by corporate revenues, business activity and sustained levels of investment in research and development (R&D), and machinery and equipment (M&E). The government supports sector growth through investments in skills, education and infrastructure while also providing support through grants, tax credits and other funding programs. However, governments have taken on high debt loads and a tightening of fiscal policy could lead to sector slowdowns.

Cost-cutting measures of business and government could decrease the demand for business, building and other support services (BBOSS)

Employment in Ontario's BBOSS industry increased in 2014 by 7,900, a 2.4% growth over 2013. The BBOSS industry includes business, employment and travelling services; building and security services; and waste management services. The sector is driven by corporate profitability and sustained levels of business activity, as it provides services that support day-to-day operations of other organizations. Cost-cutting measures taken on by business and government could have a negative impact on demand for many of these services in upcoming years. However, expanding real estate developments will drive several services offered such as building support and maintenance. Growing municipalities will increase demand for waste management and remediation solutions, and continued urban business activity will spur demand for administrative and business support services.

⁶¹ Ontario Ministry of Transportation. (2014, February). [Let's Go!: Toronto 2015 Pan Am/Parapan Am Games Strategic Framework for Transportation](http://www.mto.gov.on.ca/english/pubs/pan-am-games/index.shtml). Retrieved from <http://www.mto.gov.on.ca/english/pubs/pan-am-games/index.shtml>

⁶² Canada Post. (2013, December). [Canada Post's Five-point Action Plan](https://www.canadapost.ca/cpo/mc/aboutus/corporate/ap.jsf). Retrieved from <https://www.canadapost.ca/cpo/mc/aboutus/corporate/ap.jsf>

Educational services employment growth tied to demographics

Employment in the educational services industry grew by 11,300 (+2.3%) in 2014. Although an increase in employment is normally indicative of strength, employment growth weakened compared to 2013 (+3.9%) and is forecasted to continue to soften over the next few years, in line with government fiscal restraint⁶³ and demographic changes. A projected decline in the number of children and young adults (aged 5 to 24)⁶⁴ is expected to contribute to the decrease in employment over the next few years at elementary and secondary schools. However, increased demand for educated workers,⁶⁵ along with growth in Ontario's secondary school graduation rate,⁶⁶ should help fill enrolments and maintain employment at post-secondary institutions.

Employment in health care and social assistance continues to show signs of strength

Employment in the health care and social assistance industry increased by 0.9% in 2014. This industry is one of the largest and most stable employment sectors in the province. Since 2012, the health care system has been transforming and changes are being made to funding programs and services. As such, employment will continue to see shifts from acute care facilities (i.e., the hospitals sub-sector) to community care programs and services (i.e., ambulatory health care services and nursing and residential care sub-sectors) to better meet the needs of patients over the coming years.⁶⁷ Overall, Ontario's aging population will continue to drive the demand for health care services, driving employment in the industry.

Employment in information, culture and recreation may increase as baby boomers spend more time and money

Employment in the information, culture and recreation industry has not varied substantially over the past five years, with growth of 5,000 (+1.6%) in 2014. Media and broadcasting have changed over the past few years due to technological advancements, affecting employment in the publishing, broadcasting and telecommunication sub-industries. The Canadian Broadcasting Corporation (CBC), which is a large employer in television broadcasting, announced major job cuts over the next few years in order to shift its focus from television and radio to digital and mobile services.⁶⁸ Going forward, the movement away from traditional mediums is expected to further influence employment levels for the information and cultural industries.

Employment in arts, entertainment and recreation relies on the performance of the provincial economy as a whole as well as on household disposable income. As families' ability to spend money on leisure activities is directly tied to wage and job levels, the projected employment growth in Ontario in 2015^{69,70,71} should

⁶³ Toronto District School Board. (2015, March 6). [Early approval of balanced budget](http://www.tdsb.on.ca/News/ArticleDetails/TabId/116/ArtMid/474/ArticleID/518/Early-Approval-of-Balanced-Budget.aspx). Retrieved from <http://www.tdsb.on.ca/News/ArticleDetails/TabId/116/ArtMid/474/ArticleID/518/Early-Approval-of-Balanced-Budget.aspx>

⁶⁴ Statistics Canada. Table 052-0005: Projected population, by projection scenario, age and sex, as of July 1, Canada, provinces and territories annual (persons x 1,000)

⁶⁵ Ontario Ministry of Finance. (2014). [2014 Ontario Budget](http://www.fin.gov.on.ca/en/budget/ontariobudgets/2014/ch1a.html). Retrieved from <http://www.fin.gov.on.ca/en/budget/ontariobudgets/2014/ch1a.html>

⁶⁶ Ontario Ministry of Education. (2014, April 4). [High school graduation rate stays strong](http://news.ontario.ca/edu/en/2014/04/high-school-graduation-rate-stays-strong.html). Retrieved from <http://news.ontario.ca/edu/en/2014/04/high-school-graduation-rate-stays-strong.html>

⁶⁷ Ontario Ministry of Health and Long-Term Care. (Updated 2013, October 17). [Results-based plan briefing book 2013-2014](http://www.health.gov.on.ca/en/common/ministry/publications/plans/rbplan13/). Retrieved from <http://www.health.gov.on.ca/en/common/ministry/publications/plans/rbplan13/>

⁶⁸ CBC News. (2014, June 26). [CBC to cut back supper-hour news, in-house productions: Corporation will have up to 1,500 fewer employees by 2020](http://www.cbc.ca/news/canada/cbc-to-cut-back-supper-hour-news-in-house-productions-1.2688409). Retrieved from <http://www.cbc.ca/news/canada/cbc-to-cut-back-supper-hour-news-in-house-productions-1.2688409>

⁶⁹ TD Economics. (2014, December 17). [Provincial Economic Forecast: Crude oil price slide to leave a big mark on regional economic performances](http://www.td.com/document/PDF/economics/gef/ProvincialEconomicForecast_Dec2014.pdf). Retrieved from http://www.td.com/document/PDF/economics/gef/ProvincialEconomicForecast_Dec2014.pdf

⁷⁰ Ontario Ministry of Finance. (2014). [2014 Ontario Budget Chapter II: Ontario's economic outlook and fiscal plan](http://www.fin.gov.on.ca/en/budget/ontariobudgets/2014/ch2c.html). Retrieved from <http://www.fin.gov.on.ca/en/budget/ontariobudgets/2014/ch2c.html>

⁷¹ RBC Economics. (2015, March). [Provincial outlook: Ontario](http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/ont.pdf). Retrieved from <http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/ont.pdf>

stimulate demand for jobs in this industry. Furthermore, as the baby boomers continue to retire, they will have more time to spend on recreational activities, which may boost the demand for employment in the industry over the long run.

Employment grew in accommodation and food services despite rising costs

Employment grew by 9,700 (+2.2%) in the accommodation and food services industry in 2014. High operating costs have been the biggest hurdles reported by restaurant operators in the last quarter of 2014, as the high food and labour costs have cut into firm profits.⁷² In particular, labour shortages and the rise in meat and fish prices pose significant challenges for restaurants according to Restaurants Canada's Restaurant Outlook Survey.⁷³ Tourism is another main factor behind the performance of this industry. Since 2007, the number of travelers and tourists to Ontario has decreased.^{74,75} However, the strong performance of the U.S. economy, the reduction of the price of fuel and the devaluation of the CAD may have contributed to the rise in the accommodation and food services industry's employment in 2014. These conditions are expected to remain in 2015, which bodes well for tourism in the province and the industry's employment growth going forward.⁷⁶

Other services employment declines

Employment in other services decreased in 2014 by 5,100 (-1.7%). Other services is a diverse industrial group that includes repair and maintenance; personal and laundry services; religious, grant-making, civic, and professional and similar organizations; and private households. The demand for other services is driven by many factors. Aging population demographics affect demand for services such as the funeral homes sub-industry, which should grow over the coming years. However in light of the growing cost of household operations in Ontario,⁷⁷ there is the potential for waning expenditures on some services, such as beauty salons or car washes, while increasing expenditures in related fields such as personal and household goods repair and maintenance (i.e., home and garden, appliance, or re-upholstery and furniture repair). The growth of these expenditures could positively affect employment in the industry going forward if they augment service call volume, specifically in the Toronto economic region which accounts for over half of employment in the industry for the province.

Employment growth in public administration should improve with the recovering economy

Employment in public administration decreased by 4,800 (-1.3%) in 2014. As Ontario's economy strengthens in 2015, the demand for public services should also increase causing a rise in employment for the industry overall.

⁷² Elliott, C. (January 20, 2015). [Restaurant Outlook Survey](https://www.restaurantscanada.org/Portals/0/Non-Member/2015/restaurantoutlooksurvey_2014_q4.pdf). Restaurants Canada. Retrieved from https://www.restaurantscanada.org/Portals/0/Non-Member/2015/restaurantoutlooksurvey_2014_q4.pdf

⁷³ *ibid*

⁷⁴ Statistics Canada. Table 427-0005: Number of international travellers entering or returning to Canada, by province of entry, seasonally adjusted monthly (persons)

⁷⁵ Statistics Canada. Table 427-0004: Number of international tourists entering or returning to Canada, by province of entry monthly (persons)

⁷⁶ Global News. (2015, January 22). [Falling price of Canadian dollar gives tourism a boost](http://globalnews.ca/news/1788573/falling-price-of-canadian-dollar-gives-tourism-a-boost/). Retrieved from <http://globalnews.ca/news/1788573/falling-price-of-canadian-dollar-gives-tourism-a-boost/>

⁷⁷ Statistics Canada. (2015, January 23). Table 326-0021 and Catalogue nos. 62-001-X and 62-010-X: Consumer Price Index, household operations and furnishings and equipment, by province.

