



Labour Market Bulletin

Ontario

January 2022



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Ontario and its regions.

SUMMARY

Labour Force Trends – Employment decreased in January 2022

- Employment decreased by 145,700 (-1.9%) in Ontario in January 2022, with the majority of losses in part-time employment (-104,000; -7.5%).
- The unemployment rate increased to 7.3%, while the unemployment rate for Ontario's youth aged 15 to 24 increased to 16.6%.
- Employment in both goods-producing and services-producing sectors experienced losses.

LABOUR FORCE CHARACTERISTICS

Employment in Ontario declined in January 2022, reversing the trend of positive employment growth experienced over the last 7 months of 2021.

- Employment losses in January (-145,700, -1.9%) were overwhelmingly attributed to part-time work (104,000; -7.5%).
- Majority of losses were among people in the youth working age group of 15-24 (-106,500; -10%) – accounting for 73% of total job losses.
- In Canada, overall employment declined (-200,100; -1.0%). Ontario and Quebec accounted for the majority of the losses. Alberta, British Columbia, and Saskatchewan accounted for most of the employment gains in the country.

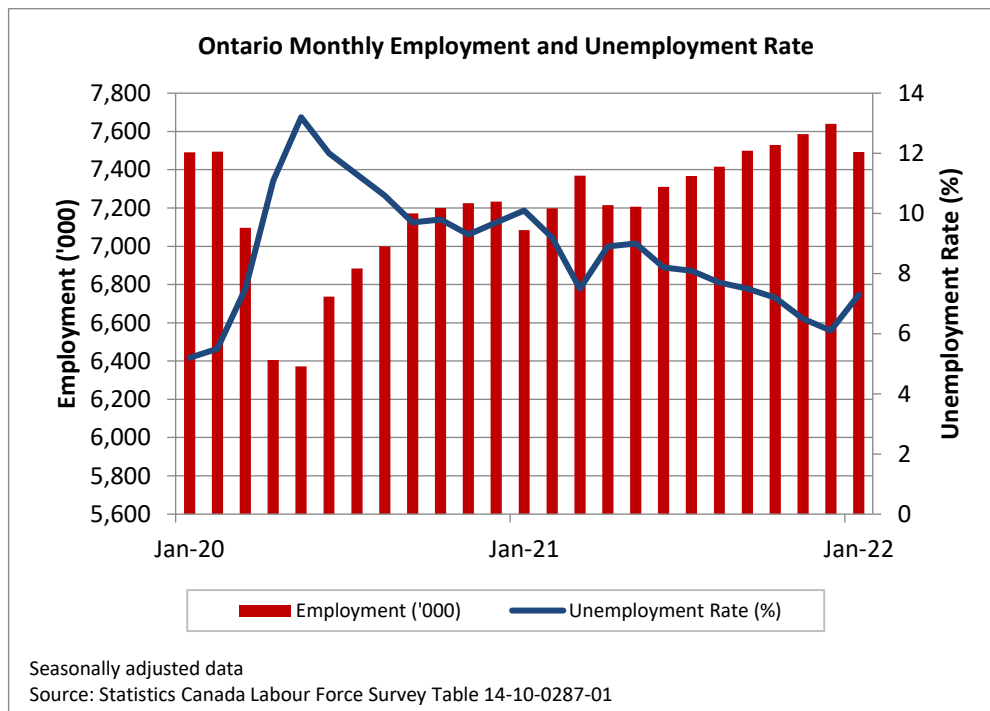
Ontario Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	January 2022	December 2021	January 2021	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15+ ('000)	12,436.1	12,420.0	12,280.5	16.1	0.1	155.6	1.3
Labour Force ('000)	8,084.9	8,138.5	7,877.4	-53.6	-0.7	207.5	2.6
Employment ('000)	7,493.5	7,639.2	7,085.1	-145.7	-1.9	408.4	5.8
Full-Time ('000)	6,217.7	6,259.4	5,963.9	-41.7	-0.7	253.8	4.3
Part-Time ('000)	1,275.8	1,379.8	1,121.2	-104	-7.5	154.6	13.8
Unemployment ('000)	591.4	499.3	792.2	92.1	18.4	-200.8	-25.3
Unemployment Rate (%)	7.3	6.1	10.1	1.2	-	-2.8	-
Participation Rate (%)	65.0	65.5	64.1	-0.5	-	0.9	-
Employment Rate (%)	60.3	61.5	57.7	-1.2	-	2.6	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - Table 14-10-0287

