

WORKFORCE PLANNING
HAMILTON

HALFWAY THROUGH 2023

A REVIEW OF
HAMILTON'S
ECONOMY



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Introduction

Hamilton's economy in 2023 has shown a resilient labour market in a post-pandemic world.

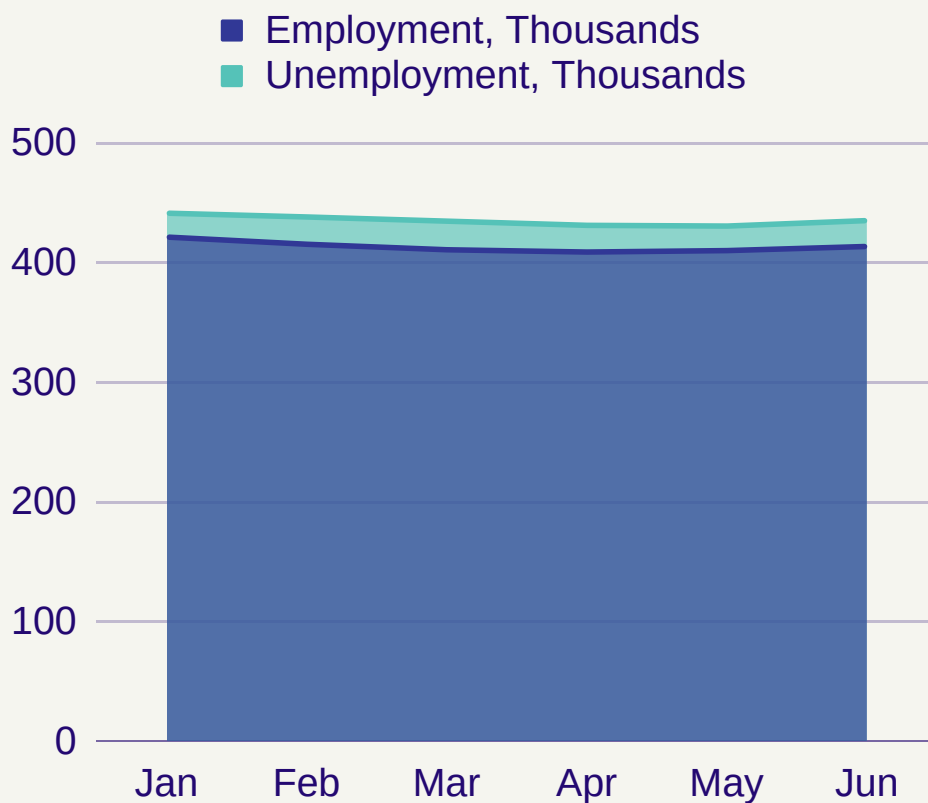
The 2023 mid-year report will elaborate on the labour force characteristics of Hamilton's population; with a deep dive into Hamilton's youth labour force and immigrant labour force. The report also explores Hamilton's industrial changes, job posting trends and wage data.

TERM	DEFINITION
Unemployment Rate	the percentage of people unemployed per the labour force.
Employment Rate	the percentage of people working per the population.
Participation Rate	the percentage of people in the labour force per the population.
Labour Force	consists of the unemployed and employed population.
CMA	refers to the geography of the City of Hamilton, as well as the surrounding regions Grimsby and Burlington.
Total CPI Inflation	the Consumer Price Index measures changes in consumer prices experienced by Canadians. It is obtained by comparing (usually year-over-year), the cost of a fixed basket of goods and services purchased by consumers.

Hamilton's employed population in 2023 reached a yearly high of 421,500 but experienced a steady decline leading up to the summer. This downward trend was also accompanied by a rise in unemployment during the first quarter of 2023. Ontario's unemployment rate followed a contrasting pattern to Hamilton's, as it decreased during Q1 2023 before rising at the beginning of summer.

THE FIRST HALF OF 2023

Employment and Unemployment in the First Half of 2023,
Hamilton CMA



Source: Statistics Canada (2023). Labour Force Survey

5%

Hamilton's
unemployment rate in
June 2023.