Table 2: Annual Labour Force Statistics in Ontario, Employment by Industry

Employment ('000) Seasonally Unadjusted Data	Year			2013 to 2014		2012 to 2013	
	2014	2013	2012	Number	%	Number	%
Total employed, all industries	6,877.9	6,823.4	6,702.6	54.5	0.8	120.8	1.8
Goods-producing sector	1,382.0	1,397.5	1,415.3	-15.5	-1.1	-17.8	-1.3
Agriculture	81.8	83.8	91.2	-2.0	-2.4	-7.4	-8.1
Forestry, fishing, mining, quarrying, oil and gas	33.2	35.9	34.3	-2.7	-7.5	1.6	4.7
Utilities	51.1	51.8	52.3	-0.7	-1.4	-0.5	-1.0
Construction	467.3	459.1	458.4	8.2	1.8	0.7	0.2
Manufacturing	748.6	767.0	779.2	-18.4	-2.4	-12.2	-1.6
Services-producing sector	5,495.9	5,425.9	5,287.3	70.0	1.3	138.6	2.6
Trade	1,047.0	1,019.0	1,006.8	28.0	2.7	12.2	1.2
Transportation and warehousing	329.0	336.3	312.6	-7.3	-2.2	23.7	7.6
Finance, insurance, real estate and leasing	512.1	510.3	495.7	1.8	0.4	14.6	2.9
Professional, scientific and technical services	559.9	542.7	530.3	17.2	3.2	12.4	2.3
Business, building and other support services	334.7	327.7	296.3	7.0	2.1	31.4	10.6
Educational services	494.6	483.3	465.1	11.3	2.3	18.2	3.9
Health care and social assistance	798.2	790.8	768.8	7.4	0.9	22.0	2.9
Information, culture and recreation	316.5	311.5	319.6	5.0	1.6	-8.1	-2.5
Accommodation and food services	450.3	440.6	431.6	9.7	2.2	9.0	2.1
Other services	286.8	291.9	294.8	-5.1	-1.7	-2.9	-1.0
Public administration	366.8	371.6	365.8	-4.8	-1.3	5.8	1.6

Note: Totals may not add due to rounding.

Source: Statistics Canada's Labour Force Survey - CANSIM Table 282-0008

Employment by Age and Sex

Older workers led employment growth in 2014

Employment growth in 2014 was strongest for older workers aged 55 years and over (+68,700) compared to youth aged 15 to 24 years (+14,000) and core-aged workers aged 25 to 54 years (-28,100).⁷⁸ Furthermore, the proportion of older workers has also increased, comprising 19.5% of the working-age population in 2014, up from 18.7% in 2013.⁷⁹ The aging workforce will continue to reshape Ontario's labour market as the overall proportion of seniors (65 years and over) continues to rise.⁸⁰ With a generation of baby boomers staying longer in the workforce, advancement into better paying positions could lag for Ontario's youth in the coming years. In 2014, the youth unemployment rate in Ontario dropped by 0.5 percentage points as employment gains were

⁷⁸ Statistics Canada. Table 282-0002: Labour force survey estimates (LFS), by sex and detailed age group, annual (persons)

⁷⁹ *Ibid.*

⁸⁰ Statistics Canada. Table 052-0005: Projected population, by projection scenario, age and sex, as of July 1, Canada, provinces and territories, annual (persons x 1,000)

made in both full-time (+8,800) and part-time (+5,100) work. This trend is likely to continue given the forecasted growth of Ontario's economy in 2015.

Employment for males aged 25 and over has continued to rise since the height of the recession

Employment for males aged 25 years and over has steadily increased since 2009, with a gain of 47,000 in 2014. Although there was a loss in employment of females aged 25 years and over in 2009 of a much lesser extent (-9,600) compared to the loss in employment of males (-99,100) in the same year, 2014 marks a drop in the employment of females by 6,600.⁸¹

The employment of females aged 15 to 24 years however was stronger in 2014 (+16,800) than for their male counterparts (-2,800). Youth employment in 2014 still lags from pre-recession peak levels for both females (-20,300) and males (-20,300).⁸²

Table 3: Annual Unemployment Rates by Age and Gender in Ontario

Unemployment Rate (%) Seasonally Unadjusted Data	Year			2013 to 2014	2012 to 2013
	2014	2013	2012	Number	Number
Total	7.3	7.6	7.9	-0.3	-0.3
25 years and over	5.8	6.1	6.3	-0.3	-0.2
Men - 25 years and over	5.9	6.3	6.5	-0.4	-0.2
Women - 25 years and over	5.6	5.8	6.1	-0.2	-0.3
15 to 24 years	15.7	16.2	17.0	-0.5	-0.8
Men - 15 to 24 years	16.7	17.3	18.5	-0.6	-1.2
Women - 15 to 24 years	14.7	15.0	15.4	-0.3	-0.4

Source: Statistics Canada's Labour Force Survey - CANSIM Table 282-0002

Local Labour Market Conditions

The province of Ontario is divided into eleven economic regions. These areas were created in the past by an agreement between Statistics Canada and the province of Ontario and are used for both the Labour Force Survey and the Census. Employment growth varied widely across economic regions in Ontario in 2014. For the first time in five years, **Toronto** did not lead the province in growth, as employment remained stagnant in the region. In 2014, the largest employment increase was recorded in the **Muskoka-Kawartha** economic region, where construction and retail trade activities intensified. Elsewhere, the softening of the commodities market continued to temper employment growth in Northern Ontario and areas in Southern Ontario continued to face challenges in manufacturing.

Infrastructure and retail projects bode well for the Ottawa economy

In 2014, employment in the **Ottawa** economic region increased by 13,300. The region continues to have one of the highest participation and employment rates in the province, with the public administration industry

⁸¹ Statistics Canada. Table 282-0002: Statistics Canada. Table 282-0002: Labour force survey estimates (LFS), by sex and detailed age group, annual (persons x1,000)

⁸² Statistics Canada. Table 282-0002: Statistics Canada. Table 282-0002: Labour force survey estimates (LFS), by sex and detailed age group, annual (persons x1,000)

accounting for a substantial percentage of the workforce. The regional unemployment rate inched up to 6.6% as more people looked for work in 2014, which is a sign of confidence in the region's labour market.

Despite layoff news from employers in Ottawa in 2014 including BlackBerry⁸³ and Holt Renfrew,⁸⁴ a number of significant projects continued to generate opportunities in the region. Within the construction industry, announcements of plans to renovate the National Arts Centre⁸⁵ and the Canada Science and Technology Museum,⁸⁶ as well as the ongoing work on the Ottawa Confederation light rail transit (LRT) project,⁸⁷ had a positive effect on employment in the region. In July, the TD Place Stadium in Ottawa opened for large-scale sporting events,⁸⁸ contributing a number of part-time and seasonal positions to the city.⁸⁹ The launch of the Tanger Outlet Ottawa mall⁹⁰ boosted the regional retail trade industry in 2014, and this positive trend in retail should continue through 2015 with a number of new stores scheduled to open in the region, including a Nordstrom location.⁹¹

Due to its location and high proportion of bilingual residents, employment in distribution centres and call centres in Cornwall continued to grow in 2014 as Atelka⁹² and Scotiabank⁹³ announced new positions for their call centres and Supply Chain Management announced a number of hiring opportunities for various distribution centres.⁹⁴ However, the manufacturing industry in Cornwall experienced a substantial loss in 2014 as Canlyte, a division of Philips Electronics, transferred manufacturing of LED fixtures to other locations in North America.⁹⁵

A difficult 2014 for Kingston–Pembroke's services-producing sector

The **Kingston–Pembroke** economic region experienced the largest employment decrease in 2014 among Ontario regions, falling by 3,800 from 2013, with a significant decline in the services-producing sector. In sharp contrast to the other regions in the province, the unemployment rate rose by 1.3 percentage points to 8.4% as the number of unemployed increased.

The year started with the news that Sears was laying off approximately 530 people at its distribution and call centres in Belleville,⁹⁶ representing a significant number for this mid-sized community. In Kingston, Knorr Brake

⁸³ CBC News Staff. (2014, March 8). [BlackBerry to shut down Ottawa product development centre](http://www.cbc.ca/news/canada/ottawa/blackberry-to-shut-down-ottawa-product-development-centre-1.2577206). *CBC News Ottawa*. Retrieved from <http://www.cbc.ca/news/canada/ottawa/blackberry-to-shut-down-ottawa-product-development-centre-1.2577206>

⁸⁴ CBC News Staff. (2014, August 28). [Holt Renfrew to close Ottawa, Quebec City stores in 2015](http://www.cbc.ca/news/canada/ottawa/holt-renfrew-to-close-ottawa-quebec-city-stores-in-2015-1.2749448). *CBC News Ottawa*. Retrieved from <http://www.cbc.ca/news/canada/ottawa/holt-renfrew-to-close-ottawa-quebec-city-stores-in-2015-1.2749448>

⁸⁵ CBC News Staff. (2014, December 10). [National Arts Centre in Ottawa gets \\$110M for makeover](http://www.cbc.ca/news/canada/ottawa/national-arts-centre-in-ottawa-gets-110m-for-makeover-1.2866949). *CBC News Ottawa*. Retrieved from <http://www.cbc.ca/news/canada/ottawa/national-arts-centre-in-ottawa-gets-110m-for-makeover-1.2866949>

⁸⁶ CBC News Staff. (2014, November 17). [Canada Science and Technology Museum to be upgraded, reopen in 2017](http://www.cbc.ca/news/canada/ottawa/canada-science-and-technology-museum-to-be-upgraded-reopen-in-2017-1.2837939). *CBC News Ottawa*. Retrieved from <http://www.cbc.ca/news/canada/ottawa/canada-science-and-technology-museum-to-be-upgraded-reopen-in-2017-1.2837939>