- In January, the unemployment rate increased 1.2 percentage points to 7.3%.
- The participation rate fell slightly by 0.5 percentage points to 65.0%.
- Ontario's unemployment rate is 0.8 percentage points above the national rate of 6.5% and has remained higher than the national average for the past 12 months.
- Employment in Ontario has fallen below pre-pandemic levels (February 2020) for the first time since August 2021.



Ontario Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	January 2022	December 2021	January 2021	Monthly Variation	Yearly Variation
	(%)	(%)	(%)	(% points)	(% points)
Total	7.3	6.1	10.1	1.2	-2.8
25 years and over	5.8	5.3	8.2	0.5	-2.4
Men - 25 years and over	5.4	4.8	7.8	0.6	-2.4
Women - 25 years and over	6.4	5.9	8.7	0.5	-2.3
15 to 24 years	16.6	11.0	21.6	5.6	-5.0
Men - 15 to 24 years	16.4	11.5	21.3	4.9	-4.9
Women - 15 to 24 years	16.9	10.5	22.0	6.4	-5.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - Table 14-10-0287

EMPLOYMENT BY INDUSTRY

Employment fell in Ontario's **goods-producing sector** by 6,000 (-0.4%) in January 2022, with losses in manufacturing (-24,900; -3.5%) and agriculture (-1,800; -2.8%). Employment gains were experienced in all other goods-producing sectors with the largest gains in construction (+19,100; +3.5%).

Construction

- Increased costs of production inputs such as building materials, transportation, and energy are affecting this sector.
- Employment growth occurred amongst record construction levels of purpose built rental apartments in the Greater Toronto Area – where units under construction reached a 30-year high.¹

Manufacturing

- The Markit Canada Manufacturing Purchasing Managers' Index (PMI), which provides an indication of the overall health of the economy, fell slightly to 56.2 in January from 56.5 in December 2021.²
- In Canada, delivery delays, port congestions and a rise in Omicron cases resulted in poor input availability and weaker output growth.

Employment in Ontario's **services-producing sector** declined by 139,800 (-2.3%) in January 2022, with the largest losses occurring in the accommodation and food services (-74,600; -19.1%) and information, culture and recreation (-48,100; -14.2%) sectors. Notable gains were witnessed in the professional, scientific, and technical services (+12,300; +1.6%), transportation and warehousing (+2,400; 0.6%), and other services (+1,400; +0.5%). Other services sector includes establishments in motor vehicle maintenance and repair, provision of personal care services, laundry and funeral services, promotion of religious activities, and support of political or social causes, experienced the largest decline.

Accommodation and food services

- Public health measures, due to the rapid spread of the Omicron variant, negatively impacted operations within this sector.

- The industry has been experiencing acute labour shortages throughout the COVID-19 pandemic. The job vacancy rate has been steadily increasing throughout the pandemic and reached 13.0% in the third quarter of 2021. In comparison, the total provincial vacancy rate is 5.3%.³