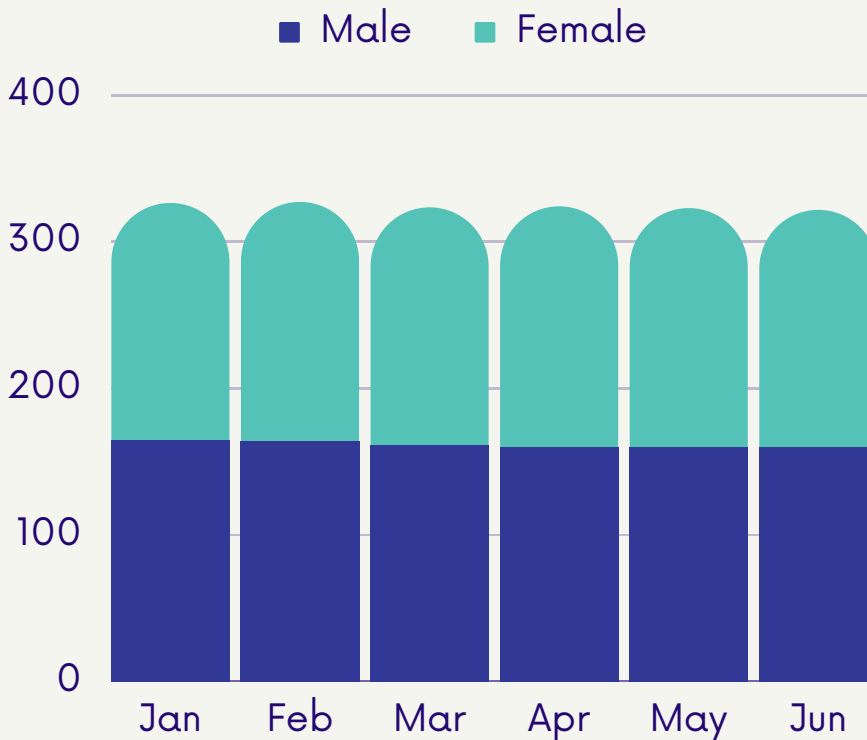
5.4%

Ontario's
unemployment rate in
June 2023.

In May 2023, Hamilton experienced a stabilized unemployment rate, which has remained steady at 5.0% ever since. Conversely, Ontario's unemployment rate saw a rise from 5.2% in May to 5.4% in June. Examining the final month of the first half of 2023, Hamilton's labour force witnessed an increase of 3,400 individuals employed and 1,100 individuals unemployed. However, it has not yet fully rebounded to the same level as it was in January.

WORKING AGE POPULATION

Core Working Age Population (24-54) by Gender in Thousands, Hamilton CMA



Source: Statistics Canada (2023). Labour Force Survey

Since January 2023, Hamilton has experienced a steady decrease in its core-working age population (individuals aged 25-54). The population has gradually declined from 325,900 in January to 321,200 in June, resulting in a total loss of nearly 5,000 individuals over a span of 6 months. This decline is noticeable in the male population as well, which decreased from 164,000 in January to 159,200 in June. Conversely, Hamilton's female population exhibited more variability during the first half of 2023.

After starting at 162,000 in March, the population increased to a peak of 164,000 in April before declining back to 162,000 in June. The unemployment rate for Hamilton's core working age group also experienced a few fluctuations during this period. It began at 3.7% in January and gradually decreased to 3.4% in June.

-3%

Male core working age population decline from January to June 2023.

50%

Even split in the number of male and female core-working age persons.

3.4%

Unemployment Rate for Hamilton's core working age population in June 2023.

-7.8k

Was the net loss of industry employment Hamilton experienced from January to June of 2023.

Construction

Saw the most employment for Hamilton in the first half of 2023.

Professional, Scientific and Technical Services

Saw the largest decline in employment for Hamilton in the first half of 2023.

+9.9k

Workers gained for the Goods-Sector in Hamilton, with a 17.8 loss for the Services-Sector, year-to-date.