⁸⁷ City of Ottawa. *Confederation Line website*. Retrieved from: <http://www.ligneconfederationline.ca/welcome-to-the-confederation-line/>

⁸⁸ CTV News Ottawa Staff. (2014, July 6). [Local residents get first look at new TD Place stadium](http://ottawa.ctvnews.ca/local-residents-get-first-look-at-new-td-place-stadium-1.1901502). *CTV News Ottawa*. Retrieved from <http://ottawa.ctvnews.ca/local-residents-get-first-look-at-new-td-place-stadium-1.1901502>

⁸⁹ Sali, D. (2014, April 2). [OSEG goes on hiring spree ahead of season openers](http://www.obj.ca/Local/Sports-and-entertainment/2014-04-02/article-3667354/OSeg-goes-on-hiring-spree-ahead-of-season-openers/1). *Ottawa Business Journal*. Retrieved from <http://www.obj.ca/Local/Sports-and-entertainment/2014-04-02/article-3667354/OSeg-goes-on-hiring-spree-ahead-of-season-openers/1>

⁹⁰ Tanger Factory Outlet Centres, Inc. (2014, September 23). [Tanger Outlets Ottawa to Celebrate Grand Opening on October 17](http://www.newswire.ca/en/story/1416314/tanger-outlets-ottawa-to-celebrate-grand-opening-on-october-17). Retrieved from <http://www.newswire.ca/en/story/1416314/tanger-outlets-ottawa-to-celebrate-grand-opening-on-october-17>

⁹¹ Dube, D. (2015, March 6). [Excitement, high energy at Nordstrom Ottawa opening](http://www.ottawasun.com/2015/03/06/live-nordstrom-opens-ottawa-store). *Ottawa Sun*. Retrieved from <http://www.ottawasun.com/2015/03/06/live-nordstrom-opens-ottawa-store>

⁹² Peters, B. (2014, March 6). [Atelka Offering A Paid Training Course For New Hires](http://www.choosecornwall.ca/eng/news/786/57/Atelka-Offering-A-Paid-Training-Course-For-New-Hires/). *Choose Cornwall*. Retrieved from <http://www.choosecornwall.ca/eng/news/786/57/Atelka-Offering-A-Paid-Training-Course-For-New-Hires/>

⁹³ Peters, B. (2014, February 26). [Scotiabank Hiring Again for Cornwall Contact Centre](http://www.choosecornwall.ca/eng/news/780/57/Scotiabank-Hiring-Again-for-Cornwall-Contact-Centre/). *Choose Cornwall*. Retrieved from <http://www.choosecornwall.ca/eng/news/780/57/Scotiabank-Hiring-Again-for-Cornwall-Contact-Centre/>

⁹⁴ Peters, B. (2014, February 4). [SCM Recruiting for New Positions in Cornwall](http://www.choosecornwall.ca/eng/news/771/57/SCM-Recruiting-for-New-Positions-in-Cornwall/). *Choose Cornwall*. Retrieved from <http://www.choosecornwall.ca/eng/news/771/57/SCM-Recruiting-for-New-Positions-in-Cornwall/>

⁹⁵ CBC News Staff. (2014, May 4). [Almost 200 jobs lost as Philips Canlyte closes Cornwall plant](http://www.cbc.ca/news/canada/ottawa/almost-200-jobs-lost-as-philips-canlyte-closes-cornwall-plant-1.2631570). Retrieved from <http://www.cbc.ca/news/canada/ottawa/almost-200-jobs-lost-as-philips-canlyte-closes-cornwall-plant-1.2631570>

⁹⁶ Hendry, L. (2014, January 16). [Layoffs at Sears](http://www.intelligencer.ca/2014/01/15/layoffs-at-sears). *Belleville Intelligencer*. Retrieved from <http://www.intelligencer.ca/2014/01/15/layoffs-at-sears>

shut down its operations as the company relocated its manufacturing production to the U.S.⁹⁷ However, the construction of various distribution centres in the region mitigated these losses to some degree, as the region took advantage of its location in the Toronto-Montreal-Ottawa corridor. D’Orsogna opened its first North American distribution centre in 2014⁹⁸ and McKesson Canada launched a new distribution centre in Trenton.⁹⁹ A FedEx distribution facility also began construction in Belleville.¹⁰⁰

Resort redevelopment and airport upgrades noteworthy for tourism-friendly Muskoka–Kawarthas

Employment in the **Muskoka–Kawarthas** economic region grew for the first time in three years, increasing by 17,800, the largest among all Ontario regions. The unemployment rate fell from 7.9% to 6.3% in 2014, while there were substantial gains in both full-time employment and the labour force. However, the region continued to post one of the lowest participation rates due to its older demographics. Muskoka–Kawarthas is frequently known as “Cottage Country” in southern Ontario, as it serves as a popular retirement destination due its close proximity to the Toronto economic region.

The tourism industry plays a vital role in Muskoka–Kawarthas’ economy, exemplified by the redevelopment process for Deerhurst Resort near Huntsville,¹⁰¹ while the regional residential construction was strong throughout 2014 with various projects in progress. To complement the region’s tourism sector, there were a number of mid-scale construction projects throughout 2014 in municipal airports in Peterborough,¹⁰² Kawartha Lakes¹⁰³ and Haliburton.¹⁰⁴ Manufacturing in Peterborough also received a boost in 2014 when the local General Electric plant was awarded a contract with TransCanada Pipelines to supply motors for the East Energy Pipeline project.¹⁰⁵

Stagnation in retail trade mitigated by a number of public infrastructure projects in Toronto

For the first time in five years, the **Toronto** economic region did not register the largest employment gain in the province, as employment remained relatively unchanged in 2014. Despite two straight decreases in 2013 and 2014, at 8.0% the regional unemployment rate was still one of the highest in the province. Furthermore, the participation rate fell by 1.2 percentage points to 66.8% as the labour force declined during the year.

The regional trade industry continued to diversify with the announcement of upcoming arrivals of high-end retailers such as Nordstrom¹⁰⁶ and Saks Fifth Avenue.¹⁰⁷ Also, notable regional expansion projects at Walmart¹⁰⁸

⁹⁷ Hendra, P. (2013, February 26). **Brake plant shuts down**. *Kingston Whig-Standard*. Retrieved from <http://www.thewhig.com/2013/02/26/brake-plant-shuts-down>

⁹⁸ Mountney-Lessard, E. and Kuglin, E. (2014, August 1). **Italian company opening North American facility in Quinte West**. *Belleville Intelligencer*. Retrieved from <http://www.intelligencer.ca/2014/08/01/italian-company-opening-north-american-production-facility-in-quinte-west>

⁹⁹ Mountney-Lessard, E. (2013, July 12). **Distribution centre to open in Trenton**. *Belleville Intelligencer*. Retrieved from <http://www.intelligencer.ca/2013/07/12/distribution-centre-to-open-in-trenton>

¹⁰⁰ Miller, J. (2014, August 12). **FedEx delivers land deal**. *Belleville Intelligencer*. Retrieved from <http://www.intelligencer.ca/2014/08/12/fedex-delivers-land-deal>

¹⁰¹ Wintrob, S. (2014, July 3). **Deerhurst Resort’s \$400-million redevelopment plan aims to “take the lake experience up five notches”**. *National Post*. Retrieved from <http://news.nationalpost.com/2014/07/03/deerhurst-resorts-400-million-redevelopment-plan-aims-to-take-the-lake-experience-up-five-notches/>

¹⁰² Eagle, G. (2014, January 6). **Flight school begins classes at Peterborough Airport**. *The Peterborough Examiner*. Retrieved from <http://www.thepeterboroughexaminer.com/2014/01/06/flight-school-begins-classes-at-peterborough-airport>

¹⁰³ Savage, T. (2014, June 25). **City to invest in airport hangar expansion**. *City of Kawartha Lakes*. Retrieved from <http://www.city.kawarthalakes.on.ca/news/city-to-invest-in-airport-hangar-expansion>

¹⁰⁴ Arike, M. (2014, September 11). **Stanhope ready for MNR construction**. *Highlander News*. Retrieved from <http://www.highlanderonline.ca/stanhope-ready-for-mnr-construction>

¹⁰⁵ Vandonk, K. (2014, November 13). **General Electric’s new contract with Trans Canada Pipeline to create 250 jobs**. *My Kawartha*. Retrieved from <http://www.mykawartha.com/news-story/5024570-general-electric-s-new-contract-with-trans-canada-pipeline-to-create-250-jobs/>

¹⁰⁶ Wright, L. (2014, January 15). **Nordstrom to replace Sears at Eaton Centre**. *Toronto Star*. Retrieved from <http://www.thestar.com/business/2014/01/15/nordstrom-to-replace-sears-at-eaton-centre.html>

and the Yorkdale¹⁰⁹ and Vaughan Mills shopping centres¹¹⁰ have added to retail employment opportunities. However, the closure of all Target Canada locations,¹¹¹ as well as the closure of a number of Canadian chains during 2014, may prove significant to the regional retail industry in coming years. In construction, a number of infrastructure development projects made headlines and picked up slack from slowing residential construction, including the expansion of Highway 410,¹¹² upgrades to public transit in the Toronto,¹¹³ York¹¹⁴ and Peel regions,¹¹⁵ and the revitalization of Ontario Place.¹¹⁶ In addition, the technology sector showed signs of strength as a number of companies announced new facilities in the Toronto economic region, including Ubisoft,¹¹⁷ SAP,¹¹⁸ Lenovo¹¹⁹ and Cisco.¹²⁰ In the manufacturing industry, clothing manufacturer Canada Goose opened a new headquarters and manufacturing facility in Toronto,¹²¹ Fiera Foods expanded their bakery operations,¹²² and Ford Canada added numerous jobs at its Oakville plant in 2014.¹²³

Continued investment in transportation and manufacturing in Kitchener–Waterloo–Barrie despite challenges

In 2014, employment in the **Kitchener–Waterloo–Barrie** economic region grew by 11,000. Despite some high profile layoffs during 2014, the unemployment rate in the region fell by 0.6 percentage points to 5.8% and the employment rate remained the highest in the province at 66.2%.

