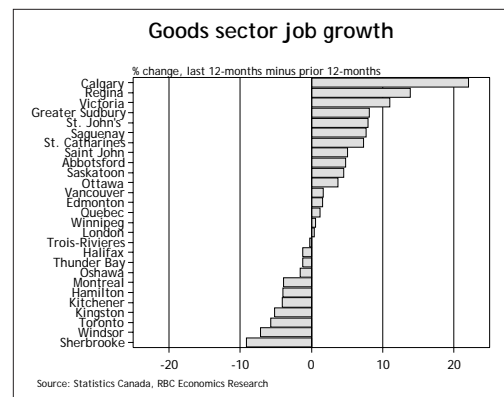
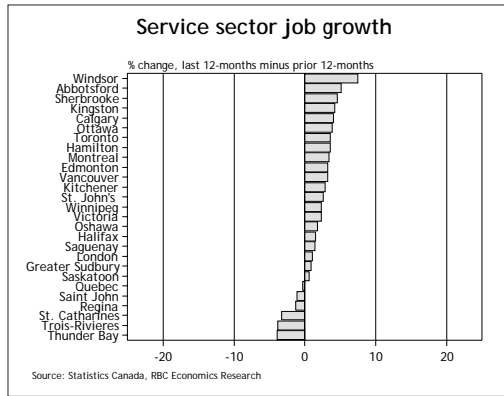


CITY JOB GROWTH SKEWED TO SERVICE SECTOR

February 2007



Canada's job engine generated an outsized 88,900 new jobs in January, continuing the string of healthy gains that started in September. The strong job numbers continue to paint a picture of a tight labour market, pointing to solid income growth and continued expansion in consumer spending in 2007. At the national level, growth in the service sector has been the driving force behind overall employment gains during the past 12 months, accounting for 80% of the increase. But, the dominance of service sector growth is not consistent across all key metro cities. In fact, the exceptions include a few cities in western Canada that have actually experienced broad-based growth in both service-sector and goods-sector employment.

Charts on pages 2-4 show industry employment gains and losses across cities during the last 12-month period compared to the prior 12-month period. Due to confidentiality issues that restrict Statistics Canada from reporting job numbers for certain industries (particularly in smaller cities), the unclassified jobs have been put into either a *goods residual* or *service residual* category so that all gains and losses in each city are captured.

Service sector drives majority of city job gains...

- ▲ Twenty-one of the 27 census metropolitan areas (CMAs) that we track have seen growth in service sector jobs and in 17 of these 21 cities job gains in the service sector have outperformed gains in the goods sector.
- ▲ The strongest service sector job growth was reported in Windsor (driven by accommodation and food services), Abbotsford (driven by transportation and warehousing) and Sherbrooke (driven by wholesale and retail trade)
- ▲ The sectors that dominated job gains across Canada's biggest cities (Toronto, Montreal and Vancouver) included finance, insurance, real estate and leasing, health care and social assistance, and retail and wholesale trade.
- ▲ A decline in service sector job creation was reported in Thunder Bay, Trois-Rivières, St. Catharines, Regina, Saint John and Québec.

...but jobs in goods sector still strong out west

- ▲ Eleven of the 27 CMAs saw declines in goods-sector jobs, with the sharpest losses in Sherbrooke (down 9%), Windsor (down 7%) and Toronto (down 6%).
- ▲ Much of the weakness in goods employment can be traced to the manufacturing sector. Declines in the sector continued to weigh heavily in several cities including Toronto, Montreal, Hamilton, Windsor, Sherbrooke and Sudbury. However, several cities have still managed to create jobs in the manufacturing sector, with Calgary and Saint John posting the fastest paced manufacturing gains.
- ▲ Construction sector jobs continued to top the charts in many cities in western Canada, including Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon and Abbotsford. Both housing and non-residential markets remain elevated out west.

