



Labour Market Bulletin

Human Resource Centre of Canada

Woodstock-Tillsonburg-Oxford

~ An Analysis of the Woodstock-Tillsonburg-Oxford Area Labour Market ~ July to September 2004 ~

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AN OVERVIEW OF THE WOODSTOCK-TILLSONBURG-OXFORD AREA

Employment levels continued to climb in the third quarter in the London-Woodstock labour market (Economic Region 560), but at a slower pace compared to the second quarter. September brought the first dip in employment levels from a summer that saw employment peak at 337,100 in August. The increase in employment resulted in the employment rate reaching a 15-year high of 68.7% during the summer. While full-time employment climbed by 13,400 during the quarter, part-time positions slipped by 8,100. The influx of workers into the labour market resulted in the unemployment rate climbing to 5.9% from 5.3% in the second quarter.

Overall, the Goods-Producing Sectors recorded employment gains of 8,900 in the third quarter, while the Services-Producing Sectors posted a loss of 3,700. Bustling construction activity of all types (residential, commercial and institutional) translated into a 21.7% employment growth compared to the second quarter. A number of other sectors recorded significant employment gains during the quarter including Health Care and Social Assistance; Manufacturing; Finance, Insurance, Real Estate and Leasing; Public Administration; and Professional, Scientific and Technical Services. Other sectors saw considerable employment losses during the quarter including Business Building and Other Support Services; Trade; Other Services; Accommodation and Food Services; and Educational Services. Looking at year-over-year figures, the largest employment gains were seen in Professional, Scientific and Technical Services (+88.2%) and Transportation and Warehousing (+36.8%).

HIGHLIGHTS

- An increase in production of the Chevrolet Equinox has resulted in the recall of 150 laid off workers at Cami Automotive Inc. A \$100 million investment in the plant in 2005 will further increase plant capacity.
- Forty new permanent workers were hired for the opening of the new \$3.4 million Canadian Tire outlet in Tillsonburg.
- In order to meet demand, the Oxford Technical Training Centre plans to offer several new programs including heating, ventilation and air conditioning.
- Over 900 students found jobs with nearly 250 area employers through the Woodstock Human Resource Centre of Canada student office.
- The demand for skilled trades occupations continues to be a concern. Forty-two percent of Canadian youth are unlikely to consider a career in skilled trades.

The Woodstock-Tillsonburg-Oxford HRCC Labour Market Bulletin is a quarterly report produced by the area Labour Market Information Analyst. This bulletin and other LMI products may also be found on our website. (aussi disponible en français)

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LABOUR MARKET NEWS

Highlights on industry activities that have an impact on the local labour market, this information is derived from several sources including local newspapers, newsletters and various publications. Please refer to "Notes to Readers" for additional information.

Agriculture

The 2004 **tobacco crop** quota of 87.9 million pounds is a record low and the average price of \$2.23 per pound is nearly the same as 2003. With manufacturers turning more to international growers in Brazil, China and Africa, the number of farms in Ontario has shrunk to fewer than 800 from over 2,000 in the 1950s and 1960s.

Utilities

AIM PowerGen of Toronto was granted final approval for the installation of up to **50 wind turbines** on the Lake Erie shoreline from Cultus west into Elgin County. In addition to the economic value, the area hopes that the turbines will attract more tourists to the area. The company could invest up to \$60 million in the area and expects to create a maximum of 12 full-time jobs.

Construction

The \$1.2 million **Truckers Haven** truck stop, originally scheduled to open some time this year, will not open until mid-2005. The facility, at the Drumbo cutoff, will provide a number of amenities and will employ at least 75 people.

Manufacturing

A \$375 million bid has been offered by Chicago-based Heico Companies LLC for the **three Ivaco Inc. plants** in Ingersoll. The company has been under bankruptcy protection since September 2003. The union representing workers is cautious in approving the sale. It states that the new owner must respect collective bargaining and pensions.

Strong sales of the Chevrolet Equinox have boosted production at **Cami Automotive Inc.**, where employees are now working three shifts, six days a week, mandatory overtime. In addition, 150 workers have been recalled from layoff. The union is pushing for less overtime and recall of the 95 workers still on layoff. Cami is on track to produce at least 150,000 vehicles in a year, up considerably from the 51,000 Chevrolet Trackers produced in 2003. The company will inject \$100 million into the plant in 2005 to increase production capacity, and hopes to add a new product to its assembly line. Employment levels at Cami have ranged from a maximum of 2,400 in 1995, to a low of 1,400 in 2001. There are now 1,900 at the plant, of which 1,663 are unionized (CAW) workers with a new three-year contract.

