



Labour Market Bulletin

Human Resource Centre of Canada

Halton, Dufferin and Peel Areas

~ An Analysis of the Halton, Dufferin and Peel Area Labour Markets ~ January – March 2005 ~

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The Halton, Dufferin and Peel 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)

For further information contact:

Jason Egbuna

Labour Market Information Analyst

Telephone: 905 339 4116

Email: jason.egbuna@hrsdc-rhdcc.gc.ca

Visit our website at: www.labourmarketinformation.ca

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.*

An overview of the Halton, Dufferin and Peel areas

The labour market in the Toronto Census Metropolitan Area (CMA) continued to soften in the first quarter of 2005. The CMA includes most of the Halton, Dufferin and Peel area, as well as York Region and Toronto. Employment fell for a second quarter, dropping by 33,300 this quarter, with the loss entirely in full-time employment. The unemployment rate edged up to 7.3% compared to 7.1% in the fourth quarter of 2004. Employment losses were heaviest in manufacturing, and business, building and other support services. Employment rose in finance, insurance, real estate and leasing with continued low interest rates providing a favourable environment.

Year-over-year employment growth has been weak, with the addition of 20,000 jobs to bring the employed workforce to 2,673,000. This represented an increase of 0.8%, which was well below the average of 2.2% for 2004. Employment growth has been mostly in the services-producing sector of the economy.

Even when overall employment growth is weak, the labour market continues to generate a large number of advertised and non-advertised job openings. Companies constantly recruit staff due to normal turnover and retirements. Turnover is highest in retail trade and consumer services.

HIGHLIGHTS

- ▶ City of Brampton limits building permits in an effort to control residential growth.
- ▶ Boeing announces the closing of its Malton plant, placing 350 people out of work..
- ▶ Low demand for the Freestar minivan results in a shift reduction at the Ford Oakville plant. However, the company anticipates that its new flexible production facility, due to open in late 2006, will boost output in Oakville.
- ▶ Loblaws will close its Mississauga warehouse, affecting about 800 employees.
- ▶ Henkel Canada Corporation of Brampton will close its plant at the end of 2005, affecting 140 workers.



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.

Construction

While the Halton, Dufferin and Peel areas have experienced significant growth over the past few years, Brampton has recently set a limit on the number of residential building permits it will issue.

The City of Brampton placed a restriction on building permits as the city was not able to cope with the speed of its expansion. Brampton has been the 905 area’s fastest growing housing market and has the most available land in the GTA at 5,640 hectares, but Mayor Susan Fennell states that reducing taxes and providing adequate services in developing areas is a task that has to be handled immediately. The annual cap has been set at 5,500 residential units, compared to the 9,573 permits issued in 2004.

Brampton (now Canada’s 10th largest city) led the nation in residential construction value in 2004. The city was second (to Toronto) in overall new construction value. The increase in residential and commercial development saw 227 new businesses in the city, creating more than 1,800 new jobs.

The City of Mississauga approved a condominium development that will be the largest in its history. The development will house almost 12,300 people, with 30 buildings of up to 50 storeys each. Residents of the city have shown displeasure with the development, which will be built between Burnhamthorpe and Rathburn, near Square One Shopping Centre.

The Ontario Municipal Board approved a high-rise condominium on the site that is now Sharkey’s Dockside Café. The building is not to exceed 12 storeys and has many other resolutions that were required for its approval.

Milton Mall’s Zellers store will be expanding its shopping space from 74,000sq.ft. to 110,000sq.ft. in order to account for a variety of new products and services. Zellers stated they will “probably” be looking for additional staff to handle the new expansion. Completion of the project is planned for the fall of 2005.

Manufacturing

Boeing announced the closing of their Malton plant, placing employees out of work. Ford continued to experience problems selling the Freestar, which resulted in reduced product output.

Ford Motor Company of Canada is once again cutting output at its Oakville minivan plant. The Ford Freestar is still not selling well, even after incentives have been offered to potential customers. One shift per day will be the new operating schedule until the end of June, as opposed to the two shifts previously running. The company is optimistic things will pick up when its flexible manufacturing plant opens in late 2006.

DaimlerChrysler will build the Dodge Charger and Magnum for Canadian and American police departments out of its Brampton plant starting this fall. The company has already increased employment and noted that the new police cars will be a “relatively small quantity” of the vehicles already being made. DaimlerChrysler hopes to gain some market share in the policing field, as Ford (which holds the majority of contracts) has been the target of recent lawsuits from Police Departments, who claim that the Crown Victoria explodes too easily in rear-end collisions.

Boeing Co. will be closing its Malton plant as it will no longer produce the 717 twin-engine jet. The closure will put 350 people out of work by July. Layoffs to the workforce (whose average age is 53) will occur in phases. The facility will eventually belong to the Greater Toronto Airports Authority.

The Toronto Transit Commission (TTC) recommended the authorization of a contract with Orion Bus Industries of Mississauga for 180 clean diesel and 150 hybrid low floor transit buses. The total of the contract is about \$208 million and is subject to the City of Toronto providing funding approval.