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Current economic indicators

Latest month available, year-over-year % change unless otherwise indicated

Cities are ranked in descending order by population size

Census metropolitan area	Job growth Jan-07	Jobless rate Jan-07 (Level)	Res. permits ¹ Dec-06	Non-res. permits ¹ Dec-06	MLS prices Jan-07	MLS sales Jan-07	Housing starts Jan-07	Downtown office vac (%) Q3 2006	CPI Jan-07	Consumer bnkrpts ¹ Dec-06	Business bnkrpts ¹ Dec-06	Retail sales Dec-06 (Est.)
Toronto	2.1	6.0	-27.8	12.9	6.0	7.2	-7.0	8.3	0.3	-3.7	4.6	3.9
Montréal	3.2	7.7	12.4	25.7	1.9	11.8	11.0	11.6	0.6	4.6	19.1	4.0
Vancouver	2.7	4.3	6.9	161.9	15.4	-7.9	21.9	4.0	2.6	-12.4	-32.0	5.4
Ottawa-Gatineau	-2.5	5.6	19.4	-17.0	5.7	15.6	-3.0	3.7	0.4	3.3	0.0	na
Calgary	8.7	2.9	5.4	94.2	30.3	4.6	-26.3	0.6	4.6	-37.1	-27.5	na
Edmonton	7.9	3.9	16.0	24.5	52.1	24.2	30.2	4.0	3.0	-27.6	-47.3	na
Quebec	-2.2	6.1	-33.3	56.9	11.6	15.4	-61.0	na	0.3	2.8	26.4	na
Hamilton	-2.9	5.9	20.6	8.3	5.9	-4.5	-36.8	na	na	-4.6	-25.0	na
Winnipeg	1.0	4.9	22.6	47.8	na	na	231.1	na	1.7	-18.8	120.0	na
London	4.4	5.8	53.5	56.0	9.9	-2.6	203.0	na	na	-3.5	-2.3	na
Kitchener	1.7	5.0	-29.9	28.6	12.5	-2.0	68.6	na	na	10.8	na	na
St. Catharines-Niagar	0.3	6.6	-1.1	-0.4	17.1	7.4	25.8	na	na	0.0	-9.1	na
Halifax	3.6	4.4	84.9	30.3	3.7	17.4	26.2	7.1	0.9	-8.7	-44.9	na
Windsor	-2.7	10.3	-54.8	-68.0	3.1	16.1	-56.9	na	na	4.4	11.8	na
Victoria	6.1	3.1	50.6	-24.0	13.6	-13.9	-14.0	4.4	1.7	-24.2	-71.4	na
Oshawa	1.0	6.4	-35.0	28.0	na	na	-27.3	na	na	-20.1	0.0	na
Saskatoon	8.9	3.4	85.2	-54.8	25.4	20.8	26.7	8.4	1.5	-5.1	7.7	na
Regina	5.5	4.4	1.5	-12.8	-9.8	24.0	74.5	7.4	1.6	-27.3	27.8	na
St. John's	2.9	7.4	6.2	435.8	-1.9	-3.0	-7.4	na	1.1	10.1	-44.4	na
Sherbrooke	1.7	7.5	19.9	505.8	10.9*	0.4*	79.1	na	na	1.2	120.0	na
Greater Sudbury	5.4	5.9	45.5	153.5	6.2	7.4	10.0	na	na	5.8	na	na
Abbotsford	4.2	4.3	37.5	-27.6	na	na	13.4	na	na	na	na	na
Kingston	3.4	5.0	-29.1	549.0	17.7*	34.5*	90.0	na	na	1.9	0.0	na
Saguenay	-4.3	10.1	-0.9	106.2	na	na	100.0	na	na	na	na	na
Trois-Rivières	-1.0	7.2	-8.6	245.7	15.2	14.9	-52.4	na	na	4.2	-29.4	na
Saint John	-2.2	5.0	19.3	132.1	15.8	14.6	61.1	na	0.3	1.2	-60.0	na
Thunder Bay	-0.8	6.2	72.9	64.2	-4.7	29.8	75.0	na	-0.4	25.9	46.2	na
Canada	2.4	6.2	-29.0	34.5	8.1*	2.1*	0.7	na	1.2	-6.1	-5.2	6.7