Production workers will see salary increases of 8.2% over the course of the agreement and 165 skilled trades workers will receive a slightly bigger increase.

The Equinox is "the **ultimate example of global sourcing**" according to the *Detroit News*. It was designed in the U.S., engineered (at the newly-opened GM engineering centre in Oshawa) and built in Canada, and equipped with a Chinese engine and parts manufactured in Japan, Mexico and the Philippines. The vehicle-content sticker advises that 55% of parts come from Canada and the U.S., 20% come from Japan, 15% from China, and the balance from other countries. In value, 70% is generated in Canada, the U.S. and Mexico, but imported components are increasing. (*The Detroit News, 1 August 2004*)

Compared to the first 6 months of 2003, **employment in the auto sector** fell by 4,239 jobs this year – 3,064 jobs in auto assembly (-6%) and 1,175 jobs in auto parts (-1%). DesRosiers Automotive Consultants claims that border delays at Windsor/Detroit were a major contributor to the loss of jobs. The Automotive Parts Manufacturers Association of Canada also blamed the higher Canadian dollar and the closing of some assembly plants.

Automotive consultant Dennis DesRosiers visited four European cities to **promote the North American market for automotive parts** plants, in a tour sponsored by the federal government. London Economic Development Corporation president John Kime followed up the presentations with group and one-on-one discussions on the benefits of investing specifically in London.

While talks continue between Ford Canada and government officials on a \$1.2 billion flexible manufacturing plant in Oakville, experts in the auto industry agree that in order to be successful, **Canadian assembly plants must turn to flexible facilities** where production can be shifted to meet market demand. Despite the additional cost of creating an adaptable system, a flexible plant can quickly adjust for different models using the same equipment. Several flexible plants are already in operation including DaimlerChrysler plants in Windsor and Brampton. General Motors is also investigating a more flexible process that could be incorporated at the Cami Automotive joint venture with Suzuki in Ingersoll.

Trade

The **new LCBO outlet** on Dundas Street in Woodstock will



offer customers greater selection in double the space of the old facility. Despite the larger size, there are no immediate plans to hire additional staff when the store opens during the week of November 22.

The opening of the new \$3.4 million Canadian Tire outlet in Tillsonburg will result in the hiring of **40 new permanent workers**. Staff will then total 82, evenly divided between full and part-time positions.

Openings:

- Stellar Motors, Tillsonburg
- Daisy Mart, Sweaburg
- Daisy Mart, Woodstock

Closings:

- Home Furniture, Woodstock
- Mackenzies Distinctive Home Furnishings, Ingersoll

Transportation and Warehousing

A study by the Canadian Trucking Human Resources Council and the federal government predicts that between now and 2008, **Canada will need 224,000 new truck drivers**, close to the current 265,000 commercial drivers. Knowing that it is not possible to produce that number, the trucking industry, particularly in British Columbia, is looking to add the occupation to the list of classifications recognized by Citizenship and Immigration. Commercial drivers now operate state-of-the-art tractor-trailer units with on-board computers and satellite tracking systems. According to Statistics Canada, from 1991 to 2001, the numbers of truck drivers rose from 204,195 to 263,510 in Canada, and from 70,670 to 93,390 in Ontario. The provincial Ministry of Transport reports that 25,000 transport trucks travel the 401 past London every day.

Finance, Insurance, Real Estate and Leasing

For the first six months of 2004, there were **708 home sales** reported by the Woodstock-Ingersoll District Real Estate Board, an increase of 19% over the same period last year. In June, 111 homes changed hands at an average price of \$160,365.

Openings:

- Cash Advance, Tillsonburg

Professional Scientific and Technical Services

A new survey by Robert Half Technology of over 270 chief information officers in Canada shows that 7% intend to expand their information technology departments in the fourth quarter. Only 1% plan to eliminate staff and the vast majority - 92% - do not plan to change staff levels. Canadian companies with over 1,000 workers reported the highest hiring plans at 28%. The Hiring Index and Skills Report also found that 93% of CIOs

reported a **need for Microsoft Windows administration**. Companies are cautiously hiring additional full-time staff and often rely on project professionals for short-term demands.

Educational Services

The **Oxford Technical Training Centre** has been so successful that plans for growth and new programs are being accelerated. A two-year diploma program in heating, ventilation and air conditioning will be offered in September, in conjunction with Fanshawe College. Courses will also be delivered for the Ontario Youth Apprenticeship Program, including level one programs for precision machinery and auto-service technicians, after which students can write exemption exams to obtain their level one certification. The centre also plans to add a Canadian Welding Bureau accreditation, and Computer Numerical Control machinery. The centre was founded by Fanshawe College, the Oxford Manufacturers - Skill Development Inc., and the Thames Valley District School Board. It is located at College Park Secondary School. High school students benefit from the equipment during day hours.