Mississauga-based Biovail posted a \$46 million fourth quarter profit, and will maintain its US sales force at its current level. The company had considered reducing its US presence.

Henkel Canada Corporation of Brampton will close its plant at the end of 2005. The company has stated that a “global restructuring program” is the cause of the closure, which will affect 140 employees at the adhesives and sealants plant.

Dover Industries Ltd. of Burlington was sold to Quebec-based Cascades Inc., a sale that will affect almost 135 jobs. According to company representatives, the plant was struggling financially and did not have a place in the strategic direction of the company.



Nortel

Nortel has established a wireless joint-venture with China Putian Corporation, a Chinese company under state control. The joint venture will focus on “third generation wireless technology” and other network services. Nortel is making the move as it sees China as a competitor and realizes many other organizations have already made deals in the country.

In an effort to further their integration into the Asian market, Nortel and LG Electronics agreed to create a telecom equipment venture in South Korea. According to the Toronto Star, the agreement will “...give Nortel half of LG’s infrastructure business ranging from optical to wireless and next-generation network products in return for helping to finance its expansion” (January 25, 2005). By establishing more of a presence in the Asian market, Nortel may be able to transfer that success into its North American bracket.

According to the Toronto Star (January 6, 2005), Shaw Cablesystems is now the first cable company in Canada to try Nortel’s network to deliver voice, video and text services to households and businesses. The services are being targeted to mostly young adults who are more in touch with technology and the business arena where technology is a major influence in daily business.

Trade

Loblaws is closing its Mississauga warehouse, which will place about 800 people out of work. Dover Industries of Burlington was sold to a Quebec-based company which will also result in job losses.

Cantrex Group Inc. of Mississauga, Canada’s largest appliance wholesaler was bought by Sears Canada Inc. It appears the deal will not have a negative impact on employment at Cantrex as Sears is trying to defend its appliance market, which has recently been invaded by Home Depot and Home Hardware.

Loblaw Cos. Ltd. will be closing six warehouses in Quebec and Ontario, affecting 1,400 jobs over the next three years. Mississauga’s warehouse (considered two warehouses) will close in 2007, placing 800 people out of work.

The Anne Maaden Cosmetic and Laser Centre in Milton hired four new employees in mid-February. An increasingly busy schedule has required the company to expand its employee base in order to handle client appointments.

Brampton’s Small Business Enterprise Centre had 3,200 business registrations in 2004. The downtown sector saw 30 new businesses open, adding 140 new employees to the area.

Transportation and Warehousing

GO Transit opened a new station in Brampton, called Mount Pleasant. It is the eighth train station on the Georgetown line, the 55th in the network. Located in between the Georgetown and Brampton stations, the stop will have parking for approximately 600 cars, a kiss and ride drop-off area and a bus loop for GO and local buses. The station is still not fully complete, but is accessible for passenger service.

Professional, Scientific and Technical Services

FibreWired, a data communications service company based in Guelph has expanded its services to include Orangeville. The expansion will allow the company to provide information technology products and services using Orangeville’s existing fibre-optic network. The increased technology will assist community businesses by giving them a more complete Internet connection and will make the town more competitive when attempting to attract business to the area.

Educational Services

Charles Sturt University, Australia’s sixth largest university has entered an agreement with the Halton District School Board to create a teacher-training program. The program will start in September and classes will be held at the Bay Area Learning Centre at 860 Harrington Crt. in Burlington. Tuition will be \$15,000 a year and the bachelor of primary education studies program will graduate 100 teachers qualified for junior kindergarten to grade six.

Information, Culture and Recreation

Inside Oakville, the city’s newest tabloid, folded after its first issue, placing all of its employees out of work.

Accommodation and Food Services

Quiznos opened a new sandwich shop on Main Street East in Milton. The store has about 20 employees.

Other Services

The Halton Region Business Development Centre launched a condensed course in entrepreneurship on March 8th. The 30-hour program provides new business owners with a variety of information and training expertise. More information on the “Up & Running BizLaunch Program” can be gathered by visiting www.haltonbusiness.com.



LABOUR FORCE TRENDS

The labour market in the Toronto Census Metropolitan Area (CMA) continued to soften in the first quarter of 2005. Employment fell by 33,300 compared to the previous quarter, with the loss entirely in full-time employment. Labour force participation fell by 1.0% over the quarter. With fewer job seekers, unemployment rose by less than 5,000. The unemployment rate edged up to 7.3% compared to 7.1% in the fourth quarter of 2004. Employment in the Toronto CMA has decreased over the past two quarters. The last significant increase in employment was in the second quarter of 2004 when employment rose by 75,000.

Employment losses in the first quarter were heaviest in manufacturing, and business, building and other support services. There was also a seasonal contraction in construction employment. Employment rose in finance, insurance, real estate and leasing with continued low interest rates providing a favourable environment.

