Region of Waterloo
Planning, Development and Legislative Services
Community Planning

To: Chair Tom Galloway and Members of the Planning and Works Committee
Date: May 1, 2018
File Code: D15-80(A)

Subject: 2017 Labour Force Report

Recommendation:
For information

Summary:
The attached 2017 Labour Force Report provides recent information about the local labour force, including longer term trends and details on specific industry sectors. The intent of this report is to share labour force information with Regional Council. Labour force data is used broadly across the country. Overall, the figures indicate economic conditions in Waterloo Region are amongst the strongest province-wide. The 2017 Labour Force Report is appended (please see Attachment #1).

Report:
This report on the labour force in the Kitchener-Cambridge-Waterloo Census Metropolitan Area (KCW CMA) describes trends in local employment, including the size of the total labour force, the number of people employed and unemployed, rates (employment, unemployment, participation), and employment by sector and occupation. The KCW CMA includes Kitchener, Cambridge, Waterloo, Woolwich and North Dumfries. The KCW CMA data is based on 2011 Census boundaries therefore Wilmot and Wellesley Townships are not included.

Document Number: 2707769
2018-05-01
Labour force information is important for understanding the local economy, and is used specifically for:

- Employment and Income Support (Community Services) for employment program planning, and to support the Ontario Works Service Plan,
- Community Planning (Planning, Development and Legislative Services) for employment monitoring and forecasting by sector, and monitoring the impact of growth and trends on land and infrastructure needs, and to support the Regional Official Plan, Development Charges By-Law, and development activity reporting,
- Economic Development (Planning, Development and Legislative Services) to characterize the size of the local labour pool by sector and occupation, to identify sector trends, and to support communications and marketing material for Waterloo Region, and
- Strategic Planning (CAO’s Office), Finance (Corporate Services) and other departments for understanding and characterizing the local labour market.

Data in this report is acquired from Statistics Canada’s Labour Force Survey (LFS). It is largely based on annualized data for the full year, rather than month-over-month comparisons. A separate section in the report describes 2017 monthly labour force rate trends.

Industry data presented in this report is based on a high level standard industry classification system. While it is possible to use Labour Force data to measure employment and identify trends in standard industries such as manufacturing, other commonly referenced industries such as the creative sector and high tech generally fall within a variety of classifications.

**Local Labour Force**

Key characteristics of the local 2017 labour force include:

- Employment in the KCW CMA was 287,800, and the employment rate was 66.6 per cent, approximately 5 per cent higher than Ontario and Canada;
- The total working age population in 2017 was 431,900. Most of the recent growth since 2013 has come from people who are not in the labour force. These people are typically students, retired or not seeking employment;
- The current unemployment rate of 5.1 per cent is the lowest reported in the last 17 year period;
- The youth unemployment rate for 2017 was 10.4 per cent. While the gap between the youth unemployment rate and the total unemployment rate is narrowing, the youth unemployment rate remains higher than the unemployment rate of the overall working age population.
- The number of those employed between the age of 55 and 64 has more than doubled since 2001 and the number of those employed over the age of 65 has almost doubled;
• The KCW CMA ranked third amongst Ontario’s Southwestern CMAs for participation and employment rates;
• Four industries made up over half of all employment in the KCW CMA (manufacturing, wholesale and retail trade, health care and social assistance, and educational services);
• Manufacturing is the largest industry in the KCW CMA, representing nearly one fifth of all KCW CMA employment, while the educational services industry is the fastest growing since 2001 with an average annual growth of 5.1 per cent;
• Sales and services occupations is the largest occupation class in the KCW CMA with 22.9 per cent of total employment. This class also experienced the most growth of any occupation, with an additional 15,800 people since 2001.

Conclusion

The Kitchener-Cambridge-Waterloo CMA has one of the strongest labour markets in Canada. It ranks sixth in the country for highest employment rate, which rose to 66.6 per cent in 2017. The current unemployment rate of 5.1 per cent is the lowest reported in the last 17 years, and the seventh lowest in Canada. The KCW CMA has seven sectors with employment over 20,000 people, illustrating its diversified economy.

Employment has increased by 6,200 people from 2016, while unemployment has decreased by 800 people in the same year. Benefits of such a strong economy include having more people working and earning income which generally leads to a higher standard of living. For example, higher employment, lower long-term unemployment and a growing and evolving economy may be influencing the area’s high incomes. Waterloo Region’s median household income is $3,200 higher than Ontario’s median income, and $7,200 higher than Canada’s.

