



Highlights

- Imports decline while exports flat in Ontario
- Ontario employment level continued to climb in May
- Part-time employment contributed to the hiring gain

Trade deficit narrows in Ontario

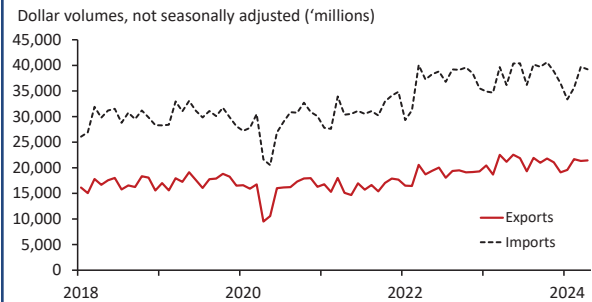
Alan Chow, Business Economist

In April 2024, the value of Ontario exports was flat, with a monthly increase of only 0.5 per cent to \$21.5 billion. On the other hand, the value of imports declined slightly, down 1.3 per cent to \$39.2 billion. This resulted in a slight decline in the trade deficit in April by about \$615 million, reaching \$17.7 billion, which is slightly above the 12-month trailing average of \$17.1 billion. Over the last 12 months, exports are up 6.7 per cent or \$15 billion while imports are up 2.1 per cent or \$9.5 billion.

Higher month-over-month export volumes were seen in six out of the 11 product categories. The top categories that saw higher export volumes were consumer goods, which were up 7.3 per cent to \$3.4 billion. This is followed by energy products, which were up 48.2 per cent to \$341 million and forestry products, which were up 7.8 per cent to \$1.1 billion. Offsetting these higher exports were lower exports in motor vehicles and parts, down 4.1 per cent to \$5.8 billion and industrial machinery, down 5.9 per cent to \$1.7 billion. However, over the last 12 months, motor vehicle exports were up 22.2 per cent or \$14.0 billion.

Higher monthly imports were seen in five out of the 11 categories. The highest increase was seen in metal and non-metallic mineral products, up 12.4 per cent to \$3.1 billion. This was followed by motor vehicle and parts, which was up 3.0 per cent to \$10.2 billion. And then metal ores and non-metallic minerals, up 6.9 per cent to just under \$1.0 billion. Offsetting these increases

Trade deficit narrows in Ontario



Source: Statistics Canada, Central 1

latest: Apr/24

was a monthly decline in basic and industrial chemical, plastic and rubber products, down 16.4 per cent to \$2.5 billion, followed by electronics and electrical equipment and parts, down 8.9 per cent to \$4.6 billion and consumer goods, down 4.0 per cent to \$7.9 billion. Over the last 12 months, motor vehicle and parts imported were up 13.6 per cent or \$13.7 billion while the volume of energy products was down 29.5 per cent or \$3.6 billion.

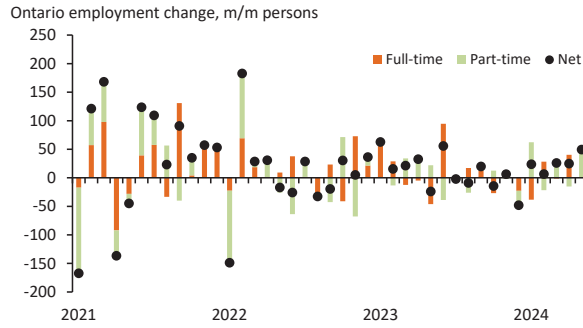
Ontario labour market growth driven by part-time employment

Ivy Ruan, Economic Analyst

Ontario's labour market maintained positive momentum in May following consecutive monthly growth, as employment rose significantly by 49,500 persons (0.6 per cent). Year-over-year employment growth of 1.9 per cent remained slightly below the national performance (2.0 per cent). Despite the swelling population (0.3 per cent), the provincial labour participation rate in May rose 0.2 per cent to 65.2 per cent. The province's unemployment rate edged down 0.1 per cent to 6.7 per cent as job growth matched the pace of labour force expansion (0.6 per cent).

In the Toronto Census Metropolitan Area, a labour force expansion of 0.8 per cent came along with a slightly higher rate of hiring growth (0.9 per cent) during the same period, resulting in the unemployment rate edging down 0.1 per cent to 7.8 per cent. Last May, Toronto Census Metropolitan Area reported an unemployment rate at 6.4 per cent.

Ontario labour market remained robust in May



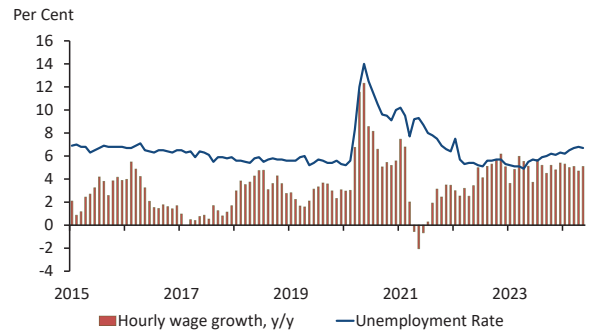
Source: Statistics Canada, Central 1

latest: May/24

At the provincial level, the hike in employment in May was driven entirely by increases in part-time hiring, while full-time employment saw virtually no change following the increase in April. Part-time employment increased by 3.5 per cent (48,400 people).

On an industry level, employment growth was again observed only in the service-producing sectors (0.7 per cent), offsetting the decline in the goods producing sectors (-0.9 per cent). Specifically, employment increases in agriculture (2.7 per cent) and utilities (0.7 per cent) were offset by broad declines in the rest of the goods-producing sectors. The largest decline was reported in manufacturing sector (-14,200 persons or

Ontario unemployment rate edged down



Source: Statistics Canada, Central 1

latest: May/24

-1.7 per cent). In the service-producing sector, growth was led by finance, insurance, real estate, rental and leasing sector, where employment grew by 3.0 per cent (20,100 people). Higher employment was also reported in the health care and social assistance category (2.4 per cent or 24,000 persons), information, culture and recreation sector (3.8 per cent or 11,800 persons). Among the rest of the service-producing sectors, a large decline was seen in the transportation and warehousing sector (-4.1 per cent or 17,500 persons).

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