School boards across the province will share in an increase of \$162 million for special-education programs. The extra funding will ensure the **hiring of 4,000 new staff** to work with 54,000 special- needs students in the fall.

In an effort to lower class sizes in primary grades, the Thames Valley District school board received \$3.4 million in provincial funding to hire **34 new teachers**.

Health Care and Social Assistance

The provincial government announced an additional \$73.2 million annually to treat people at home, through 42 community care access centres across Ontario. The funding is part of a **four-year expansion of home care** and will come from the new Ontario health-care premium.

The Ontario government will fund 55 new midwives this year, adding to the 270 midwives currently practicing in the province.

The Woodstock area is hoping to benefit from \$185,000 in annual provincial government funding to The Professional Association of Interns and Residents of Ontario (PAIRO). The association works to **connect doctors to rural and northern areas** across Ontario. Since the program began, over 200 medical residents have been placed in under-serviced areas.

Oxford County hospitals will each receive a portion of the \$470 million in provincial funding to help **shorten waiting times and address doctor shortages**. Tillsonburg District Memorial Hospital will receive a \$158,000 share, Woodstock



General Hospital is receiving almost \$890,000 and a further \$97,000 is going to Alexandra Hospital in Ingersoll.

Oxford County received \$965,095 in new provincial funding to help more patients receive **acute medical treatment and end-of-life care** in their own homes. The money is part of \$1.3 billion in health funding and will be distributed through Community Care Access Centres across the province. The new funding will be used for occupational therapy, physiotherapy, home care nursing and other personal home care supports.

Arts, Entertainment and Recreation

Woodstock's share of second quarter profits from the **Woodstock Racetrack Slots** fell by \$19,000 compared to a year ago. A number of factors including the new smoking by-law and construction may have had an impact on the city's April to June share falling to \$199,245.

Other Services

A new \$1.2 million truck service facility opened at the 230 Travel Centre. The new Woodstock TA shop offers a complete line of products and services. A total of **15 new permanent full-time staff have been added** at the Woodstock Travel Centre.

Openings:

- Ken's Canadian Stainless Steel Exhaust, Woodstock

Closings:

- Preservations Professional Skin and Body Care Clinic, Woodstock

Public Administration

In an effort to reduce workplace injuries, the province will hire **200 new health and safety inspectors** over the next two years, bringing the number of workplace inspectors to 430.



LABOUR FORCE TRENDS

Produced by Ray Gormley, Southern Ontario Area Economist

- Surge in full-time jobs leads expansion in third quarter
- Above average growth continues year-over-year, but the pace slows during the quarter
- Goods-Producing Sector generates most of the growth this quarter

The London-Woodstock labour market (ER 560) expanded for a second quarter, posting average gains for the July to September period. Labour force and employment levels had remained relatively flat for most of the previous year, avoiding their normal seasonal declines during the winter months. Employment rose by 1.6% (5,000) as the area saw a surge in full-time workers, led by youth moving from part-time to full-

time jobs over the summer. This raised the area's employment rate to a 15-year high during the quarter. However, the new jobs could not absorb the much larger increase in labour force participants. This raised the unemployment rate to 5.9% from its four year low of 5.3%. Ontario's unemployment rate was 7.1%.

London-Woodstock's labour market continued to show relatively strong gains on a year-over-year basis. While the pace of growth slowed during the quarter, employment was still up by 4.4% (14,000) compared with a year earlier, more than three times the increase in the working age population. Ontario's employment level rose by 1.8%. Labour force participation also continued to grow year-to-year, although at a slower pace than employment (3.2% or 11,000). Consequently, there were fewer people unemployed compared with a year ago, and the unemployment rate dropped from 7.0%.