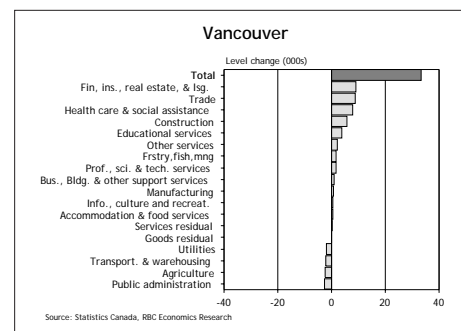
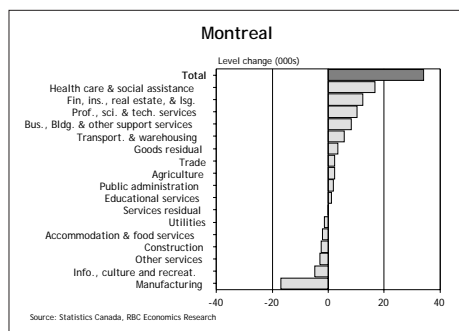
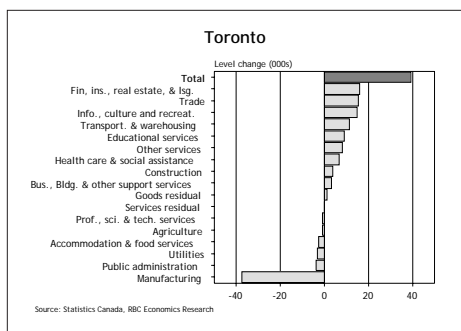
* As of December 2006

¹ Three-month trend

Source: Statistics Canada, Industry Canada, Canada Mortgage and Housing Corporation, Colliers International, Canadian Real Estate Association