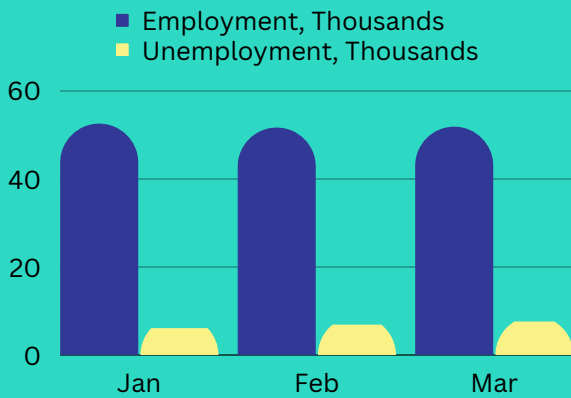
From the start of 2023 until now, the job market in Hamilton has experienced significant fluctuations in both the Goods-Producing Sector and the Services-Producing Sector. During the period from January to June, a total of 7,800 jobs were lost. Although the Goods Sector saw a gain of 9,900 jobs during this time, it was offset by a loss of 17,800 jobs in the Services Sector. Among the job gains in the Goods Sector, the Construction industry contributed the most, with a total increase of 13,300 jobs since the beginning of 2023. In the first half of 2023, there was an increase of 2,000 jobs in the Other Services sector, and Culture and Recreation also experienced a growth of 1,500 jobs. However, the top declining industries during this period were Professional, Scientific and Technical Services, which saw a loss of 6,300 jobs, followed by Wholesale and Retail Trade with a loss of 5,500 jobs, and Manufacturing with a loss of 3,900 jobs.

Q1 2023

Source: Statistics Canada (2023). Labour Force Survey

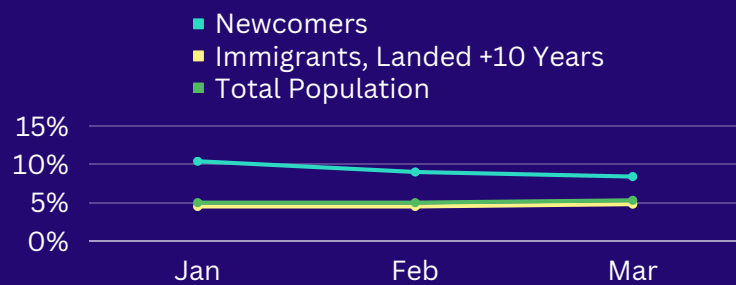
YOUTH LABOUR FORCE

In Q1 2023, the youth labour force in Hamilton experienced a gradual rise in the number of unemployed individuals. The increase in unemployment primarily affected male youths, as their unemployment rate rose from 13.2% in February 2023 to 16.8% (+3.6%) in March 2023. Conversely, unemployment among female youths decreased from 10.1% to 8.5%.



IMMIGRANT LABOUR FORCE

During the initial quarter of 2023, individuals who recently immigrated, referred to as Newcomers (those who arrived within the past 5 years), experienced a reduction in unemployment spanning three months. By March 2023, their unemployment rate stood at 8.4%. Immigrants who arrived over a decade ago observed a slight 0.3% rise in their unemployment rate for the same month. Likewise, the unemployment rate for the overall population increased to 5.3% (+0.3%) in March.



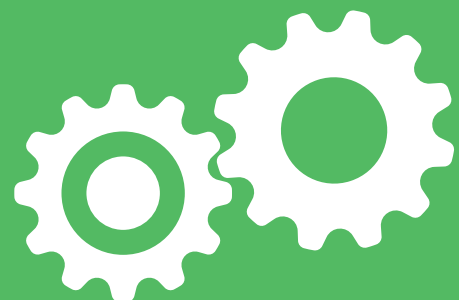
TOP GROWING INDUSTRIES

From January to March 2023, Hamilton's Construction sector emerged as the fastest-growing industry in terms of employment; with an increase of 6,000 workers. Following was Other Services (+2,300), Agriculture (+500), and Business, Building and Other Support Services (+200).