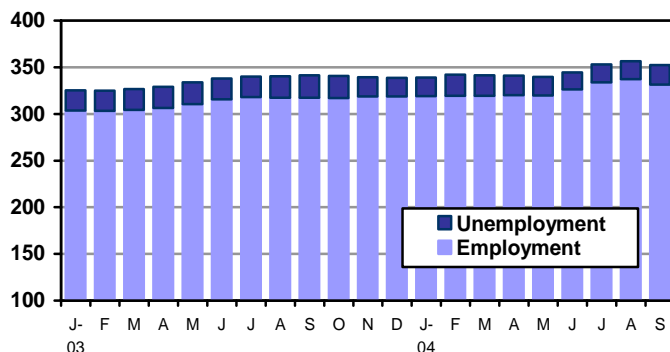
London – Woodstock Economic Region 560 Labour Force Trends ('000)

	July to	April to	July	Quarter/Quarter		Year/Year	
	September	June	to September	Absolute	%	Absolute	%
	2004	2004	2003				
Population 15+	491.3	490.1	487.3	1.2	0.2	4.0	0.8
Labour force	352.2	344.4	341.4	7.8	2.3	10.8	3.2
Employed	331.4	326.2	317.3	5.2	1.6	14.1	4.4
Full-time	274.4	261.0	259.2	13.4	5.1	15.2	5.9
Part-time	57.0	65.1	58.1	-8.1	-12.4	-1.1	-1.9
Unemployed	20.8	18.2	24.0	2.6	14.3	-3.2	-13.3
Not in labour force	139.0	145.7	145.9	-6.7	-4.6	-6.9	-4.7
Participation rate %	71.7	70.3	70.1	1.4		1.6	
Unemployment rate %	5.9	5.3	7.0	0.6		-1.1	
Employment rate %	67.5	66.6	65.1	0.9		2.4	

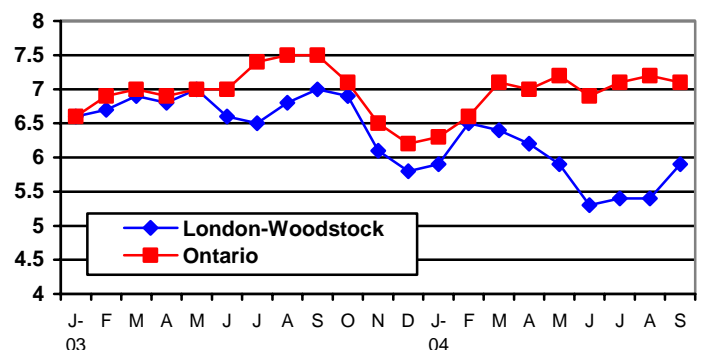
Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey

Seasonal expansion in London-Woodstock follows stable conditions over the previous year ('000)



Unemployment Rate begins to rise after falling to a four-year low last quarter (%)



Employment by Industry

The Goods-Producing Sector generated most of the job growth over the quarter. Employment levels rose by nearly 4,000 in both Construction and Manufacturing. A robust housing market helped push Construction employment to a three-year high. The area also saw seasonal hiring in Agriculture. Within the Services-Producing Sector, Health Care and Social Assistance showed the largest increase. The area also saw gains in Finance, Insurance Real Estate and Leasing; Professional, Scientific and Technical Services; and Public Administration. However, losses across most other industries overshadowed these gains, causing a net decline in employment within the Services-Producing Sector. Business, Building and Other Support Services showed the largest decline, as employment continued to fall after rising rapidly to a historical high in the first quarter.

Transportation and Warehousing, and Professional, Scientific and Technical Services produced most of the job growth year-to-year, although gains have been widespread across other

industries. Increases in Ontario's Manufacturing output since the beginning of the year contributed to the growth in Transportation and Warehousing. For Professional, Scientific and Technical Services, the increase reflects a recovery from an unusual decline in the second half of 2003. Business Building and Other Support Services showed the largest loss, a direct result of the decline this quarter.

Note: Statistics Canada's Labour Force Survey (LFS) is the major source of data for this Review. As relatively small sample sizes are utilized in compiling sub-provincial estimates for the survey, there is a chance of variation due to sampling error. Therefore, the reader is cautioned that small changes in some time series could be wholly or partially due to these statistical sampling errors, and may not necessarily reflect actual events in the labour force. Data are three-month moving averages.

London – Woodstock Economic Region 560 Employment by Industry ('000)