Employment in Canada's metro cities by sector

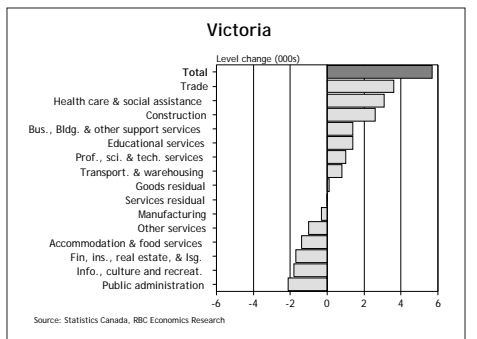
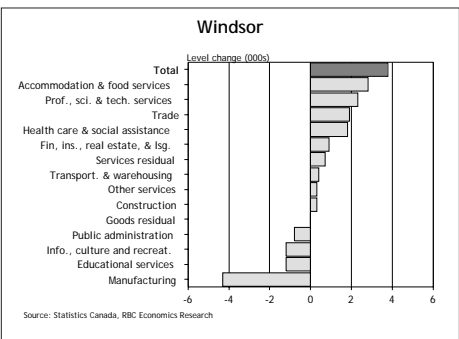
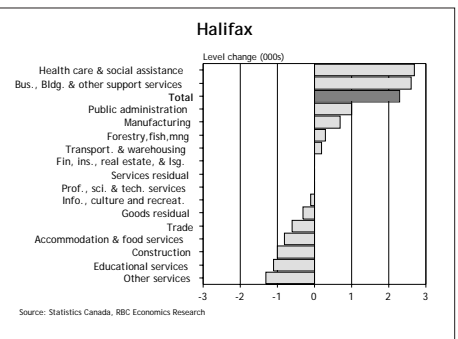
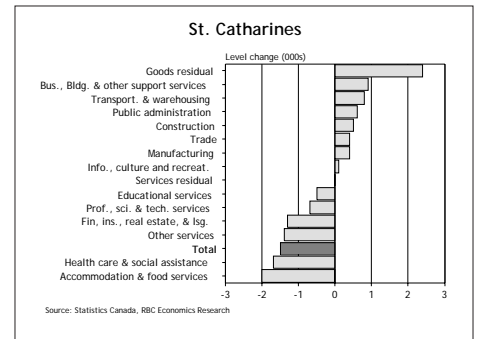
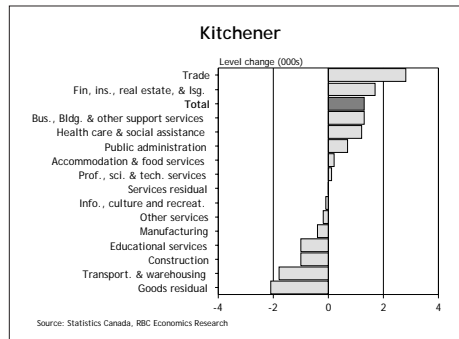
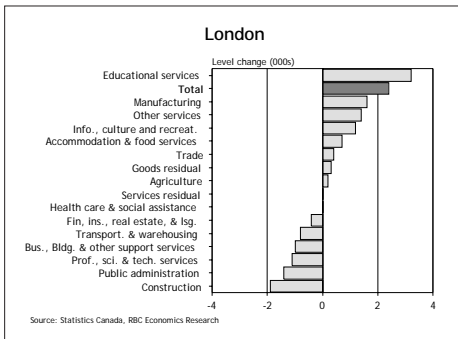
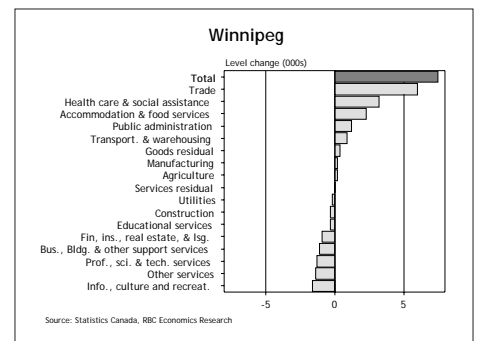
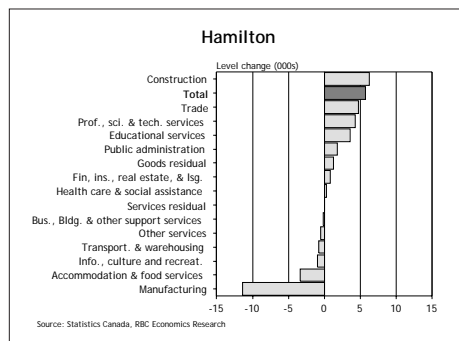
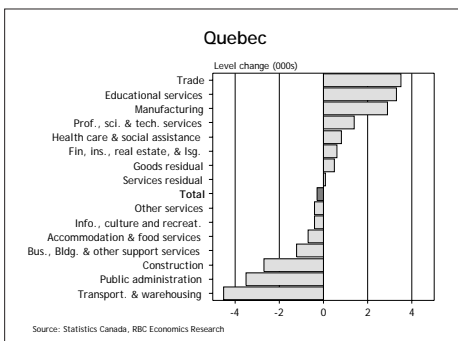
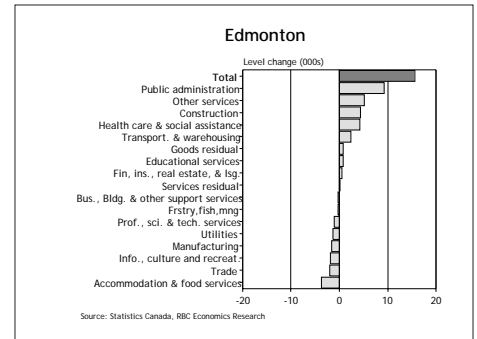
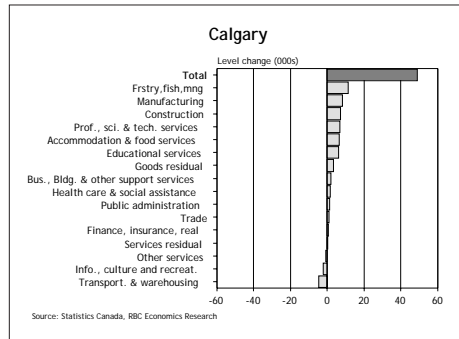
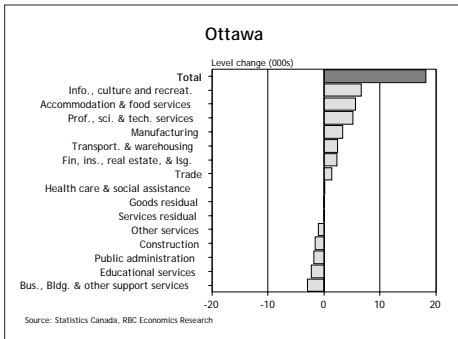
Level change (000s), last 12-months minus prior 12-months