The labour force is continuing to grow and participation and employment rates have remained consistently higher than those of Ontario and Canada. While the KCW CMA has a strong labour market, the high youth unemployment rate and the growing number of older adults in the labour force are two trends that are important to continue to monitor.

Area Municipal Consultation/Coordination

Nil.

Corporate Strategic Plan:

Tracking and reporting employment activity contributes to Strategic Focus Area 2: Manage Growth to Foster Thriving and Productive Urban and Rural Communities.
Financial Implications:
Nil.

Other Department Consultations/Concurrence:
Employment and Income Services (Community Services) and Strategic Planning (CAO’s Office) were consulted on the writing of this report.

Attachment:
Attachment 1 - 2017 Waterloo Region Labour Force Report

Prepared By:  Beth Davies, Planner
Approved By:  Rod Regier, Commissioner, Planning, Development and Legislative Services
2017 Labour Force Report

Labour Force Characteristics

of the Kitchener-Cambridge-Waterloo
Census Metropolitan Area

Prepared By:
Planning Research and Analytics
Planning, Development and Legislative Services
Region of Waterloo
2017 Labour Force Characteristics

The Kitchener-Cambridge-Waterloo Census Metropolitan Area (KCW CMA) had an employed labour force of 287,800 people in 2017, according to annualized data gathered from the Labour Force Survey of Canada. This total is the number of employed people who were living in the cities of Kitchener, Cambridge and Waterloo, and the townships of Woolwich and North Dumfries.1

The KCW CMA has one of the strongest labour markets in Canada. It ranks sixth in the country for highest employment rate, which rose to 66.6 per cent in 2017. The current unemployment rate of 5.1 per cent is the lowest reported in the last 17 years, and the seventh lowest in Canada. The KCW CMA has seven sectors with employment over 20,000 people, representing its diversified economy. The labour force is continuing to grow and participation and employment rates have remained consistently higher than those of Ontario and Canada. While the KCW CMA has a strong labour market, the high youth unemployment rate and the growing number of older adults in the labour force are two trends that are important to continue to monitor.

The total number of people in the area who were aged 15 years and over (considered to be the working age population) was estimated to be 431,900. Of this number, an estimated 128,500 people were not in the labour force, typically because they were students, retired, or not seeking employment (see Figure 1). Those not seeking employment may have been on an unpaid leave of absence, permanently unable to work, or had not looked for work in at least four weeks (see Appendix B for a glossary of Labour Force Survey terms used in this report).

Figure 1: The working age population in 2017

The rest of the working age population is what is considered the labour force and totaled 303,400 people in 2017, representing a participation rate of 70.2 per cent. These are people who were either working or indicated they were looking for work. Within the

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1 The labour force data is based on 2011 census boundaries therefore Wilmot and Wellesley Township are not included in the data. Appendix A of this report contains further information regarding the Labour Force Survey.
labour force, 287,800 were employed, translating to an employment rate of 66.6 per cent. Of employed individuals, 83 per cent were working full-time, a greater percentage than in Ontario and Canada overall, and 17 per cent were in part-time jobs. The other 15,600 people in the labour force were unemployed, which translates to an unemployment rate of 5.1 per cent.

Employment and labour force participation were strong in the KCW CMA in 2017, showing that a significant proportion of the working-age population was in the labour force and employed. Both participation and employment rates were higher in the KCW CMA compared to Ontario and Canada, as shown in Table 1. The area also had an unemployment rate below the provincial and national rates. Compared to other CMAs across the country, the KCW CMA had the sixth highest employment rate and the seventh lowest unemployment rate.

Table 1: Labour force rates, 2017

<table>
<thead>
<tr>
<th>Measure</th>
<th>Kitchener-Cambridge-Waterloo</th>
<th>Ontario</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation rate</td>
<td>70.2</td>
<td>64.9</td>
<td>65.8</td>
</tr>
<tr>
<td>Employment rate</td>
<td>66.6</td>
<td>61</td>
<td>61.6</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>5.1</td>
<td>6</td>
<td>6.3</td>
</tr>
</tbody>
</table>

Monthly labour force rates in 2017

Monthly rates fluctuate throughout the year, while annual rates are averaged. The monthly rates in this report are also seasonally adjusted, meaning that fluctuations related to changes due to holidays, climate, and seasonal retail cycles are removed.