Industry	July to September 2004	April to June 2004	July to September 2003	Quarter/Quarter Change		Year/Year Change	
				Absolute	%	Absolute	%
Total – All Industries	331.4	326.2	317.3	5.2	1.6	14.1	4.4
Goods-Producing Sector	98.4	89.5	96.0	8.9	9.9	2.4	2.5
Agriculture	12.0	10.9	13.7	1.1	10.1	-1.7	-12.4
Forestry, Fishing, Mining, Oil and Gas	...	...	...	...	...	...	...
Utilities	...	...	...	...	...	...	...
Construction	21.9	18.0	20.3	3.9	21.7	1.6	7.9
Manufacturing	62.8	59.2	60.5	3.6	6.1	2.3	3.8
Services-Producing Sector	233.0	236.7	221.3	-3.7	-1.6	11.7	5.3
Trade	48.4	51.2	45.5	-2.8	-5.5	2.9	6.4
Transportation and Warehousing	18.2	18.9	13.3	-0.7	-3.7	4.9	36.8
Finance, Insurance, Real Estate and Leasing	20.9	18.3	19.0	2.6	14.2	1.9	10.0
Professional, Scientific and Technical Services	19.2	17.5	10.2	1.7	9.7	9.0	88.2
Business building and Other Support Services	10.5	14.8	14.6	-4.3	-29.1	-4.1	28.1
Educational Services	19.4	21.7	22.1	-2.3	-10.6	-2.7	-12.2
Health Care and Social Assistance	45.9	41.0	44.2	4.9	12.0	1.7	3.8
Information, Culture and Recreation	11.0	10.5	10.3	0.5	4.8	0.7	6.8
Accommodation and Food Services	16.7	19.3	18.8	-2.6	-13.5	-2.1	-11.2
Other Services	12.4	14.8	12.9	-2.4	-16.2	-0.5	-3.9
Public Administration	10.4	8.7	10.5	1.7	19.5	-0.1	-1.0

Note: "..." indicates that data are too small to be expressed and are not appropriate for release.

Totals may not add due to rounding.

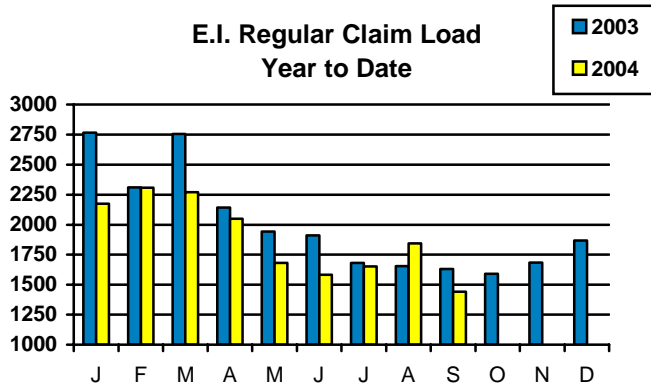
Source: Statistics Canada. Labour Force Survey



LABOUR SUPPLY AND DEMAND

Employment Insurance Claimload

Oxford and Tillsonburg Area Employment Insurance Claim Load



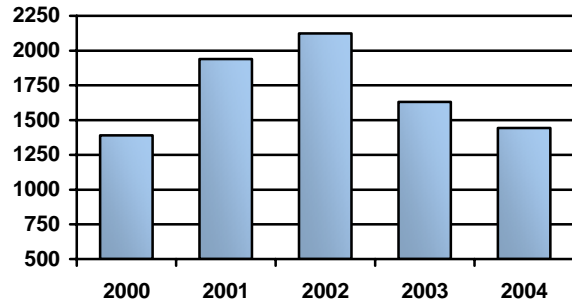
Quarter to Quarter Comparison

- Between June and September, regular EI claimload dipped to 1,442 (-141 claims or -8.9%) in the combined Oxford and Tillsonburg area. Males recorded a decline of 19.6% (-164 claims) while females saw a 3.1% increase (+23 claims). Three of four age groups reported declines during the third quarter ranging from -88 claims in the 25-44 year age bracket (-11.3%) to -4 claims in the 65+ age bracket (-19.0%). The 45 to 64 age group posted the only increase in claimload figures (+15 claims, up 2.9).

Year-Over-Year Comparison

- Compared to September of last year, total regular claimload numbers slipped by 11.6% (-190 claims) in September of 2004. The number of men receiving benefits dropped by 22.3% (-193 claims) while the figures for women remained fairly constant (+0.4%). Compared to last September, every age group experienced a decline in regular claimload levels ranging from 15.6% in the 25 to 44 year range (-128 claims) to 0.5% in the youth sector 14-24 years of age (-1 claims). Over 53.0% of the people receiving regular Employment Insurance benefits in September worked in the following major occupational groups: labourer occupations in processing, manufacturing and utilities; intermediate sales and service; clerical; and transport, equipment operation, installation and maintenance.