There was significant news in the regional manufacturing industry in 2014, as the struggles of the first half of the year gave way to an increased competitiveness in the second half, partly due to the lower CAD. While plants owned by Schneiders¹²⁴ and Owens Corning¹²⁵ moved production in Hamilton and Mexico respectively,

¹⁰⁷ Kopun, F. (2014, January 27). **Eaton Centre to expand for Saks Fifth Avenue flagship and include the Bay.** *Toronto Star*. Retrieved from http://www.thestar.com/business/2014/01/27/hudsons_bay_co_to_sell_lease_back_downtown_toronto_properties.html

¹⁰⁸ Criscione, P. (2014, January 22). **Walmart to open new supercenters in Brampton.** *Brampton Guardian*. Retrieved from <http://www.bramptonguardian.com/news-story/4328933-walmart-to-open-new-supercentres-in-brampton>

¹⁰⁹ Yorkdale Shopping Centre. (2014, May 5). **Yorkdale's new retailers feature impressive range of haute and hot couture.** Retrieved from <http://www.newswire.ca/en/story/1349531/yorkdale-s-new-retailers-feature-impressive-range-of-haute-and-hot-couture>

¹¹⁰ Ivanhoé Cambridge. (2014, October 23). **Vaughan Mills officially opens 50-store expansion to the public.** Retrieved from <http://www.newswire.ca/en/story/1432978/vaughan-mills-officially-opens-50-store-expansion-to-the-public>

¹¹¹ Mulholland, A. (2015, January 15). **Target leaving Canada: 'Losing money every day'.** *CTV News*. Retrieved from <http://www.ctvnews.ca/business/target-leaving-canada-losing-money-every-day-1.2189973>

¹¹² Shah, M. (2014, September 9). **Part of Hwy. 410 being widened to 10 lanes.** *Toronto Sun*. Retrieved from <http://www.torontosun.com/2014/09/09/part-of-hwy-410-being-widened-to-10-lanes>

¹¹³ Kuitenbrouwer, P. (2014, August 8). **Crosstown construction will clog Eglinton for at least six years, but the heralded arrival of mass transit sparks gold rush of developers.** *National Post*. Retrieved from <http://news.nationalpost.com/2014/08/08/crosstown-construction-will-clog-eglinton-for-at-least-six-years-but-the-heralded-arrival-of-mass-transit-sparks-gold-rush-of-developers/>

¹¹⁴ Kalinowski, T. (2014, April 22). **Yonge St. portion of York Viva busway starts construction this year.** *Toronto Star*. Retrieved from http://www.thestar.com/news/gta/2014/04/22/yonge_st_portion_of_york_viva_busway_starts_construction_this_year.html

¹¹⁵ Canadian Newswire. (2013, November 12). **Groundbreaking for Phase II of Brampton Züm project.** *Canadian Newswire*. Retrieved from <http://www.newswire.ca/en/story/1259781/groundbreaking-for-phase-ii-of-brampton-zum-project>

¹¹⁶ Associated Press. (2014, July 31). **Construction set to begin on first phase of Ontario Place revitalization.** *Toronto Star*. Retrieved from http://www.thestar.com/news/queenspark/2014/07/31/construction_to_begin_soon_on_first_phase_of_ontario_place_revitalization.html

¹¹⁷ Ontario Newsroom. (2014, July 17). **Government Partnership with Ubisoft Supporting 800 New Jobs in Ontario.** *Ontario Newsroom*. Retrieved from <http://news.ontario.ca/opo/en/2014/07/business-investments-creating-good-jobs.html>

¹¹⁸ Ligaya, A. (2014, July 24). **SAP opening Canadian data centre as cloud-based technology attracts more users.** *CBC News*. Retrieved from http://business.financialpost.com/2014/07/24/sap-opening-canadian-data-centre-as-cloud-based-technology-attracts-more-users/?_lsa=ad0b-b1ef

¹¹⁹ Greiner, L. (2014, December 5). **Lenovo Canada opens new 37,000-square-foot headquarters in Markham, Ont.** *Financial Post*. Retrieved from http://business.financialpost.com/2014/12/05/lenovo-canada-opens-new-37000-square-foot-headquarters-in-markham-ont/?_lsa=ad0b-b1ef

¹²⁰ Grant, T. (2014, March 5). **Cisco boosts Toronto's tech credibility with \$100-million innovation hub.** *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/report-on-business/cisco-taps-toronto-as-one-of-four-global-innovation-hubs/article17311981/>

¹²¹ Canada Goose. (2014, October 15). **Canada Goose Opens New Doors for 'Made in Canada'.** Retrieved from <http://www.newswire.ca/en/story/1428110/canada-goose-opens-new-doors-for-made-in-canada>

¹²² Fiera Foods Company. (2014, March 24). **Fiera Foods' Growth Attracts Ontario Government Support.** Retrieved from <http://www.newswire.ca/en/story/1327619/fiera-foods-growth-attracts-ontario-government-support>

¹²³ CBC News Staff. (2014, October 1). **Ford adds 1,000 jobs to Oakville, Ont. plant.** *CBC News*. Retrieved from <http://www.cbc.ca/news/business/ford-adds-1-000-jobs-to-oakville-ont-plant-1.2783598>

¹²⁴ CBC News Staff. (2014, June 24). **Schneiders closure will result in 500 layoffs, says councillor.** *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/kitchener-waterloo/schneiders-closure-will-result-in-500-layoffs-says-councillor-1.2685747>

the Honda plant in Alliston¹²⁶ and the COM DEV International manufacturing facility¹²⁷ invested sizeable funds for expansion, research, and development. BlackBerry announced a number of job additions and layoffs throughout 2014 as it continued with its restructuring process.¹²⁸ Kitchener–Waterloo–Barrie also welcomed investment in its infrastructure as the provincial government invested in the Kitchener GO train line,¹²⁹ Waterloo region broke ground on the ION LRT project,¹³⁰ and the Region started budgeting for the Grand River Transit system.¹³¹ In addition to positive developments in manufacturing and construction, a number of openings during the year in the trade industry contributed to job growth in the region, including a new Costco warehouse in Guelph¹³² and the expansion of Tangers Outlets in Innisfil.¹³³

Retail trade and several construction projects in Hamilton–Niagara Peninsula expected to boost employment

Employment in the Hamilton–Niagara Peninsula economic region grew by 8,900 in 2014. During 2014, the region's manufacturing base suffered a setback in employment after improving in 2013. Within the dominant primary metal manufacturing sub-industry, mixed events occurred among major employers. While ArcelorMittal Dofasco Inc. announced plans to hire new staff to replace over 1,000 retirees within five years,^{134,135} U.S. Steel Canada continued to restructure, negatively affecting workers.^{136,137,138} Despite these challenges, the region remains an important source of heavy manufacturing activities in the province. For example, during 2014 and resulting from impending new federal rail safety regulations, two local companies obtained private contracts to build new freight cars and specific types of oil tanks, supporting growth in their businesses: Trenergy Inc. in St. Catharines created over 200 jobs¹³⁹ and National Steel Car Ltd. in Hamilton added more than 300 new workers after recalling previously laid off staff.¹⁴⁰

Retail trade employment grew in the region in 2014, and the industry's presence in areas close to the border was a key factor. The international borders in the Niagara area account for about a quarter of Ontario's

¹²⁵ CTV News Staff. (2014, October 22). [Owens Corning moving some production from Guelph to Mexico](http://kitchener.ctvnews.ca/owens-corning-moving-some-production-from-guelph-to-mexico-1.2066373). CTV News Kitchener. Retrieved from <http://kitchener.ctvnews.ca/owens-corning-moving-some-production-from-guelph-to-mexico-1.2066373>

¹²⁶ Klein, R. (2014, November 6). [Honda to invest \\$857 million in Alliston operations](http://barrie.ctvnews.ca/honda-to-invest-857-million-in-alliston-operations-1.2089721). CTV News Barrie. Retrieved from <http://barrie.ctvnews.ca/honda-to-invest-857-million-in-alliston-operations-1.2089721>

¹²⁷ CTV News Staff. (2014, February 14). [Com Dev grant announced by premier expected to create 75 jobs](http://kitchener.ctvnews.ca/com-dev-grant-announced-by-premier-expected-to-create-75-jobs-1.1686801). CTV News Kitchener. Retrieved from <http://kitchener.ctvnews.ca/com-dev-grant-announced-by-premier-expected-to-create-75-jobs-1.1686801>

¹²⁸ Pender, T. (2014, September 27). [Resurgent BlackBerry hiring 350 engineers](http://www.thespec.com/news-story/4884627-resurgent-blackberry-hiring-350-engineers/). The Hamilton Spectator. Retrieved from <http://www.thespec.com/news-story/4884627-resurgent-blackberry-hiring-350-engineers/>

¹²⁹ Government of Ontario. (2014, March 18). [Full-Day, Two-Way GO Train Service Between Waterloo Region and the Greater Toronto Area](http://news.ontario.ca/opo/en/2014/03/full-day-two-way-go-train-service-between-waterloo-region-and-the-greater-toronto-area.html). Government of Ontario Newsroom. Retrieved from <http://news.ontario.ca/opo/en/2014/03/full-day-two-way-go-train-service-between-waterloo-region-and-the-greater-toronto-area.html>

¹³⁰ CBC News Staff. (2014, August 21). [All smiles at Waterloo Region LRT groundbreaking](http://www.cbc.ca/news/canada/kitchener-waterloo/all-smiles-at-waterloo-region-lrt-groundbreaking-1.2743188). CBC News. Retrieved from <http://www.cbc.ca/news/canada/kitchener-waterloo/all-smiles-at-waterloo-region-lrt-groundbreaking-1.2743188>

