

**First significant job gain since June**

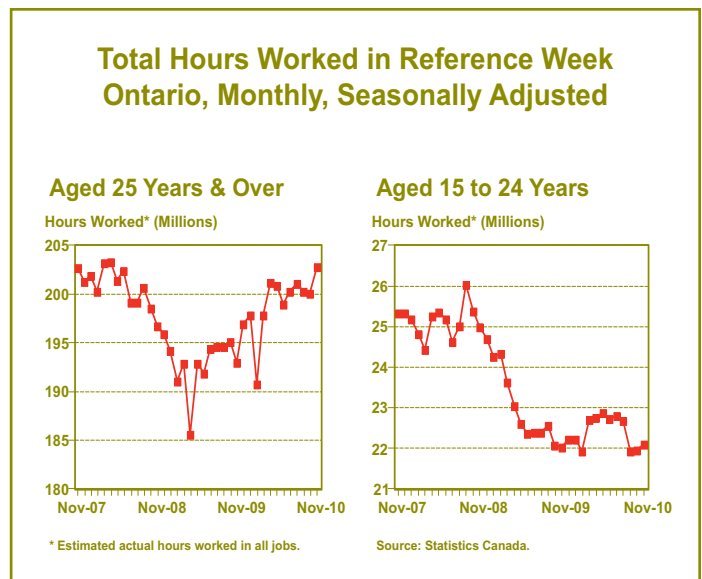
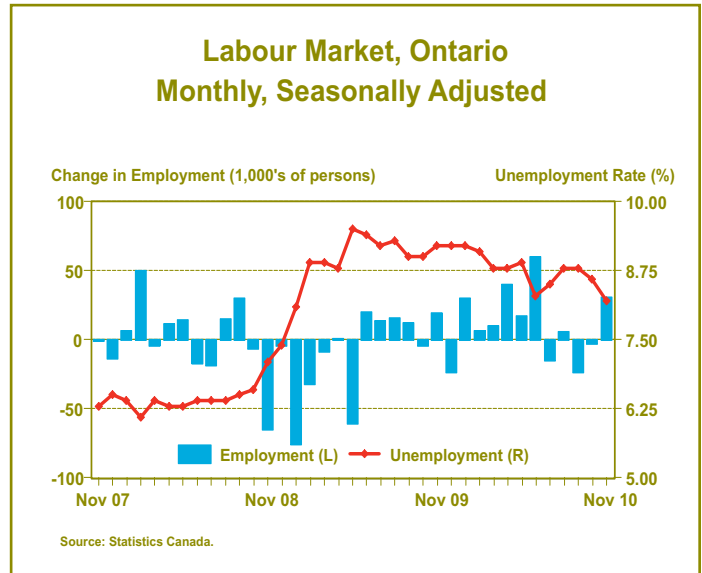
Employment in Ontario totaled 6.69 million persons in November, up 31,200 (0.5%) from October (all numbers are seasonally adjusted). That is the first significant gain in jobs since June as economic growth was minimal in the third quarter. November's employment growth included full- and part-time payroll jobs in the public and private sectors. Hours worked in the Labour Force Survey (LFS) reference week (November 7<sup>th</sup> to 13<sup>th</sup>) totaled 225.2 million, up 1.4% from October's LFS and the highest since September 2008.

Ontario's unemployment rate declined from 8.6% of the labour force in October to 8.2% in November. Employment increased while the labour force was little changed. That is the lowest unemployment rate since January 2009.

Employment growth in November was distributed evenly among men aged 25 years and over (up 15,100 or 0.5%) and women of the same age group (up 16,700 or 0.6%). Meanwhile, employment among younger persons aged 15 to 24 years was virtually unchanged. However, the labour force of younger persons declined by 23,900 (2.3%), driven away by discouraging job opportunities. While total hours worked by older persons has recovered to pre-recession levels, total hours worked by younger persons is stuck at recession lows.

By industry, employment increased in November in retail/wholesale trade, health care/social assistance, business/building support services and agriculture. Gains in these industries were partly offset by declines in finance/insurance/real estate services, manufacturing and miscellaneous services.

Metropolitan Toronto's labour force declined by 26,200 persons (0.8%) in November, presumably most of those were 15 to 24 year-olds. That brought



the metro unemployment rate down from 8.8% in October to 8.2% in November even though employment was little changed.

Regionally, employment growth over the last three months has been in the Greater Toronto, Hamilton-Niagara and northern areas of Ontario. Meanwhile, employment has declined in the Kitchener/Waterloo,

Ottawa, London, Windsor/Sarnia and Stratford/Bruce regions.

Central 1 forecasts Ontario's unemployment rate will average 8.3% in 2011, 7.6% in 2012 and less than 7% in 2013. The recovery in jobs will be slightly stronger than the early 1990s recession recovery and on par with employment growth in the 2003 to 2007 period. Excess labour supply will hold wage increases below those seen in the previous decade.

The regional and industry dimensions of the labour market will be characterized by limited job gains in the manufacturing sector, moderate service sector job growth (led by the GTA), fairly widespread gains in construction employment, and some gains in natural resource extraction and processing in northern Ontario.

With some early signs of momentum building in the U.S. economy and with an end to its slowdown in sight, sustained job growth in Ontario should resume early next year.

*David Hobden, Economist*  
*[dhobden@central1.com](mailto:dhobden@central1.com)*