Regular EI Claims Year-to-Year comparison for September



Regular Employment Insurance Claimants – Woodstock/Tillsonburg/Oxford by Month

MONTH	TOTAL	FEMALE	MALE	AGE					WKS ON CLAIM
				14-19	20-24	25-44	45-64	65+	
July 2004	1,653	858	795	37	213	806	579	18	17
August 2004	1,845	1,021	824	34	205	898	687	21	17
September 2004	1,442	769	673	29	178	693	525	17	19

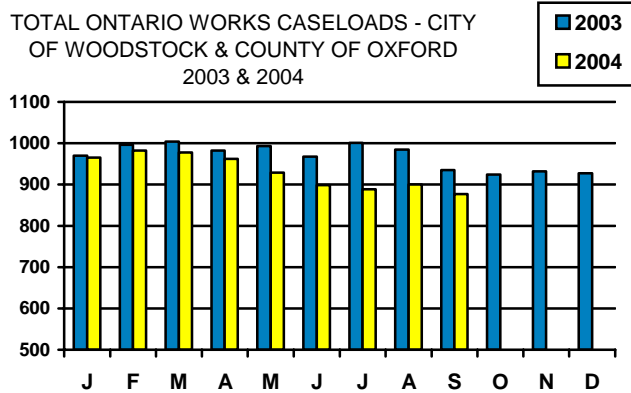
Regular Employment Insurance Claimants – Woodstock/Tillsonburg/Oxford Year Over Year

MONTH	TOTAL	FEMALE	MALE	AGE					WKS ON CLAIM
				14-19	20-24	25-44	45-64	65+	
September 2003	1,632	766	866	28	180	821	584	19	19
September 2004	1,442	769	673	29	178	693	525	17	19
Actual Variance	(-190)	(+3)	(-193)	(+1)	(-2)	(-128)	(-59)	(-2)	(-)

Source: HRCC administrative data C-356



Ontario Works Caseload



Source: County of Oxford

The total number of Ontario Works caseloads in the **City of Woodstock and County of Oxford** continued to drop during the third quarter. The second quarter closed with 899 caseloads. During the third quarter of 2004, total caseloads fell by 2.4% to 877 in September. Compared to September of 2003, total caseloads slipped 6.2% (-58).

LABOUR MARKET IMBALANCES

According to a 2001 national survey, 20% of Canadians are **“job snobs”** who believe that it is less prestigious to work in trades and technology occupations than in white-collar occupations. (*Toronto Star*, 28 July 2004)

- Despite the **known demand for skilled trades occupations**, the areas of study with the highest growth rate between 1991 and 2001 include engineering, computer science, data processing, commerce and finance.
- The Canadian Tooling and Machining Association reports that 50,000 skilled trades workers will be needed in the next five years.
- By 2007, the Automotive Parts Manufacturers Associates predicts a 42% vacancy rate in skilled trades.
- A recent Scotiabank report claims that in the next five years, there will continue to be significant growth in high-skilled jobs across the country, despite a slower rate of growth for Canada’s overall economy.
- Starting hourly wages for skilled trades occupations can range from \$15.00 to \$25.00. That range can climb to \$35.00 for experienced electricians, toolmakers, pipefitters and chefs. With overtime, those wages can exceed \$100,000.

The Canadian Apprenticeship Forum and Skills Canada launched a national campaign to highlight the **benefits of training in one of Canada’s 200 licensed trades**. The \$12 million campaign, funded by Human Resources and Skills

Development Canada over three years, will include print, radio, television and cinema advertisements. A study sponsored by the Canadian Apprenticeship Forum and Skills Canada found that between 1991 and 2001, 3.8% fewer workers were involved in skilled trades and the number was expected to continue to fall by a similar rate over the next decade. Despite this figure, 42% of Canadian youth are **unlikely** to consider a career in skilled trades. Considerable time is needed to graduate a fully-trained skilled trades worker. With the average age of some construction workers in the mid-fifties, a number of industries are concerned about the lack of interest in skilled trades by students, parents and guidance counsellors.

Skill shortages in construction

A feature in the *London Free Press* on Continuing Education focused on the **shortage of skilled trades in the construction sector**. The article highlighted several of the challenges facing the industry and some of the local efforts to respond to those issues.

- Parents continue to urge their children to attend college and university rather than examine the opportunities in skilled trades where brick layers can earn \$30,000 to \$50,000 annually. Basic labourers earn \$16.00 an hour to start and those who specialize can earn \$20.00 to \$25.00. Apprentices may earn between \$30.00 and \$35.00.
- Locally, Fanshawe College is working with the Ministry of Colleges, Training and Apprenticeships to offer more seats to apprentices. The college currently has 450 electricians, 200 carpenters and 50 stonemasons in apprenticeship programs.
- Some of the four-year apprenticeship programs offered by the college include plumbing, sheet metal, carpentry, brick and stonemasons and electrician.
- A number of other diploma programs are available including Construction Carpentry Techniques, and Construction Engineering Technician (Supervisor or Management).
- In an effort to meet the training needs of local apprentices, a new Construction Trades and Technology building should be completed at the college by the summer of 2005.

