

Labour Market Report

February 2013



Waterloo Region

Population

New population data is now available from the 2011 Census. Waterloo Region experienced a population growth of 6.1% between 2006 and 2011 and the population is now 507,096. The Region's growth rate is slightly higher than Ontario's growth rate of 5.7% but is down substantially from the 9.0% growth seen between 2001 and 2006. Of the three major municipalities in the Region, only one (Kitchener) experienced a growth rate higher than that of Ontario.

■ Table 3

Municipality	Growth Rate	Total Population 2011
Cambridge	5.3%	126,748
Kitchener	7.1%	219,153
Waterloo	1.3%	98,780

The story in the Townships is very different in that only one Township (North Dumfries) had a growth rate less than Ontario while booming population growth is occurring in the others.

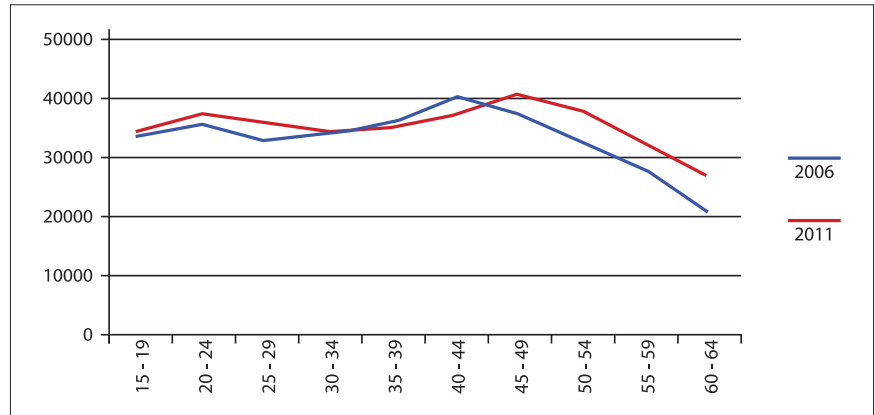
Table 4

Township	Growth Rate
Woolwich	17.7%
Wilmot	12.4%
Wellesley	9.4%
North Dumfries	3.0%

This shift in population from the urban to rural areas could have an impact on the availability of local services, e.g. access to immigrant and newcomer supports, employment services, transportation to employment, etc.

Chart 1 - Change in Working Age Population 2006-2011

The working age population in Waterloo Region is still younger than that of Ontario and, in 2011, the number of younger workers increased slightly. We can see the age pattern change and move forward by five years quite clearly in the chart above with the highest number of workers now in the 45-49 age group.



Migration

Migration refers to the number of people entering or leaving a community. Although the population growth rate has slowed, thousands of people have been moving in and out of Waterloo Region as can be seen in the migration numbers. In the 2006-2011 migration time period, the number of net-migrants remains positive in each age category with the exception of 45-64 year olds where there was a net loss of 157 people. The prime working age category of 25-44 years continues to make up the bulk of net-migrants which is very positive for labour market supply.

Table 5 - Waterloo Region Migration Characteristics 2006-2011

Age Group	In-migrants	Out-migrants	Net-migrants
0-17	20,142	16,304	3,838
18-24	16,666	11,921	4,745
25-44	42,562	33,361	9,201
45-64	12,852	13,009	-157
65+	5,342	4,544	798
Total	97,564	79,139	18,425

Source: Statistics Canada, Taxfiler

Employment

Labour force growth has slowed somewhat and grew by just under 3,000 people from November 2011 to November 2012. This is in sharp contrast to the 2010-2011 growth of over 12,000. Employment levels have grown but again not as rapidly as the 2010-2011 change. Year over year the number of unemployed has continued to decline and now sits at just over 18,000 people. Although employment continues to rise, some workers have been impacted by lay-off announcements e.g. Maple Leaf and RIM. Former RIM workers are being assisted through the Tech Jobs Connex adjustment centre run by Communitech.

Table 6 - Kitchener CMA¹ (KCMA²)

Kitchener CMA (Adjusted) 000's	November 2010	November 2011	November 2012
Population (K)	395.4	410.0	414.7
Labour Force (K)	277.0	289.1	291.8
Employment (K)	255.5	269.4	273.4
Unemployment (K)	21.5	19.6	18.3
Participation Rate (%)	70.1	70.5	70.4
Unemployment Rate (%)	7.8	6.8	6.3
Employment Rate (%)	64.6	65.7	65.9

Source: Statistics Canada, Labour Force Survey

The Participation Rate has remained fairly steady and is still higher than Ontario where the Participation Rate was 66.6% in November 2012.