TOP DECLINING INDUSTRIES

Hamilton's top declining industry in the first quarter of 2023 was Manufacturing, with an employment loss of 3,700 workers. Following behind was Professional, Scientific and Technical Services with a contraction of 2,800 workers. Accommodation and Food Services, Finance and Insurance, and Educational Services all saw losses of 2,700 in the first quarter.



Q2 2023

Source: Statistics Canada (2023). Labour Force Survey

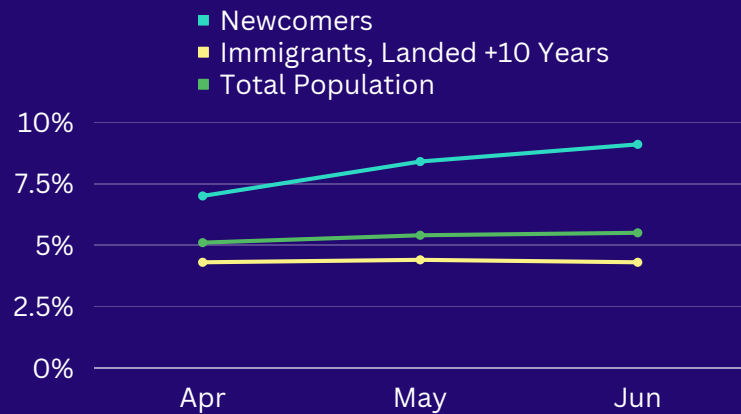
YOUTH LABOUR FORCE

In the second quarter of 2023, Hamilton witnessed a surge in its youth labour force as more young individuals sought summer employment opportunities. Between April and June 2023, the number of young people participating in the labour force increased by over 10,000. As of June 2023, there were 62,000 youths employed while 9,100 were unemployed, resulting in an overall unemployment rate of 12.8%. Notably, unemployment in June was primarily concentrated among female youths, as their unemployment rate rose from 6.1% to 9.8%, reflecting a 3.7% increase.



IMMIGRANT LABOUR FORCE

In Q2 2023, Ontario experienced a rise in the Newcomer unemployment rate from 7% in April to 9.1% in June (+2.1%) during Q2 2023. Immigrants who arrived over 10 years ago had a steady unemployment rate, slightly declining to 4.3% in June. Between January and June, Ontario saw a growth of 179,600 Landed Immigrants, with Newcomers increasing by 69,400.



TOP GROWING INDUSTRIES

During Q2 2023, Hamilton's Construction (+4,400) continued to lead in employment growth. Following was Manufacturing (+2,200), which saw a turn-around from the top declining in Q1 2023. Health Care and Social Assistance (+2,000), Accommodation and Food Services (+1,100); and Information and Recreation (+1,100) all saw increase in employment as well.



TOP DECLINING INDUSTRIES

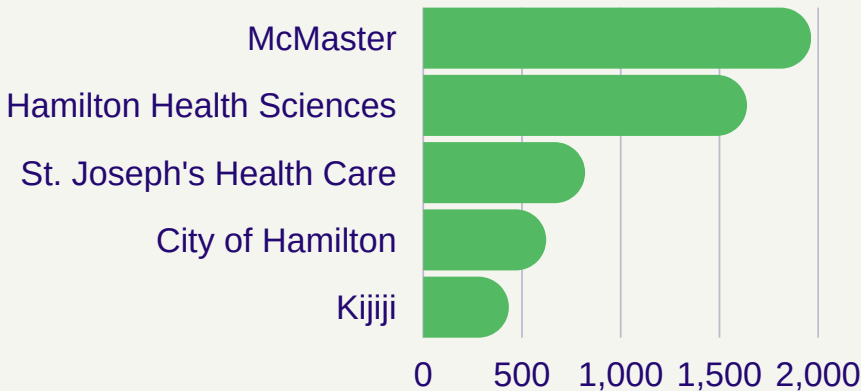
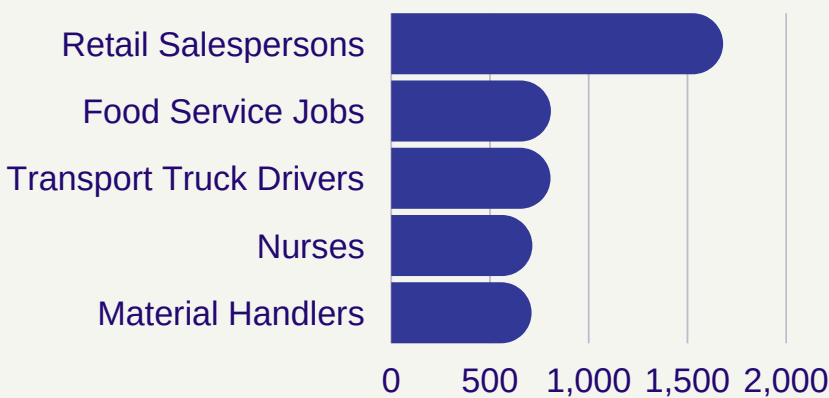
The top declining industries in Q2 2023 was spearheaded by Wholesale and Retail Trade (-3,500), followed by Transportation and Warehousing (-2,300); Other Services (-1,200); Business and Support Services (-800); and Professional, Scientific and Technical Services (-500).