The president of the **London Home Builders’ Association** reiterated the need for skilled labour in the construction industry, and is working with Fanshawe College to educate students about the trades. The association’s Education Committee is creating a speakers’ bureau, publishing brochures and maintaining an informative Website. Students are reminded of the wide variety of occupations employed in the construction industry including blueprint reader, estimator, draftsman, engineering or architectural technologist, developer, architect, engineer and salesperson. These occupations are in addition to the predicted shortage of apprenticeable occupations such as brick and stone masons, electricians, general carpenters, plumbers and sheet metalworkers.

In 2003, the London Home Builders Association offered a pilot co-op work program offering 32 students job placements with some of its 200 member companies. The program will continue in 2004 and will accommodate more **students who will learn building skills while earning high school credits**.



TERMS AND CONDITIONS OF EMPLOYMENT

Wage Settlements

National

Average Wage Settlement Increases drawn from Collective Agreements (HRSDC Wage Settlements Bulletin) across Canada – Bargaining units 500+				
	August 2004	2003	2002	2001
Public Sector	3.6% (14 contracts covering 14,440 workers)	2.9%	2.9%	3.4%
Private Sector	2.4% (8 contracts covering 20,610 workers)	1.2%	2.6%	3.0%
Consumer Price Index	1.9% (Canadian)	2.8%	2.2%	2.6%

Source: The Wage Settlements Bulletin, October 2004, Volume 15, Issue 10

Provincial

Average Wage Settlement Increases drawn from Collective Agreements (Ontario Collective Bargaining Highlights) across Ontario – Bargaining units 200+				
	August 2004	2003	2002	2001
Public Sector	2.9% (15 contracts covering 10,643 workers)	3.5%	2.9%	2.9%
Private Sector	2.8% (6 contracts covering 10,900 workers)	1.9%	3.0%	3.0%
Consumer Price Index	(Provincial) 1.8% (2004 Y-T-D)	2.7%	2.0%	3.1%

Source: Ontario Collective Bargaining Highlights October 2004, Ontario Ministry of Labour

Local

Between June and September of 2004, the London Human Resource office recorded 20 contracts exclusively covering workers in Middlesex, Elgin and Oxford Counties using information from the Ontario Collective Bargaining Highlights and local media sources. Based on these 20 contracts, the **average settlement increase** was 3.1%.

Update on Wages:

A number of human resource firms announced the findings of their **2005 compensation surveys**. Overall, employees can expect pay increases in the mid-3% range. A number of exceptions can expect higher raises including executives, top-performing employees, workers in Western Canada and those in the oil and gas and pharmaceutical industries. Aon Consulting forecasts salary increases of 3.3% next year, down slightly from 3.4% in 2004. Executives, directors and managers will enjoy higher increases of 3.6%, 3.5% and 3.4% respectively. Hourly union workers are expected to see a 2.8% gain. The Hay Group forecasts wage increases averaging 3.2% in 2005.

Via Rail employees ratified a new three-year contract. In addition to a long-term disability plan, the agreement provides for a 3.0% wage increase in the first year, 4.0% in the second year and a further 3.0% in the last year. The contract covers union members working in train stations, on board trains and in equipment maintenance.

After months of negotiations, **7,000 technicians at Bell Canada** voted to accept a new four-year agreement. The contract includes provisions for a 12.1% wage increase, pension plan protection for existing employees, the reclassification of many part-time workers to full-time and the addition of 200 new jobs.

Municipal employees in Tillsonburg, salaried and hourly full-time, will receive a 3.0% pay increase in 2004.

Workers at **Woodingford Lodge** in Woodstock approved a new three-year contract that provides for annual increases averaging 2.75%. The new agreement covers 160 workers employed in a number of occupations, including registered practical nurses (RPNs), cooks, dietary aides and personal support workers. Before the new contract, RPNs earned \$19.12 per hour, while dietary aides earned \$16.79. Workers will see a 2.5% increase in 2004, a 2.75% raise in 2005 and a 3.0% increase in 2006.

INTERVENTIONS

The city of Woodstock will provide three types of interest-free loans to **encourage downtown development**, by supporting renovation, conversion, and new building.