¹³¹ Desmond, P. (2014, July 2). [Region to spend \\$73M for new Grand River Transit garage](http://www.therecord.com/news-story/4611294-region-to-spend-73m-for-new-grand-river-transit-garage/). Waterloo Region Record. Retrieved from <http://www.therecord.com/news-story/4611294-region-to-spend-73m-for-new-grand-river-transit-garage/>

¹³² O'Flanagan, R. (2014, July 23). [Costco ready for its Guelph opening on Friday](http://www.guelphmercury.com/news-story/4646921-costco-ready-for-its-guelph-opening-on-friday/). Guelph Mercury. Retrieved from <http://www.guelphmercury.com/news-story/4646921-costco-ready-for-its-guelph-opening-on-friday/>

¹³³ King, M. (2014, November 10). [Tanger Outlets a 'boost' to Innisfil, say officials](http://www.thebarrieexaminer.com/2014/11/08/tanger-outlets-a-boost-to-innisfil-say-officials). The Barrie Examiner. Retrieved from <http://www.thebarrieexaminer.com/2014/11/08/tanger-outlets-a-boost-to-innisfil-say-officials>

¹³⁴ CBC News. (2014, February 9). [ArcelorMittal Dofasco to spend \\$87m on coke plant upgrades](http://www.cbc.ca/news/canada/hamilton/news/arcelormittal-dofasco-to-spend-87m-on-coke-plant-upgrades-1.2529691). Retrieved from <http://www.cbc.ca/news/canada/hamilton/news/arcelormittal-dofasco-to-spend-87m-on-coke-plant-upgrades-1.2529691>

¹³⁵ Arnold, S. (2015, February 19). [1,000 jobs planned for ArcelorMittal over three years](http://www.investinhamilton.ca/1000-jobs-planned-arcelormittal-years/). Hamilton Economic Development. Retrieved from <http://www.investinhamilton.ca/1000-jobs-planned-arcelormittal-years/>

¹³⁶ Van Dongen, M. (2014, February 3). [U.S. Steel plans to lay off 175 non-unionized workers](http://www.thespec.com/news-story/4348939-u-s-steel-plans-to-lay-off-175-non-unionized-workers/). The Hamilton Spectator. Retrieved from <http://www.thespec.com/news-story/4348939-u-s-steel-plans-to-lay-off-175-non-unionized-workers/>

¹³⁷ Craggs, S. (2014, October 28). [U.S. Steel idles Hamilton coke making](http://www.cbc.ca/news/canada/hamilton/news/u-s-steel-idles-hamilton-coke-making-1.2815707). CBC News. Retrieved from <http://www.cbc.ca/news/canada/hamilton/news/u-s-steel-idles-hamilton-coke-making-1.2815707>

¹³⁸ Arnold, S. (2014, December 6). [U.S. Steel to restart Hamilton coke ovens](http://www.thespec.com/news-story/5184874-u-s-steel-to-restart-hamilton-coke-ovens/). The Hamilton Spectator. Retrieved from <http://www.thespec.com/news-story/5184874-u-s-steel-to-restart-hamilton-coke-ovens/>

¹³⁹ Houle, R. (2014, May 6). [Firm looks to fill 200 jobs](http://www.niagarafallsreview.ca/2014/05/06/firm-looks-to-fill-200-jobs). Niagara Falls Review. Retrieved from <http://www.niagarafallsreview.ca/2014/05/06/firm-looks-to-fill-200-jobs>

¹⁴⁰ Arnold, S. (2014, August 21). [Steel Car to hire 300;and will train welders](http://www.thespec.com/news-story/4769278-steel-car-to-hire-300-and-will-train-welders). The Hamilton Spectator. Retrieved from <http://www.thespec.com/news-story/4769278-steel-car-to-hire-300-and-will-train-welders>

monthly U.S. automobile travellers.¹⁴¹ The devalued CAD, the lowered price of fuel, and greater consumer confidence in the U.S. could lead Americans to do more retail shopping in the area in the coming months. In light of these developments, the opening of the new Niagara Outlet Mall, which employs 1,500 staff,¹⁴² is timely for the region.

A number of construction projects were also completed in 2014 in the region including the Meridian Centre arena in St. Catharines.¹⁴³ The opening of the Margaret and Charles Juravinski Centre for Integrated Healthcare in February and the expected creation of 400 new jobs over the next six years¹⁴⁴ was also significant for the area's economy, particularly as the region seeks to develop its life sciences cluster.¹⁴⁵ In addition, Kenaidan Contracting Ltd. was awarded the Metrolinx contract to construct a new GO station in Hamilton.¹⁴⁶

Employment grows in London despite difficulties in manufacturing

Between 2013 and 2014, the London economic region gained 1,100 in employment (+0.3%), continuing a 5-year growth trend.¹⁴⁷ London is located in the heartland of the manufacturing industry of southwestern Ontario. Employment in this sector declined for a second consecutive year in 2014 and was influenced by events such as the closure of the Kelloggs Canada Inc. plant in December and the layoff of nearly 500 workers.¹⁴⁸ Yet, there were some positive developments in manufacturing during the year. A Dr. Oetker pizza plant opened in the City of London, creating over 125 jobs¹⁴⁹ and tempering some of the employment losses in food production. Further, the region received national attention when General Dynamics Land Systems-Canada obtained a 14-year contract to design and manufacture armoured vehicles for Saudi Arabia, creating and sustaining about 1,200 jobs in southern Ontario, including London.¹⁵⁰ A rebound in the economic region's important automotive manufacturing sector was also evident with the hiring of over 200 additional workers at General Motors of Canada Ltd. CAMI Assembly plant in Ingersoll.¹⁵¹ Looking ahead, the company's announcement in February 2015 of a multi-million dollar investment in the local plant bodes well for its long-term presence in this region.¹⁵²

¹⁴¹ Statistics Canada Table 427-0001: Number of international travellers entering or returning to Canada, by type of transport monthly (persons)

¹⁴² *Niagara News*. (2014, January 14). [New Niagara outlet mall to open in May](http://www.cliftonhill.com/falls_blog/new-niagara-outlet-mall-to-open-in-may/). Retrieved from: http://www.cliftonhill.com/falls_blog/new-niagara-outlet-mall-to-open-in-may/

¹⁴³ Walter, K. (2014, August 20). [New St. Catharines arena seeks over 200 employees](http://www.niagarafallsreview.ca/2014/08/19/new-st-catharines-arena-seeks-over-200-employees). *The Standard*. Retrieved from <http://www.niagarafallsreview.ca/2014/08/19/new-st-catharines-arena-seeks-over-200-employees>

¹⁴⁴ Frketich, J. (2014, January 15). [New Hamilton hospital campus designed to destigmatize mental illness](http://www.thespec.com/news-story/4315512-new-hamilton-hospital-campus-designed-to-destigmatize-mental-illness/). *The Hamilton Spectator*, Retrieved from

<http://www.thespec.com/news-story/4315512-new-hamilton-hospital-campus-designed-to-destigmatize-mental-illness/>

¹⁴⁵ Hamilton Chamber of Commerce. (2014, January). [Building a Life Sciences Cluster A Case for Hamilton](http://www.lifesciencesontario.ca/files/file.php?fileid=fileOfQuhTMjbf&filename=file_LifeScienceClusterReport2014Final.pdf). Retrieved from http://www.lifesciencesontario.ca/files/file.php?fileid=fileOfQuhTMjbf&filename=file_LifeScienceClusterReport2014Final.pdf

¹⁴⁶ Ministry of Transport. (2014, February 28). [More Go Train service on the way for Hamilton: News Release](http://news.ontario.ca/mto/en/2014/02/more-go-train-service-on-the-way-for-hamilton-1.html). Retrieved from <http://news.ontario.ca/mto/en/2014/02/more-go-train-service-on-the-way-for-hamilton-1.html>

¹⁴⁷ Statistics Canada. Table 282-0123: Labour force survey estimates (LFS), by provinces, territories and economic regions based on 2011 census boundaries, annual (persons)

¹⁴⁸ CTV London. (2014, August 14). [Kellogg's London plant to close fully before Christmas](http://london.ctvnews.ca/kellogg-s-london-plant-to-close-fully-before-christmas-1.1960225). Retrieved from <http://london.ctvnews.ca/kellogg-s-london-plant-to-close-fully-before-christmas-1.1960225>

¹⁴⁹ CTV London. (2014, January 22). [The Doctor is in! Dozens of jobs up for grabs at London Dr. Oetker pizza plant](http://london.ctvnews.ca/the-doctor-is-in-dozens-of-jobs-up-for-grabs-at-london-dr-oetker-pizza-plant-1.1651551). Retrieved from <http://london.ctvnews.ca/the-doctor-is-in-dozens-of-jobs-up-for-grabs-at-london-dr-oetker-pizza-plant-1.1651551>

¹⁵⁰ Foreign Affairs, Trade and Development Canada. (2014, February 14). [Largest advanced manufacturing export win in Canada's history](http://www.international.gc.ca/media/comm/news-communiques/2014/02/14a.aspx?lang=eng). Retrieved from <http://www.international.gc.ca/media/comm/news-communiques/2014/02/14a.aspx?lang=eng>

¹⁵¹ AM 980. (2014, August 19). [CAMI Automotive Looking to Hire 120 Additional Workers](http://www.am980.ca/2014/08/19/cami-hiring). Retrieved from <http://www.am980.ca/2014/08/19/cami-hiring>

¹⁵² Posadzki, A. (2015, February 12). [GM to spend \\$560 million to build new Chevy Equinox at CAMI plant](http://www.canadianbusiness.com/business-news/general-motors-to-invest-450-million-in-cami-assembly-plant-in-ingersoll-globe/). *Canadian Business*. Retrieved from <http://www.canadianbusiness.com/business-news/general-motors-to-invest-450-million-in-cami-assembly-plant-in-ingersoll-globe/>

On the infrastructure front, the capital investment made in a new interchange at Highway 401 and Wonderland Road will improve the region's transportation corridor. The \$17.8M project, which was awarded to Aecon Construction and Materials Ltd., is supporting 180 construction jobs.¹⁵³

Windsor–Sarnia employment grows after previous year's loss

Employment in **Windsor–Sarnia** grew by 4,000 in 2014, the region's largest gain since 2006. Although employment in the area is still below pre-recession levels, there were a number of developments in 2014. Notably, the start of construction on the Detroit River International Crossing Bridge by the Windsor-Detroit Bridge Authority¹⁵⁴ is expected to have significant direct and indirect economic impacts throughout the entire project.