Both participation and employment rates followed similar monthly trends from January to December of 2017. Rates increased from January to July 2017 before steadily declining during the second half of the year (see Figure 2). At the end of 2017, both the participation and employment rates were the same or slightly higher than those reported at the beginning of the year.
Monthly unemployment rates were the highest at the beginning and end of 2017 and were the lowest in the middle of the year from June to September. Rates remained steady between January and March 2017 at 5.7 per cent. From March onward, the rate decreased hitting a low of 4.6 per cent in August before increasing to 5.4 per cent at the end of the year.

Figures 2 and 3 reflect Labour Force Survey 2017 monthly estimates, seasonally adjusted.

**Long term trends**

Over the last 17 years, the population aged 15 years and over has grown at a faster rate than the labour force. During this period, the number of people aged 15 years and over increased from 339,300 to 431,900, an average of almost 5,500 people per year. Over the same period, the number of people in the labour force, either working or looking for work, has only grown by an average of approximately 4,000 people per year to its current level of 303,400 (Figure 4). In the short term, the working age population grew by 19,600 people between 2013 and 2017, while the labour force grew by 3,700 people.
There are two factors that are contributing to the growing size of the pool of people who are not in the labour force. First, as the baby boom generation are now aged 53 to 71 years old, an increasing number of people are reaching retirement age. This is evident from the high growth rate of the population 55 years and over between 2013 and 2017 (see Figure 5). Second, students undertaking further education are postponing their entry into the workforce.

Participation and employment rates rose in 2017 to 70.2 and 66.6 per cent respectively. This remains lower than the higher rates reported from 2011 to 2014, as shown in Figure 6. Tapering participation and employment rates in recent years illustrate the growing number of people who are not in the labour force, a trend that is being experienced across Ontario and Canada.
Between 2001 and 2017, full-time employment levels have generally increased with the exception of an 11,800 drop in full-time employment during the recession (2008 to 2009). Over this same period, part-time employment levels have also generally increased, including a 6,000 person increase between 2008 and 2009 (Figure 7). Between 2015 and 2017, full-time employment increased by 16,300 people, while part-time employment decreased by 2,100 people.

In 2017, the unemployment rate reached its lowest point in the past 17 years (Figure 8). From the height of the recession, the unemployment rate dropped sharply between 2009 and 2011, before declining gradually in the subsequent six year period. In 2017, the unemployment rate declined to its lowest point of 5.1 per cent. The CMA’s unemployment rate has remained below provincial and national rates since 2011.
Employment by age group

Since 2001, employment rates for all age categories have stayed relatively stable or increased, with the exception of youth (15 to 24 years) employment rates which have trended downwards (Figure 9). In the short term, the employment rate for youth in 2017 increased to the 2015 rate (59.8 per cent), although it has yet to reach pre-recession levels. The rate for the 25 to 54 year age group has remained relatively flat since 2001, with the exception of a drop during the 2008 to 2009 recession. In the short term, the employment rate for the 25 to 54 age group increased from 82.7 per cent in 2016 to 84.3 per cent in 2017. The rate for those 55 to 64 years and those 65 years and over has trended upward since 2001. In the short term, the employment rate for those 55 to 64 increased by 1.5 per cent between 2016 and 2017 to 67.4 per cent. For those 65 years and over, the employment rate decreased by three percentage points between 2016 and 2017 to 12.6 per cent, the lowest since 2010.
Employment levels by age show growing numbers of older workers in the labour force since 2001. However their contribution by population to the total labour force remains small compared to those 25 to 54 years as shown in Figure 10.

Between 2001 and 2017, older worker employment numbers have grown steadily and exceeded youth employment numbers over the past two years (Figure 11). From 2011 to 2015, youth and older worker employment numbers began to converge. In 2016,
employed individuals aged 55 and over outnumbered those aged 15 to 24 by 11,400. In 2017, those 55 and over continued to outnumber those 15 to 24, although the gap narrowed to 7,400 following a spike in young adult employment levels. Between 2001 and 2017, the number of those employed who are aged 55 and over increased from 23,900 in 2001 to 50,600 in 2017 (or 5.4 per cent average annual growth), while youth employment has grown from 36,900 to 43,200 people (or 1.2 per cent average annual growth) over this same period.