Ontario Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	January 2022	December 2021	January 2021	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	7,493.5	7,639.2	7,085.1	-145.7	-1.9	408.4	5.8
Goods-producing sector	1,487.5	1,493.5	1,464.0	-6.0	-0.4	23.5	1.6
Agriculture	61.7	63.5	68.9	-1.8	-2.8	-7.2	-10.4
Forestry, fishing, mining, quarrying, oil and gas	39.5	38.7	34.9	0.8	2.1	4.6	13.2
Utilities	59.5	58.5	49.4	1.0	1.7	10.1	20.4
Construction	563.6	544.5	531.8	19.1	3.5	31.8	6
Manufacturing	763.3	788.2	778.9	-24.9	-3.2	-15.6	-2
Services-producing sector	6,005.9	6,145.7	5,621.2	-139.8	-2.3	384.7	6.8
Trade	1,136.9	1,153.0	983.9	-16.1	-1.4	153.0	15.6
Transportation and warehousing	388.0	385.6	357.6	2.4	0.6	30.4	8.5
Finance, insurance, real estate and leasing	641.2	641.3	634.8	-0.1	0	6.4	1
Professional, scientific and technical services	776.6	764.3	703.2	12.3	1.6	73.4	10.4
Business, building and other support services	288.0	297.4	274.6	-9.4	-3.2	13.4	4.9
Educational services	557.8	563.6	532.2	-5.8	-1	25.6	4.8
Health care and social assistance	931.3	933.4	901.9	-2.1	-0.2	29.4	3.3
Information, culture and recreation	290.8	338.9	266.8	-48.1	-14.2	24.0	9
Accommodation and food services	316.9	391.5	286.4	-74.6	-19.1	30.5	10.6
Other services	257.9	256.5	289.3	1.4	0.5	-31.4	-10.9
Public administration	420.5	420.3	390.4	0.2	0	30.1	7.7

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - Table 14-10-0355

REGIONAL ANALYSIS

In January 2022, all but two economic regions in Ontario, Muskoka-Kawarths and Stratford-Bruce Peninsula, reported a year-over-year increase in employment compared to January 2021. However, compared to January 2020, prior to the pandemic, seven economic regions posted a higher level of employment: Kingston-Pembroke, Toronto, Kitchener-Waterloo-Barrie, Hamilton-Niagara Peninsula, London, Windsor-Sarnia and Northeast.

All economic regions saw a decline in unemployment rates compared to January 2021. However, only the Muskoka-Kawarths, Kingston-Pembroke, and Windsor-Sarnia economic regions reported lower unemployment rates compared to pre-pandemic levels in January 2020.

Ontario Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	January 2022 ('000)	January 2021 ('000)	Yearly Variation (%)	January 2022 (%)	January 2021 (%)	Yearly Variation (% points)
Ontario	7,551.0	7,159.0	5.5	6.1	9	-2.9
Economic Regions						
Ottawa	721.0	716.6	0.6	4.4	6.3	-1.9
Kingston-Pembroke	226.8	212.7	6.6	4.4	7.9	-3.5
Muskoka-Kawarths	159.3	183.1	-13.0	5.8	8.1	-2.3
Toronto	3,696.8	3,458.7	6.9	7	10.4	-3.4
Kitchener-Waterloo-Barrie	774.0	729.6	6.1	5.1	8.7	-3.6
Hamilton-Niagara Peninsula	767.9	725.1	5.9	5.8	8.1	-2.3
London	386.1	354.9	8.8	5.7	7.2	-1.5
Windsor-Sarnia	314.7	282.4	11.4	6.6	8.8	-2.2
Stratford-Bruce Peninsula	153.6	154.8	-0.8	4.6	6.3	-1.7
Northeast	253.1	243.8	3.8	5.5	7.4	-1.9
Northwest	97.7	97.3	0.4	6	6.8	-0.8

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - Table 14-10-0387-02

Notable changes between January 2021 and January 2022 include:

- Employment increased by 6.9% (+238,100) in the **Toronto** economic region as full-time employment increased by 6.2% (+177,600) and part-time employment increased by 10.4% (+60,500).
- The labour force in the **Muskoka-Kawarths** economic region declined by 15.1% (-30,100). This is reflected in the participation rate decline from 57.3% to 48.1%.
- Employment in the **Windsor-Sarnia** economic region increased by 11.4% (+32,300) as full-time employment increased by 12.1% (+27,300).

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

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

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¹ Urbanation Inc. (2022, January 19). Urbanation. Retrieved from <https://www.urbanation.ca/news/336-gta-rental-construction-surged-2021-vacancy-fell>

² Patel, S. (2022, January 1). IHS Markit Canada Manufacturing PMI. *IHS Markit*. Retrieved from <https://www.markiteconomics.com/Public/Home/PressRelease/1742b89d9add40c89d2f32810ec8eb6a>

³ Statistics Canada. Table 14-10-0326-01 Job vacancies, payroll employees, job vacancy rate, and average offered hourly wage by industry sector, quarterly, unadjusted for seasonality