Both **students and employers** benefited from the services offered at the Woodstock Human Resource Centre of Canada for Students office. Over 900 students found jobs with about 250 area employers. Summer staff at the Tillsonburg Student and Agriculture Employment Centre worked with over 800 employers, students and seasonal workers, and posted more than 500 area jobs. Students also utilized a number of other services including job postings, resume and interview workshops at both locations. Employers were able to access information on government programs, the labour market and health and safety issues.

Two sociology professors from the University of Western Ontario have completed a report, published by the Canadian Policy Research Networks. The report indicates that Canada may face a serious shortage of skilled labour, brought about by a number of factors and **not just an aging workforce**. While aging workers will figure strongly in some specific locations, occupations and industries, the authors concluded that other factors, such as working conditions and length of training could be as important if not more important in contributing to a skills shortage. The report examined the nursing, information technology, skilled manufacturing trades and biotechnology sectors. The full report, "Labour Force Ageing and Skill Shortages in Canada and Ontario", is available on the CPRN website at <http://www.cprn.com/en/doc.cfm?doc=1088>.

Employers are increasingly **using the Internet to find qualified workers**, and almost 8.5 million job seekers have



gone online to find work, according to an Ipsos-Reid study. Monster.ca and Workopolis are the most popular sites in Canada.

The province is adding another \$21 million to the **Ontario Student Assistance Program (OSAP)** and estimates that more than 50,000 students will be able to pursue post-secondary education with the increased funding. According to

a Statistics Canada report on the Class of 2000, university bachelor graduates have an average debt of \$19,500 and college graduates have an average debt of \$12,600. It was also reported that 45% of university graduates and 41% of college graduates have student loans to repay, and some people feel that a better solution is to reduce tuition fees.

Notes to Readers:

1. The **London-Woodstock (Economic Region 560) Area** is comprised of the Counties of Oxford, Elgin and Middlesex. It includes the London Census Metropolitan Area.
2. For the purpose of this publication, the **Woodstock-Tillsonburg-Oxford Area** includes the City of Woodstock, the Town of Tillsonburg and all communities within the County of Oxford.
3. The information contained in the Labour Market News section is gathered using a variety of internal and external sources. The primary sources of information include **HRSDC and HRC reports, Statistics Canada, The London Free Press, businessLondon, The St. Thomas Times Journal, The National Post, The Financial Post, The Globe & Mail, The Toronto Star, Technology in Government, The Sentinel-Review, The Age Dispatch, The Tillsonburg News, The Tillsonburg Independent News and the Housing Market Outlook.**
4. **Definitions – Labour Force Survey data**
Population 15+ (the working age population) consists of all persons 15 years of age and over residing in Canada with the exception of residents of the Territories, persons living on Indian Reserves, inmates of institutions and full-time members of the Canadian Armed forces. The **Labour Force** consists of people employed or unemployed and searching for work. Those who are neither employed nor unemployed and are not willing or able to supply labour services are considered **Not in the Labour Force**. The **Participation Rate** is the percentage of the working age population (15+) who are seeking work or are employed. The **Unemployment Rate** is the number of people who are unemployed and looking for work as a percentage of the number of people in the Labour Force. The **Employment Rate** is the number of people employed as a percentage of the working age population.
5. **Definitions - HRSDC Corporate Data**
Employment Insurance claim load: The number of individuals with an active claim for regular Employment Insurance benefits. Data on Employment Insurance claimants is not an accurate measure of the absolute level of unemployment. The data does not include unemployed individuals who: 1/ have not met the program's eligibility requirements or 2/ have exhausted their benefit entitlement.
Employment Opportunities: Advertised employment opportunities are comprised of vacancies notified to the HRCC offices in our area and newspaper want ads. This data is not a count of all labour market activity; in practical terms, such a count is not feasible. This data is useful to track short and long-term changes in the demand for individual occupations. The total number of opportunities is equal to full-time plus part-time and casual.
6. This review uses data from **Statistics Canada's Labour Force Survey (LFS)**. In any survey there is a chance of variation due to sampling size. **Three-month moving averages** are used for selected labour force characteristics in an attempt to improve the reliability of this data. For further information on the Labour Force Survey, visit Statistics Canada's website at: <http://www.statcan.ca/english/concepts/labour/index.htm>
7. For more information on Industrial and Occupational categories used in this review, visit **Statistics Canada's website** at: <http://www.statcan.ca/english/concepts/index.htm>
8. **Note:** In preparing this bulletin, HRSDC has taken care to provide clients with labour market information from reliable sources that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since the bulletin was published. Readers are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this bulletin does not necessarily reflect official policies of HRSDC.