**Figure 11: Youth and older worker employment, 2001-2017**

More people in the KCW CMA are working past the age of 55. The number of workers in the 55 to 64 year old category has more than doubled since 2001 and the number of those over 65 has almost doubled over this period (see Figure 12). In the short term, the number of workers aged 55 to 64 increased by 900 between 2016 and 2017, while the number of workers aged 65 and over decreased by 1,300 people. The overarching trend from 2001 to 2017 indicates a local labour force with growing numbers of older workers. As these workers retire they will move into the “not in the labour force” segment of the working age population.
The existing gap between youth and overall unemployment rates has been narrowing in recent years, with the exception of 2016, as shown in Figure 13. Prior to the recession, this gap ranged between 4 and 6 per cent annually. For example, in 2008 the unemployment rate for youth was 11.1 per cent whereas the overall unemployment rate was 5.9 per cent, a gap of 5.2 per cent. The largest gap of 8.8 per cent occurred during the recession in 2010 when youth unemployment was 16.9 per cent and overall unemployment was 8.1 per cent. In 2017, there was a 5.3 per cent difference between youth unemployment and overall unemployment levels, similar to pre-recession levels.

Figure 13: Youth unemployment, 2001-2017
The Southwestern Ontario CMAs

The KCW CMA was strong in 2017 compared to other Southwestern Ontario CMA labour forces. The KCW CMA has the second largest labour force and employed population next to the Hamilton CMA, as shown in Figure 14 (see Appendix B for information on CMA geographies). The KCW CMA is most comparable to London’s by size of the working age population, but has a larger labour force, 42,000 more employed people, and a smaller ‘not in the labour force’ population.

Figure 14: Labour Force Comparisons of the Southwest Eight CMAs, 2017

The KCW CMA ranks high in employment indicators among Southwestern Ontario CMAs. As shown in Table 2, the KCW CMA is third in participation and employment rates after Guelph and Barrie. The KCW CMA also has a labour force over three times Guelph’s size and double Barrie’s (see Figure 14). The KCW CMA’s unemployment rate of 5.1 per cent also compared well to the seven other southwestern CMAs, and was the third lowest.

Table 2: Labour force rates for the southwest eight CMAs, 2017

<table>
<thead>
<tr>
<th>Measure</th>
<th>Barrie</th>
<th>Brantford</th>
<th>Guelph</th>
<th>Hamilton</th>
<th>Kitchener-Cambridge-Waterloo</th>
<th>London</th>
<th>St. Catharines-Niagara</th>
<th>Windsor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation rate</td>
<td>70.6</td>
<td>66.3</td>
<td>72.4</td>
<td>66.8</td>
<td>70.2</td>
<td>60.5</td>
<td>60.7</td>
<td>60.5</td>
</tr>
<tr>
<td>Employment rate</td>
<td>66.8</td>
<td>63.1</td>
<td>68.5</td>
<td>63.4</td>
<td>66.6</td>
<td>57</td>
<td>56.8</td>
<td>57.1</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>5.4</td>
<td>4.9</td>
<td>5.4</td>
<td>5</td>
<td>5.1</td>
<td>5.9</td>
<td>6.5</td>
<td>5.6</td>
</tr>
</tbody>
</table>
Employment by industry

Four industries made up over half of all employment in the KCW CMA in 2017. These four industries were manufacturing, wholesale and retail trade, healthcare and social assistance, and educational services. The other half of employment was spread out over 11 industries, as shown in Figure 15.

Figure 15: Employment by industry, 2017

The goods producing sector, which makes up one quarter of total employment or approximately 75,000 jobs, is composed primarily of jobs in manufacturing and construction. The service sector makes up three quarters of employment or approximately 212,000 jobs and consists of 11 industries, the largest of which is wholesale and retail trade. Of all service sector industries, six employed 20,000 or more people (see Table 3).

Since 2001, educational services experienced the fastest growth, followed by professional, scientific and technical services. These two industries had average annual growth rates of 5.1 per cent and 4.9 per cent respectively. Both of these industries have approximately doubled in size over this 17 year period.

Some industry groupings such as the creative or high tech sectors often fall within a variety of classifications and cannot be measured with labour force data. For example, high tech employees may work in a variety of sub-sectors in manufacturing, information and cultural industries, or professional, scientific, and technical services.
Table 3: Employment by industry, 2017