On the negative side, the closure of the Heinz Canada plant in Leamington in mid-2014, which resulted in the loss of 740 jobs, had significant ripple effects on tomato growers and other suppliers in the region.¹⁵⁵ The Highbury Canco Corporation takeover of the plant and subsequent hiring of 250, mostly former Heinz employees, gave some reprieve to the affected workers and the community.¹⁵⁶ Also, in early 2015, Fiat Chrysler Automobiles announced that it would retool its Windsor plant for the building of the next generation minivan, hiring up to 600 electricians.¹⁵⁷

Stratford–Bruce Peninsula home to an aging workforce and an emerging industry

In 2014, the **Stratford–Bruce Peninsula** economic region had a slight gain in employment of 500 (+0.3%). The region tends to have a large portion of individuals aged 55 years and over (36.5%), second only to the Muskoka–Kawarthas region (39.7%).¹⁵⁸ The aging population could mean the possible opening of the labour market in the next few years if workers in this age category begin to retire.

Wind power generation was a major development for the region in 2014. At the end of March, K2 Wind Ontario started hiring for the construction of a 140-turbine wind farm in Huron County¹⁵⁹ and in July, it was reported that another company, NextEra energy Canada, would also start construction on a Wind Energy Centre in the region, creating 300 jobs.¹⁶⁰

The economic region is also home to an emerging medical marijuana industry. Alternative Medical Solutions Inc. began work on a 50,000 sq. ft. medical marijuana production facility in Hanover in May, which will employ

¹⁵³ Ontario Newsroom. (2014, July 25). [New Highway Interchange Improving Access to London](http://news.ontario.ca/mto/en/2014/07/new-highway-interchange-improving-access-to-london.html). Retrieved from <http://news.ontario.ca/mto/en/2014/07/new-highway-interchange-improving-access-to-london.html>

¹⁵⁴ Battagello, D. (2014, October 30). [Land clearing, building demolition underway for DRIC bridge project](http://blogs.windsorstar.com/news/land-clearing-building-demolition-underway-for-dric-bridge-project). *The Windsor Star*. Retrieved from <http://blogs.windsorstar.com/news/land-clearing-building-demolition-underway-for-dric-bridge-project>

¹⁵⁵ CBC News. (2014, June 26). [H.J. Heinz Co. Leamington: 1909-2014](http://www.cbc.ca/news/canada/windsor/h-j-heinz-co-leamington-1909-2014-1.2686019). Retrieved from <http://www.cbc.ca/news/canada/windsor/h-j-heinz-co-leamington-1909-2014-1.2686019>

¹⁵⁶ CBC News. (2014, May 21). [Heinz sells Leamington plant to Highbury Canco, 250 jobs safe](http://www.cbc.ca/news/canada/windsor/heinz-sells-leamington-plant-to-highbury-canco-250-jobs-safe-1.2649162). Retrieved from <http://www.cbc.ca/news/canada/windsor/heinz-sells-leamington-plant-to-highbury-canco-250-jobs-safe-1.2649162>

¹⁵⁷ CBC News. (2015, January 9). [600 electricians needed to retool Chrysler's Windsor plant](http://www.cbc.ca/news/canada/windsor/600-electricians-needed-to-retool-chrysler-s-windsor-plant-1.2895031). Retrieved from <http://www.cbc.ca/news/canada/windsor/600-electricians-needed-to-retool-chrysler-s-windsor-plant-1.2895031>

¹⁵⁸ Statistics Canada. Table 051-0059: Estimates of population by economic region, sex and age group for July 1, based on the Standard Geographical Classification (SGC) 2011

¹⁵⁹ Miner, J. (2014, February 20). [Construction of the K2 Wind Power Project, expected to create more than 1,000 jobs and fill the power needs of 100,000 homes, is slated to start in March](http://www.stratfordbeaconherald.com/2014/02/20/construction-of-the-k2-wind-power-project-expected-to-create-more-than-1000-jobs-and-fill-the-power-needs-of-100000-homes-is-slotted-to-start-in-march). *Stratford beaconherald.com*. Retrieved from <http://www.stratfordbeaconherald.com/2014/02/20/construction-of-the-k2-wind-power-project-expected-to-create-more-than-1000-jobs-and-fill-the-power-needs-of-100000-homes-is-slotted-to-start-in-march>

¹⁶⁰ Miner, J. (2014, July 28). [NextEra will start construction of 60-turbine, \\$300-million project in South Huron and Bluewater within weeks](http://www.stratfordbeaconherald.com/2014/07/28/qoshen-wind-energy-centre-approved-by-ontario-ministry-of-energy). *Stratford Beaconherald.com*. Retrieved from <http://www.stratfordbeaconherald.com/2014/07/28/qoshen-wind-energy-centre-approved-by-ontario-ministry-of-energy>

30 to 60 workers when operational.¹⁶¹ Furthermore, Advanced Medical Marihuana Canada has purchased and renovated a greenhouse complex in Kincardine for the same purposes with the expectation of employing 20 to 30 workers in the first phase.¹⁶²

Northeast awaits an influx of tourists to offset potential employment loss as metal prices drop

Employment in the Northeast economic region grew by 3,100 (+1.2%) in 2014. A major development in the region's manufacturing industry was the shutdown of the Resolute Forest Products mill in Iroquois Falls in December, affecting 180 jobs.¹⁶³ However, the steady news of government funding for construction and infrastructure developments^{164,165} seems to have balanced the region's overall labour market results.

Looking ahead, many northern hunting, fishing and recreation companies are expecting an increased volume of tourists from other parts of the province as well as from the U.S. in 2015 resulting from the drop in fuel prices, the lowered CAD, and improved consumer confidence south of the border. These factors should stimulate employment growth in the region's services-producing industries such as accommodation and food services. In the primary goods producing industry however, devalued metal prices created some uncertainty and resulted in cost-cutting measures for mining companies. For example, Kirkland Lake Gold Inc., a major employer in Kirkland Lake east of Timmins, announced at the beginning of 2014 the layoff of about 144 employees.¹⁶⁶ Moreover, gold prices were still trending lower at the end of 2014, indicating a drop in demand and a potential industrial slowdown heading into 2015 for gold mining companies.¹⁶⁷

Changes to health care to help employment growth over the long run in the Northwest

Between 2013 and 2014, the **Northwest** economic region saw a decline of 2,400 in employment (-2.3%). The majority of employment in the region is within the health care and social assistance industry, which is a particular focus of government funding.¹⁶⁸ As changes to the health care system are carried out, employment in health care and social assistance in the Northwest could see a pattern of growth over the next few years.

The major developments in 2014 in the Northwest involved the manufacturing industry as Bombardier received orders and sustained jobs in Thunder Bay,^{169,170} while provincial investment in highways and other infrastructure continued to support the construction industry across the region.^{171,172,173} Due to the distance

¹⁶¹ Garvey, R. (2014, April 23). [Marijuana production in Hanover](http://www.bayshorebroadcasting.ca/news_item.php?NewsID=65617). Bayshore Broadcasting. Retrieved from http://www.bayshorebroadcasting.ca/news_item.php?NewsID=65617

¹⁶² Patterson, T. (2014, June 30). [Kincardine's Bruce Energy Centre greenhouses to produce medical marijuana, with up to 100 new jobs](http://www.owensoundsuntimes.com/2014/06/27/kincardines-bruce-energy-centre-greenhouses-to-produce-medical-marijuana-with-up-to-100-new-jobs). Kincardine News. Retrieved from <http://www.owensoundsuntimes.com/2014/06/27/kincardines-bruce-energy-centre-greenhouses-to-produce-medical-marijuana-with-up-to-100-new-jobs>

¹⁶³ CBC News. (2014, December 5). [Resolute shuts Iroquois Falls mill, affecting 180 workers](http://www.cbc.ca/news/canada/sudbury/resolute-shuts-iroquois-falls-mill-affecting-180-workers-1.2861645). Retrieved from <http://www.cbc.ca/news/canada/sudbury/resolute-shuts-iroquois-falls-mill-affecting-180-workers-1.2861645>

¹⁶⁴ Ontario Ministry of Northern Development and Mines. (2014, March 11). [Bulletin: Infrastructure Improvements in Store for Northeastern Ontario](http://news.ontario.ca/mndmf/en/2014/03/infrastructure-improvements-in-store-for-northeastern-ontario.html). Retrieved from <http://news.ontario.ca/mndmf/en/2014/03/infrastructure-improvements-in-store-for-northeastern-ontario.html>

¹⁶⁵ Wawa-news.com. (2014, August 1). [Improving highway infrastructure in Northeastern Ontario](http://www.wawa-news.com/index.php?option=com_content&view=article&id=20826:improving-highway-infrastructure-in-northeastern-ontario&catid=34:provincial-news&Itemid=80). Retrieved from http://www.wawa-news.com/index.php?option=com_content&view=article&id=20826:improving-highway-infrastructure-in-northeastern-ontario&catid=34:provincial-news&Itemid=80