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Employment in Canada's metro cities by sector

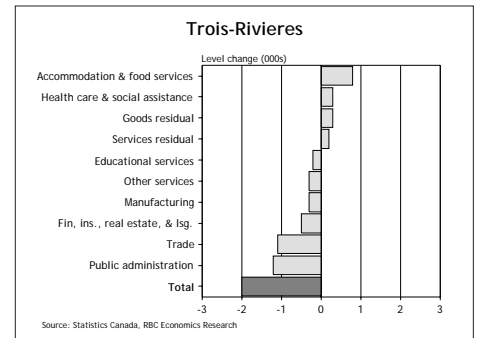
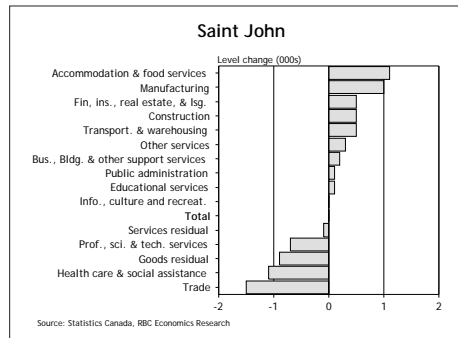
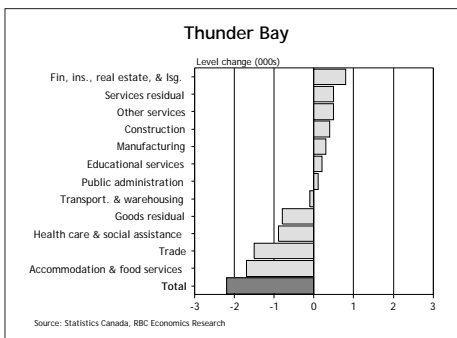
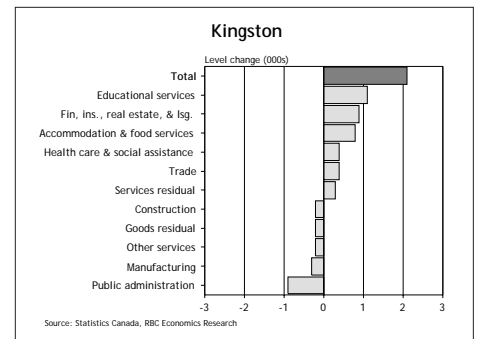
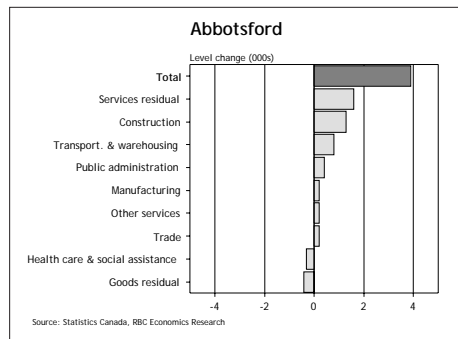
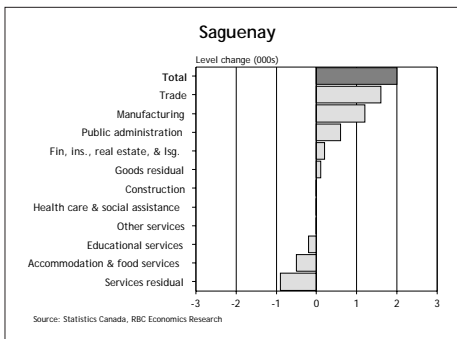
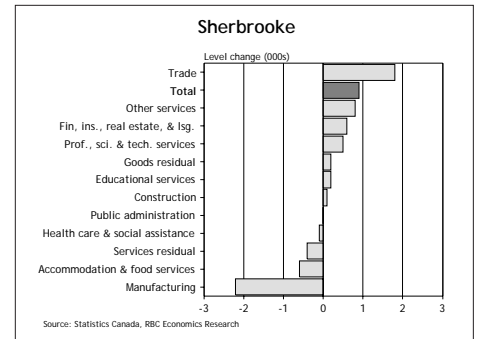
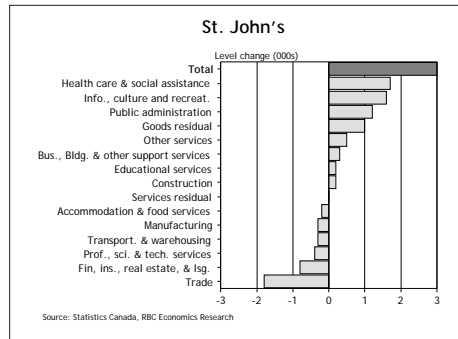