<table>
<thead>
<tr>
<th>Industry</th>
<th>2017</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total, goods producing sector</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td>3,700</td>
<td>1.3%</td>
</tr>
<tr>
<td>Construction</td>
<td>19,600</td>
<td>6.8%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>51,300</td>
<td>17.8%</td>
</tr>
<tr>
<td><strong>Total, service sector</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation and food services</td>
<td>20,100</td>
<td>7.0%</td>
</tr>
<tr>
<td>Business, building and other support services</td>
<td>10,000</td>
<td>3.5%</td>
</tr>
<tr>
<td>Educational services</td>
<td>25,600</td>
<td>8.9%</td>
</tr>
<tr>
<td>Finance, insurance, real estate, rental and leasing</td>
<td>22,800</td>
<td>7.9%</td>
</tr>
<tr>
<td>Health care and social assistance</td>
<td>29,200</td>
<td>10.1%</td>
</tr>
<tr>
<td>Information, culture and recreation</td>
<td>9,000</td>
<td>3.1%</td>
</tr>
<tr>
<td>Other services</td>
<td>10,100</td>
<td>3.5%</td>
</tr>
<tr>
<td>Professional, scientific and technical services</td>
<td>24,900</td>
<td>8.7%</td>
</tr>
<tr>
<td>Public administration</td>
<td>9,300</td>
<td>3.2%</td>
</tr>
<tr>
<td>Transportation and warehousing</td>
<td>10,400</td>
<td>3.6%</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>40,300</td>
<td>14.0%</td>
</tr>
</tbody>
</table>

The KCW CMA remains one of the top places in Canada for manufacturing. The region is currently the fourth largest in the country by percentage of employees in manufacturing, with approximately 18 per cent of residents working in this sector (see Table 4). This is a slightly smaller percentage than Guelph, but represents more than three times as many workers. The number of residents working in manufacturing was estimated at 51,300 people in 2017, which is slightly less than the number in Windsor and Brantford combined.
Table 4: Top Canadian CMAs by proportion of manufacturing employment, 2017

<table>
<thead>
<tr>
<th>CMA</th>
<th>Total employment</th>
<th>Manufacturing employment</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Windsor, Ontario</td>
<td>162,800</td>
<td>38,400</td>
<td>23.6%</td>
</tr>
<tr>
<td>Brantford, Ontario</td>
<td>72,300</td>
<td>14,400</td>
<td>19.9%</td>
</tr>
<tr>
<td>Guelph, Ontario</td>
<td>90,800</td>
<td>16,800</td>
<td>18.5%</td>
</tr>
<tr>
<td>Kitchener-Cambridge-Waterloo, Ontario</td>
<td>287,800</td>
<td>51,300</td>
<td>17.8%</td>
</tr>
<tr>
<td>Sherbrooke, Quebec</td>
<td>106,600</td>
<td>14,800</td>
<td>13.9%</td>
</tr>
<tr>
<td>Barrie, Ontario</td>
<td>115,600</td>
<td>15,500</td>
<td>13.4%</td>
</tr>
<tr>
<td>Trois-Rivières, Quebec</td>
<td>75,800</td>
<td>9,600</td>
<td>12.7%</td>
</tr>
<tr>
<td>London, Ontario</td>
<td>245,800</td>
<td>29,800</td>
<td>12.1%</td>
</tr>
<tr>
<td>Hamilton, Ontario</td>
<td>417,900</td>
<td>49,800</td>
<td>11.9%</td>
</tr>
<tr>
<td>St. Catharines-Niagara, Ontario</td>
<td>197,600</td>
<td>21,600</td>
<td>10.9%</td>
</tr>
</tbody>
</table>

The KCW CMA has the highest proportion of people working in the ‘Professional, scientific and technical services’ industry compared to all other southwest CMAs. This industry, which includes scientific research, computer systems design, and engineering services, employs 24,900 people or 8.7 per cent of the employed population.

**Employment by occupation**

Occupations, which represent type of work done rather than the industry in which the job falls, are split into 10 classes for employment. Sales and services occupations are the largest class in the KCW CMA with 22.9 per cent of employment, as shown in Table 5. This class, combined with business, finance and administrative occupations, and trades, transport and equipment operators and related occupations represent over one half of employment (Figure 15).
Table 5: Employment by occupation, 2017