¹⁶⁶ Market Wired. (2014, February 4). [Kirkland Lake Gold Inc.: Operational Update and Fiscal 2014 Third Quarter Operating Results](http://www.marketwired.com/press-release/kirkland-lake-gold-inc-operational-update-fiscal-2014-third-quarter-operating-results-tsx-kgi-1875275.htm). Retrieved from <http://www.marketwired.com/press-release/kirkland-lake-gold-inc-operational-update-fiscal-2014-third-quarter-operating-results-tsx-kgi-1875275.htm>

¹⁶⁷ Goldprice.org. (2015, March 27). Retrieved from <http://goldprice.org/>

¹⁶⁸ Ontario Ministry of Health and Long-Term Care. (uncatalogued). [Rural and Northern Health Care Framework/ Plan: Stage 1 Report](http://health.gov.on.ca/en/public/programs/ruralnorthern/docs/report_rural_northern_EN.pdf). Retrieved from http://health.gov.on.ca/en/public/programs/ruralnorthern/docs/report_rural_northern_EN.pdf

¹⁶⁹ Ontario Ministry of Transportation. (2014, January 24). [Bulletin: Province ordering 65 new Go Train cars from Bombardier](http://news.ontario.ca/mto/en/2014/01/province-ordering-65-new-go-train-cars-from-bombardier.html). Retrieved from <http://news.ontario.ca/mto/en/2014/01/province-ordering-65-new-go-train-cars-from-bombardier.html>

¹⁷⁰ Lundmark, J. (2014, March 28). [TTC orders 60 more Rocket cars from local Bombardier plant](http://www.tbnewswatch.com/news/330795/TTC-orders-60-more-Rocket-cars-from-local-Bombardier-plant). The newswatch.com. Retrieved from <http://www.tbnewswatch.com/news/330795/TTC-orders-60-more-Rocket-cars-from-local-Bombardier-plant>

¹⁷¹ Ontario Ministry of Northern Development and Mines. (2013, December 17). [Bulletin: Improving highway 11 West of Geraldton](http://news.ontario.ca/mndmf/en/2013/12/improving-highway-11-west-of-geraldton.html). Retrieved from <http://news.ontario.ca/mndmf/en/2013/12/improving-highway-11-west-of-geraldton.html>

between communities in Ontario's Northwest compared to other regions in the province, companies have limited access to labour pools. Large-scale projects, such as those in construction, often rely on temporary contract workers brought in from other areas to fulfill labour demands. Thus, major news stories, such as Bombardier's recent contracts and the provincial government's investment in local infrastructure, have greater impacts on employment in the Northwest than they would in other economic regions by both retaining much needed local employment and drawing in labour to the remote areas, which is a constant struggle for the region.

Table 4: Annual Labour Force Statistics in Ontario, Employment by Economic Region

Employment ('000) Seasonally Unadjusted Data	Year			2013 to 2014		2012 to 2013	
	2014	2013	2012	Number	%	Number	%
Ontario	6,877.9	6,823.4	6,702.6	54.5	0.8	120.8	1.8
Economic Regions							
Ottawa	697.8	684.5	695.0	13.3	1.9	-10.5	-1.5
Kingston–Pembroke	210.1	213.9	213.7	-3.8	-1.8	0.2	0.1
Muskoka–Kawarthas	186.3	168.5	171.0	17.8	10.6	-2.5	-1.5
Toronto	3,241.1	3,240.2	3,112.3	0.9	0.0	127.9	4.1
Kitchener–Waterloo–Barrie	704.5	693.5	674.7	11.0	1.6	18.8	2.8
Hamilton–Niagara Peninsula	706.4	697.5	705.7	8.9	1.3	-8.2	-1.2
London	324.8	323.7	322.7	1.1	0.3	1.0	0.3
Windsor–Sarnia	299.1	295.1	297.4	4.0	1.4	-2.3	-0.8
Stratford–Bruce Peninsula	151.1	150.6	152.8	0.5	0.3	-2.2	-1.4
Northeast	256.8	253.7	255.3	3.1	1.2	-1.6	-0.6
Northwest	99.8	102.2	102.0	-2.4	-2.3	0.2	0.2

Note: Totals may not add due to rounding.

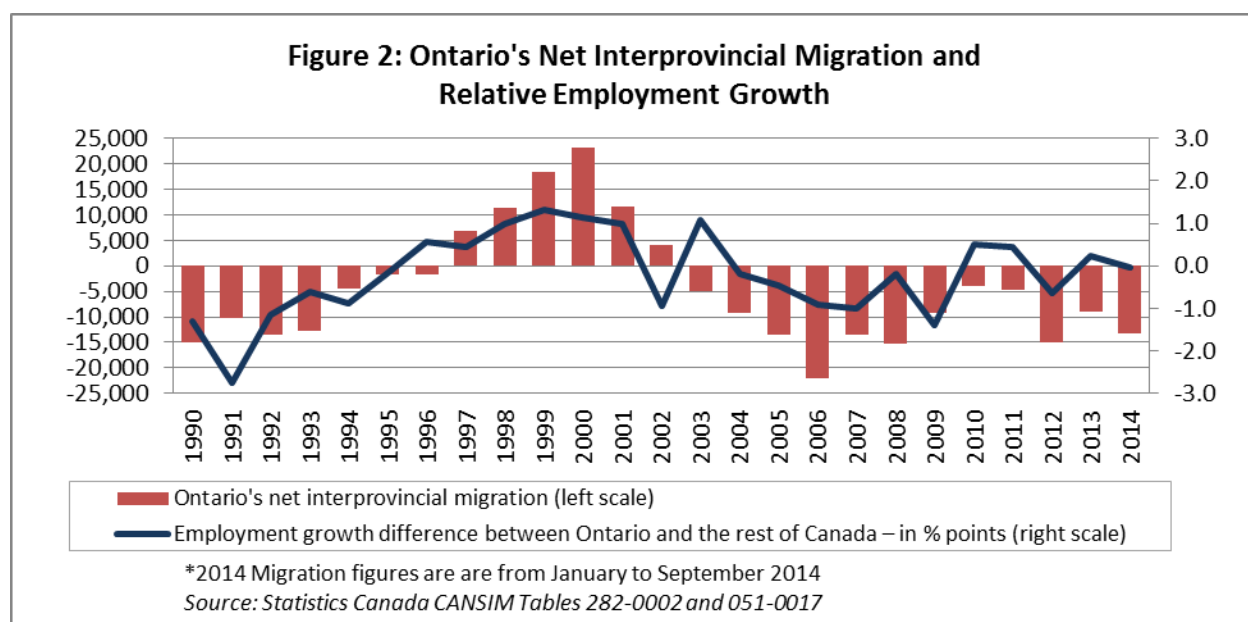
Source: Statistics Canada's Labour Force Survey - CANSIM Table 282-0123

Ontario's Interprovincial Migration

The first three quarters of 2014 saw Ontario lose close to 13,200 net residents to other provinces, in line with Ontario's lower employment growth experienced in 2014 compared to Alberta, Saskatchewan, and British Columbia. This continues a trend, since 2003, of Ontario's declining attractiveness for interprovincial migrants compared to other provinces, as the weakening in Ontario's manufacturing industry limited opportunities in the province. In particular, the Toronto and Windsor-Sarnia economic regions, where manufacturing has a strong presence, have registered significant out-migration since 2003-2004. However, the fall in oil prices through early 2015 has negatively impacted Alberta's economy and may reverse this trend in 2015 as affected workers move back to Ontario to look for work. The potential increased number of job seekers in the province could in turn moderate the expected decline in Ontario's unemployment rate in 2015.

¹⁷² Ontario Ministry of Northern Development and Mines. (2014, March 11). [Bulletin: Infrastructure improvements in store for Northwestern Ontario](http://news.ontario.ca/mndmf/en/2014/03/infrastructure-improvements-in-store-for-northwestern-ontario.html). Retrieved from <http://news.ontario.ca/mndmf/en/2014/03/infrastructure-improvements-in-store-for-northwestern-ontario.html>

¹⁷³ Ontario Ministry of Northern Development and Mines. (2014, July 31). [Bulletin: Improving highway infrastructure in Northwestern Ontario](http://news.ontario.ca/mndmf/en/2014/07/improving-highway-infrastructure-in-northwestern-ontario.html). Retrieved from <http://news.ontario.ca/mndmf/en/2014/07/improving-highway-infrastructure-in-northwestern-ontario.html>



Labour Market Outcomes for Client Segments

Aboriginal Peoples' labour outcomes show signs of improvement

According to the 2011 National Household Survey, Ontario was home to 301,430 Aboriginal¹⁷⁴ peoples, nearly 22% of the total Aboriginal population across Canada. The Aboriginal community was a small (2.4%) but growing share of Ontario's total population. Within Ontario, the Toronto area had the greatest number of Aboriginal peoples with nearly 37,000 individuals, followed by the Ottawa and Greater Sudbury areas at 19,205 and 13,405 individuals respectively. About 84% of Aboriginal peoples lived off a reserve, with the remainder living on reserves.

The Aboriginal population has a younger age profile compared with the non-Aboriginal population in Ontario. In 2011, the median age of the Aboriginal population was 31 years, substantially lower than the median age of 40 years for the total population of Ontario. This is partially explained by higher birth rates and improved life expectancies among the Aboriginal population.

According to Statistics Canada's Labour Force Survey (which excludes the Aboriginal population living on-reserve), the Aboriginal population tends to have a higher unemployment rate than the working-age population in Ontario. The unemployment rate for the Aboriginal population in Ontario was 10.7% in 2014, above the rate of 7.3% for the total working-age population. However the unemployment rate for Aboriginal peoples dropped notably from 12.5% in 2013 as the number of unemployed decreased.