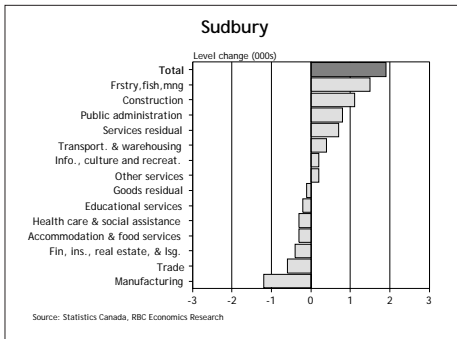
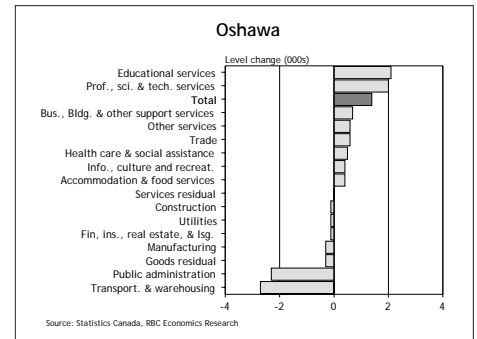
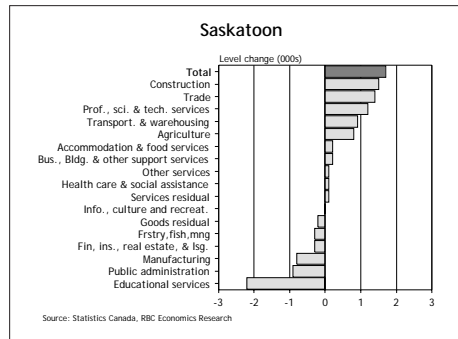
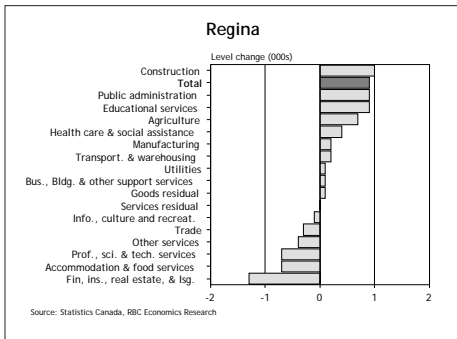
Level change (000s), last 12-months minus prior 12-months



Continued on page 4...

Employment in Canada's metro cities by sector

Level change (000s), last 12-months minus prior 12-months



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