The unemployment rate has dropped to 6.3% and is still substantially below that of Ontario in November 2012 (7.9%).

1 CMA – Census Metropolitan Area

2 KCMA covers the Regional Municipality with the exception of Wilmot and Wellesley Townships

Table 7 - KCMA Employment by Industry

	2011 (K)	2012 (K)	Absolute Change (K)
Total Employed	276.1	277.3	1.2
Goods Producing Sector	71.8	75.4	3.6
Agriculture	2.1	1.9	- 0.2
Forestry, fishing, mining, quarrying, oil and gas	x	x	x
Utilities	x	x	x
Construction	17.3	16.2	- 1.1
Manufacturing	50.8	55.9	5.1
Services-Producing Sector	204.3	201.9	- 2.4
Trade	41.7	39.9	- 1.8
Transportation & Warehousing	10.9	11.4	0.5
Finance, Insurance, real estate and leasing	21.0	24.4	3.4
Professional, scientific and technical services	23.4	22.6	- 0.8
Business, building and other support services	9.0	10.7	1.7
Educational services	22.5	23.0	0.5
Health care and social assistance	28.9	24.9	- 4.0
Information, culture and recreation	12.0	8.2	- 3.8
Accommodation and food services	15.2	16.3	1.1
Other services	11.1	12.5	1.4
Public administration	8.7	8.0	- 0.7

Source: Statistics Canada, Labour Force Survey

There was substantial growth in employment in the Finance and Manufacturing sectors from 2011 to 2012. The largest decline in employment was seen in the Information, Culture and Recreation sector. The normally growing Services sector declined slightly while the Goods Producing sector grew by almost 4,000 people.

Business Patterns

**Table 8 - Change in Number of Businesses by Employee Size Range
June 2011 to June 2012 - Waterloo**

Employee Size Range	Number of Employers 2011	Number of Employers 2012	Absolute Change	Percent Change (%)	Ontario Percent Change (%)
0	17,738	17,519	-219	-1.23	-1.75
1 - 4	7,621	7,601	-20	-0.26	0.60
5 - 9	3,216	3,163	-53	-1.65	-0.94
10 - 19	2,096	2,122	26	1.24	3.31
20 - 49	1,388	1,463	75	5.40	2.80
50 - 99	451	458	7	1.55	7.66
100 - 199	202	216	14	6.93	6.02
200 - 499	103	115	12	11.65	10.68
500+	39	39	0	0.00	2.40
Total	32,854	32,696	-158	-0.48	-0.49

Source: Canadian Business Patterns

Although the total number of businesses in Waterloo region dropped 158, from 32,854 to 32,696 this was only because of a loss of 219 Owner/Operated businesses so employment has likely gone up substantially. Although the total number of businesses in Waterloo region dropped 158, from 32,854 to 32,696 this was only because of a loss of 219 Owner/Operated businesses so employment has likely gone up substantially.

From June 2011 to June 2012, the percent rate of decline in the number of businesses in Waterloo Region was -0.48%, almost identical to that seen in Ontario (-0.49%). This may not seem very positive however, in all categories from 10 employees to 499 employees there was substantial positive growth.

**Table 9 - Highest Growth and Decline in # of Businesses
June 2011 – June 2012 - Waterloo Region**

NAICS	Total Employers 2011	Total Employers 2012	Absolute Change	Percent Change (%)
531 - Real Estate	3,272	3,308	36	1.10
112 - Animal Production	1,153	1,187	34	2.95
111 - Crop Production	316	344	28	8.86
621 - Ambulatory Health Care Services	1,390	1,418	28	2.01
221 - Utilities	35	60	25	71.43
238 - Specialty Trade Contractors	2,501	2,456	-45	-1.80
541 - Professional, Scientific and Technical Services	4,017	3,961	-56	-1.39
551 - Management of Companies and Enterprises	1,595	1,531	-64	-4.01

Source: Canadian Business Patterns

The Table above shows the top 3 growing and declining industry sectors by highest absolute change.