In the last six months, our Job Board gathered data from over 32,000 job postings. Among all occupations, Retail Salespersons (6421) emerged as the most sought-after, with 1,676 job postings between January and June 2023. Retail Salespersons had twice as many job postings as Food Service occupations, which ranked second in demand. McMaster University stood as the leading employer with 1,960 job postings, followed by Hamilton Health Sciences, St. Joseph's Health Care, the City of Hamilton, and Kijiji employers.

JOB DEMAND AND WAGES

Top 5 In-Demand Jobs and Top 5 Hiring Employers for the First Half of 2023, Hamilton



Source: Workforce Planning Hamilton (2023). Job Board

+32,000

Collected job postings from our website.

+\$1.15

Increase in average hourly wages for the Hamilton-Niagara Peninsula from Q1 2023 to Q2 2023.

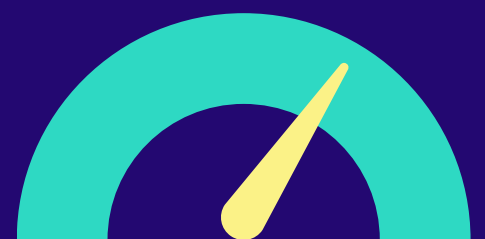
Source: Statistics Canada (2023). Job Vacancy and Wage Survey

CANADIAN INFLATION TRENDS

Total CPI inflation, after reaching a record high of 8.1% in June 2022, dropped to 5.9% by Jan 2023. The Bank of Canada's interest rate hikes led to a significant decline in total CPI inflation and other CPI measures in the following months. Between January and May 2023, total CPI inflation decreased by 2.5%. To alleviate the financial strain caused by continuous interest rate hikes and ongoing fiscal impacts from COVID-19, the Government of Canada introduced one-time grocery rebates for Canadians in July. In July 2023, the Bank of Canada raised the policy rate to 5%, the highest level in 22 years. The Bank of Canada predicts that inflation will gradually return to the target rate of 2% by early 2025.

Source: Bank of Canada (2023)

3.4%



May 2023

Workforce Planning Hamilton

ABOUT US

Workforce Planning Hamilton is a leader in transforming local market information into workforce planning solutions that contribute to a prosperous and diverse Hamilton community.

Since 1997 Workforce Planning Hamilton has provided planning partnerships and projects that highlight local labour market trends and support workforce development.

WPH is a member of Workforce Planning Ontario, a network of 26 labour market planning areas across Ontario.

Our evidence-based approach relies on key industry sector demographic data combined with local intelligence from employers and other local partners to develop a strategic vision for Hamilton.

WEBSITE

Log on to WPH'S **website** and:

Discover our **Current Projects** that promote labour force development.

Learn about local labour market trends, opportunities, and priorities in our **Labour Market Data** section.

Connect to **Resources** on training, employment, skills development, and labour market information.

Find Hamilton's largest **Job Board!**



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