<table>
<thead>
<tr>
<th>Occupation Class*</th>
<th>2017</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and service occupations</td>
<td>65,900</td>
<td>22.9%</td>
</tr>
<tr>
<td>Business, finance and administration occupations</td>
<td>43,600</td>
<td>15.1%</td>
</tr>
<tr>
<td>Trades, transport and equipment operators and related occupations</td>
<td>38,000</td>
<td>13.2%</td>
</tr>
<tr>
<td>Occupations in education, law and social, community and government services</td>
<td>32,400</td>
<td>11.3%</td>
</tr>
<tr>
<td>Natural and applied sciences and related occupations</td>
<td>28,100</td>
<td>9.8%</td>
</tr>
<tr>
<td>Management occupations</td>
<td>27,400</td>
<td>9.5%</td>
</tr>
<tr>
<td>Occupations in manufacturing and utilities</td>
<td>25,900</td>
<td>9.0%</td>
</tr>
<tr>
<td>Health occupations</td>
<td>16,700</td>
<td>5.8%</td>
</tr>
<tr>
<td>Occupations in art, culture, recreation and sport</td>
<td>6,800</td>
<td>2.4%</td>
</tr>
<tr>
<td>Natural resources, agriculture and related production occupations**</td>
<td>3,000</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

*Based on 2016 National Occupation Classification – Statistics (NOC)
**Note: Data for ‘Natural resources, agriculture and related production occupations’ in this report is subject to high fluctuation in employment numbers and periodic suppression

Between 2001 and 2017, sales and service occupations combined with occupations in education, law and social, community and government services experienced the most growth. Over this 17 year span, these two occupation categories increased by 15,800 and 12,700 employees respectively.

Figure 15: Employment by occupation, 2017
Appendix A

About the Labour Force Survey

Sources – Statistics Canada 2017, Labour Force Survey by Census Metropolitan Area (Annualized); Labour Force Survey by Census Metropolitan Area (Monthly), unadjusted for seasonality.

Sample Size - The Statistics Canada Labour Force Survey (LFS) is a nation-wide employment survey producing data on employment, industry and occupation characteristics of the population. The survey uses a sample size of approximately 56,000 private households, or 100,000 people across Canada.

Geography - Data from the Labour Force Survey is available at the provincial and Census Metropolitan Area (CMA) geography levels according to 2011 census boundaries. The 2011 Kitchener-Cambridge-Waterloo CMA consists of the cities of Kitchener, Cambridge and Waterloo, as well as the townships of North Dumfries and Woolwich.

Population - Labour force estimates presented in this report are for the working age population 15 years and over. At year-end 2017, the LFS estimated population for those aged 15 and over in the KCW CMA was 431,900.

Time Period - Data presented in this report is annualized, based on unadjusted monthly totals averaged over 12 months. Data in this report may be discussed in single years or blocks of time dating back to 2001.

Quality – Data presented in this report is based on annual averages of labour force estimates, and employment by industry and occupation. Response to the LFS is mandatory however Statistics Canada estimates non-response to average 10 per cent of eligible households. Beginning in 2015, all LFS estimates back to 2001 were adjusted to reflect 2011 Census boundaries and population counts.

Significance – Statistical significance of the annualized estimates presented in this report can be calculated using standard errors (SE) derived from published Statistics Canada Coefficients of Variation for Canadian provinces. For estimates (i.e. employment, unemployment, not in the labour force) to be statistically significant at a 95 per cent confidence level the growth or decline from the previous year must be twice the calculated SE. Note that all year to year change reported in this document is not considered to be statistically significant and these results should not be interpreted with concern. More meaningful change is that which occurs over a longer period of time.
Appendix B

Glossary Terms

**Average Annual Growth** – refers to annual growth rates averaged over 17 year period from 2001 to 2017.

**Census Metropolitan Area**—“is formed by one or more adjacent municipalities centred on a population centre (known as the core).” While the Kitchener-Cambridge-Waterloo Census Metropolitan Area (CMA) excludes Wellesley and Wilmot Townships, other CMAs include additional cities, townships, and towns. For example, the Hamilton CMA also includes the City of Burlington and the Town of Grimsby.

**Employment rate** – “the number of persons employed expressed as a percentage of the population 15 years of age and over.”

**Industry (based on 2012 North American Industry Classification System)** – “refers to the general nature of the business carried out by the employer for whom the respondent works (main job only).”

**Not in Labour Force** - “the number of persons who, during the reference week, were unwilling or unable to offer or supply labour services under conditions existing in their labour markets (this includes persons who were full-time students currently attending school).

**Occupation (based on 2016 National Occupation Classification – Statistics)** – “refers to the kind of work persons 15 years of age and over were doing during the reference week, as determined by the kind of work reported and the description of the most important duties of the job.”

**Participation rate** – “the number of labour force participants [comprised of those who are employed or unemployed] expressed as a percentage of the population 15 years of age and over.”

**Unemployment rate** – “the number of unemployed persons expressed as a percentage of the labour force.”