Aboriginal peoples are overrepresented in the accommodation and food services industry, compared with the Ontario labour force. With dropping gas prices and the lowered CAD, many northern leisure companies may

¹⁷⁴ Refers to whether the person reported being an Aboriginal person, that is, First Nations (North American Indian), Métis or Inuk (Inuit) and/or being a Registered or Treaty Indian, (that is, registered under the Indian Act of Canada) and/or being a member of a First Nation or Indian band. Aboriginal peoples of Canada are defined in the Constitution Act, 1982, section 35 (2) as including the Indian, Inuit and Métis peoples of Canada.

see an increased volume of tourism arising from the U.S. in 2015. This may improve employment prospects for the Aboriginal population over the year.

Immigrants/Newcomers continue to be an important labour pool for the province

Immigrants have been an important source of population and labour force growth in the province. Ontario continues to attract the largest proportion of immigrants arriving in Canada. According to Statistics Canada, in 2013/2014, nearly 40% of all new immigrants chose Ontario as their new home, with the majority settling within the Toronto economic region. However, over the past few years, the number of immigrants arriving to Ontario has been declining in favour of Western Canada where the economic prospects were better. Given the recent decline of oil prices, manufacturing-centric Ontario may overtake the oil-driven western provinces in GDP growth in 2015, therefore attracting a higher share of immigrants.

New immigrants who have landed in Canada within the past five years had higher unemployment rates compared with the overall working-age population in Ontario. In 2014, the unemployment rate for new immigrants was 14.8%, compared with 7.3% for the working-age population in Ontario.¹⁷⁵ Immigrants who have been established in the province for more than 10 years had an unemployment rate slightly lower than the working-age population in Ontario, suggesting improved labour market outcomes for immigrants over time.

New immigrants were overrepresented in manufacturing. With a strengthening U.S. economy, Ontario's manufacturing industry ended 2014 strongly relative to past years. Combined with the lower CAD, manufacturing is likely to continue to gain steam in 2015 and improve employment prospects for newcomers. However, this may be moderated by the relocation of local plants to low-cost locations, such as in southern U.S. or Mexico.

The aging province could also help to improve newcomers' labour market outcomes. As the baby boomer generation retires and the effects of a smaller youth cohort reduce the labour force, Ontario may find itself increasingly dependent on immigrants as a source of labour.

Labour market outcomes improve for Youth (aged 15-29)

In Ontario, the number of youth participating in the labour force was just under 1.9 million in 2014.¹⁷⁶ Labour market conditions for youth have not changed greatly in Ontario over the past three years. Youth's share of the provincial labour force has held steady at about 26% from 2011 to 2014. The youth participation rate averaged 69.6% in 2014, a slight increase from 68.7% in 2013.¹⁷⁷ The youth unemployment rate averaged 12.6%, lower than the average youth unemployment rate of 13.1% in 2013.¹⁷⁸

Historically, the younger age cohorts tend to have higher unemployment rates than the 25-29 age group, which trends closer to the overall unemployment rate in Ontario.¹⁷⁹ The unemployment rate for youth aged 15 to 19 averaged 21.1% in 2014, a 2.0 percentage points decrease compared with 2013. In comparison, in 2014 the average unemployment rate for the other two youth cohorts, aged 20 to 24 and 25 to 29, were 12.7% and 8.1%

¹⁷⁵ Statistics Canada. Table 282-0102: Labour Force Survey estimates (LFS) by immigrant status CANSIM 282-0102

¹⁷⁶ Statistics Canada. Table 282-0002: Labour Force Survey estimates (LFS) by sex and detailed age group annual (persons x 1,000) and 282-0088, LMSID calculations.

¹⁷⁷ Ibid.

¹⁷⁸ Ibid.

¹⁷⁹ Ibid.

respectively. Labour market participation also increases with age for youth.¹⁸⁰ These improved labour market outcomes likely reflect gains in education and experience.

In 2013/2014, Ontario had the highest net youth interprovincial migration deficit in the country; over 7,000 more youth left the province than arrived.¹⁸¹ This suggests a weaker labour market relative to other provinces and continues a trend of negative net migration since 2003/2004 for youth. Lower oil prices are likely to impact the labour market prospects in western Canada and enable Ontario to retain young talent. Since youth are overrepresented in accommodation and food services, they may also benefit from an increase in tourism resulting from a lower CAD.¹⁸²

Older Workers (aged 55-64) delay retirement to stay in the workforce

In Ontario, older workers aged 55 to 64 years have been a growing segment of the labour force as their population increases. In 2014, this group accounted for 15.5% of the total labour force in the province, up from 15.0% in 2013.¹⁸³ Over the past decade, the employment rate for older workers has also risen. While workforce participation continues to be higher among males, there has been a noticeable increase in the participation rate of females, from 55.4% in 2006 to 60.7% in 2014.^{184,185}

These trends in workforce participation coincide with an increase in the median age of retirement in Ontario for both males and females. This upward change was more evident following the 2008/2009 recession. The median age of retirement in the province increased significantly from 61.3 years in 2009 to 64.2 years in 2014. Older workers are delaying their departure from the workforce due to a number of potential reasons, including: better health outcomes and longer life spans; the less physically demanding nature of today's workplace; the need to address their economic situation, including debt; and the need for employers to retain skilled and experienced workers.

Compared to younger age groups, older workers make up a larger proportion of those unemployed for a long period of time.¹⁸⁶ This is possibly due to, among other factors, relatively lower levels of educational attainment and age discrimination. These factors may end up reducing re-employment opportunities for unemployed older workers. It is also possible that older workers are more selective in their job search than the younger age groups. Older workers may have more savings, as well as more hours accumulated for EI benefits, allowing them to stay unemployed for a longer period.

A growing number of Seniors (aged 65+) participate in the workforce

In Ontario, it is projected that the current population of 2.1M seniors will reach 4.0M by 2036.¹⁸⁷ The proportion of seniors will therefore increase from 15.2% to 23.5% of the total population between 2014 and

¹⁸⁰ Ibid.

¹⁸¹ Statistics Canada. Table 051-0012 - Interprovincial migrants, by age group and sex, Canada, provinces and territories, annual (persons)

¹⁸² Statistics Canada. Table 282-0008 - Labour force survey estimates (LFS), by North American Industry Classification System (NAICS), sex and age group, annual (persons unless otherwise noted)

¹⁸³ Statistics Canada. Table 282-0138 - Labour force survey estimates (LFS), by population centres and rural areas based on 2011 census boundaries, sex and age group, annual (persons unless otherwise noted),

¹⁸⁴ Men: 67.7% in 2006 to 70.8% in 2014.

¹⁸⁵ Statistics Canada, Table 282-0138: Labour force survey estimates (LFS), by population centres and rural areas based on 2011 census boundaries, sex and age group, annual (persons unless otherwise noted),

¹⁸⁶ Statistics Canada. Table 282-0048: Labour force survey estimates (LFS), duration of unemployment by sex and age group, annual (persons unless otherwise noted).

¹⁸⁷ Statistics Canada, Population Projections for Canada, Provinces and Territories, 2009 to 2036, Catalogue no. 91-520-X, Statistical tables 12-1 and 12-7, Population by age group and sex, medium-growth - 2006 to 2008 trends scenario (M2), July 1st — Canada and Ontario, 2010 to 2036

2036. Also, it is projected that by the year 2021, seniors will account for a higher share of the population than children (those aged 0 to 14 years) for the first time in Ontario.

Along with this population increase, a growing number of seniors are participating in the Ontario workforce and are employed. In 2014, the participation and employment rates for seniors averaged 14.4% and 14.0%, respectively.¹⁸⁸ The participation rate for seniors has been increasing over the past decade, especially for the 65 to 69 age cohort.

As more seniors became employed, their rates of full-time employment also trended higher. Changing economic circumstances due to the last downturn is a likely factor that explains the consistent rise in full-time employment after 2008.

Francophones have a lower participate rate due to an older age profile

Outside of Quebec, Ontario is home to the largest number of Francophones¹⁸⁹ in Canada, with large Francophone communities in Ottawa, Toronto, and Northern Ontario. The Francophone community represented 4.3% of the total population in Ontario in 2011.¹⁹⁰

In 2011, Francophones in Ontario had a lower participation rate (63.5%) than non-Francophones (65.6%). This was partially due to the older age profile of Francophones; 17.1% of Francophones were 65 years and over, compared with 13.9% of non-Francophones. The participation rate for those under the age of 45 was higher for than non-Francophones. Francophones in Ontario also had a lower unemployment rate at 6.8% versus 8.3% for non-Francophones, which can partly be attributed to the larger proportion of Francophones with postsecondary education.¹⁹¹

¹⁸⁸ Statistics Canada, Table 282-0138: Labour force survey estimates (LFS), by population centres and rural areas based on 2011 census boundaries, sex and age group, annual (persons unless otherwise noted),

¹⁸⁹ All individuals with French as a first official language spoken and half of those with both English and French

¹⁹⁰ Statistics Canada, 2011 Census of Population, Statistics Canada Catalogue no. 98-314-XCB2011058

¹⁹¹ Statistics Canada, 2011 Census of Population, Statistics Canada Catalogue no. 99-010-X2011039 (FOLs used)

CONCLUSION

In 2015, Ontario's large population and well-diversified economy are expected to help the province rebound from weaker economic growth experienced in the previous years. Growth is forecast to strengthen as the U.S. economy continues to improve. The manufacturing industry is expected to benefit from the improved outlook south of the border, a weaker CAD, and depressed oil prices. Investments on infrastructure are also expected to have a positive influence on the economy and labour market. The health of the real estate market and level of consumer confidence are risks to the 2015 outlook, but improving economic growth should create more opportunities in Ontario's labour market going forward.

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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