Year-over-year employment growth has been weak, with the addition of 20,000 jobs to bring the employed workforce to 2,673,000. Employment growth has been mostly in the services-producing sector of the economy. Since the first quarter of 2004, employment has increased in educational services, retail and wholesale trade, accommodation and food services, and finance, insurance, real estate and leasing. Employment in transportation and warehousing is lower compared to the first quarter of 2004.

Even when overall employment growth is weak, the labour market continues to generate a large number of advertised and non-advertised job openings. Companies constantly recruit staff due to normal turnover and retirements. Turnover is highest in retail trade and consumer services.

Toronto CMA Labour Force Trends

	January to	October to	January to	Quarter/Quarter		Year/Year	
	March	December	March	Absolute	%	Absolute	%
	2005	2004	2004				
Population 15 +	4,235,800	4,214,100	4,147,200	21,700	0.5	88,600	2.1
Labour Force	2,883,100	2,911,800	2,862,400	- 28,700	- 1.0	20,700	0.7
Employed	2,673,000	2,706,300	2,653,000	- 33,300	- 1.2	20,000	0.8
Full-time	2,198,700	2,233,700	2,230,500	- 35,000	- 1.6	31,800	- 1.4
Part-time	474,300	472,600	422,500	1,700	0.4	51,800	12.3
Unemployed	210,100	205,400	209,300	4,700	2.3	800	0.4
Not in Labour Force	1,352,800	1,302,300	1,284,900	50,500	3.9	67,900	5.3
Participation Rate (%)	68.1	69.1	69	- 1.0		- 0.9	
Unemployment Rate (%)	7.3	7.1	7.3	0.2		0	
Employment Rate (%)	63.1	64.2	64	- 1.1		- 0.9	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.

Toronto CMA Employment by Industry

	January to	October to	January to	Quarter/Quarter		Year/Year	
	March	December	March	Absolute	%	Absolute	%
	2005	2004	2004				
Total Employed	2,673,000	2,706,300	2,653,000	- 33,300	- 1.2	20,000	0.8
Goods Producing Sector	634,700	669,900	630,900	- 35,200	- 5.3	3,800	0.6
Agriculture	6,700	4,500	7,700	2,200	48.9	-1,000	-13.0
Forestry, fishing, mining	2,000	2,500	2,000	- 500	- 20.0	0	0.0



Utilities	14,200	16,300	17,100	- 2,100	- 12.9	-2,900	-17.0
Construction	142,000	152,800	137,500	- 10,800	- 7.1	4,500	3.3
Manufacturing	469,800	493,800	466,600	- 24,000	- 4.9	3,200	0.7
Services – Producing Sector	2,038,300	2,036,500	2,022,100	1,800	0.1	16,200	0.8
Trade	432,700	439,300	417,300	- 6,600	- 1.5	15,400	3.7
Transportation and warehousing	124,200	123,200	142,900	1,000	0.8	-18,700	-13.1
Finance, insurance, realEstate	260,600	250,800	250,400	9,800	3.9	10,200	4.1
Professional, scientific, technical services	247,700	251,200	246,500	- 3,500	- 1.4	1,200	0.5
Business, building and other support services	120,100	134,300	124,700	- 14,200	-10.6	-4,600	-3.7
Educational services	165,100	158,300	149,200	6,800	4.3	15,900	10.7
Health care and social assistance	224,500	226,400	227,300	- 1,900	- 0.8	-2,800	-1.2
Info, culture and recreation	140,700	138,000	146,300	2,700	2.0	-5,600	-3.8
Accommodation and food services	139,200	126,700	130,200	12,500	9.9	9,000	6.9
Other services	100,900	103,000	105,300	- 2,100	- 2.0	-4,400	-4.2
Public administration	82,800	85,100	82,100	- 2,300	- 2.7	700	0.9

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.

LABOUR SUPPLY AND DEMAND

Employment Insurance Claimload

Regular Employment Insurance Claimants – Halton, Dufferin and Peel Areas

Area	January – March '05			October - December '04			January – March '04		
	Total	Female	Male	Total	Female	Male	Total	Female	Male
Mississauga West	13001	4369	8632	9485	4042	5443	16155	6163	9993
Brampton	6553	2778	3775	4983	2482	2501	6088	2277	3811
Mississauga East	391	151	240	230	103	127	983	425	557
Malton	126	54	72	221	99	122	390	160	230
Milton	539	216	322	431	214	217	426	173	253
Oakville	1351	561	789	1283	576	707	1457	461	996
Burlington	1547	648	899	1449	575	874	1760	479	1281
Georgetown	634	246	387	424	201	223	501	157	345
Orangeville	814	307	507	467	226	241	720	229	491
TOTAL Halton/Duff./Peel	24956	9332	15624	18973	8518	10455	28481	10524	17957

Source: HRCC administrative data C-356



FROM THE AUTHOR'S DESK

Former Premier Bob Rae made a speech to community college officials and stressed that Ontario faces a shortage of skilled workers and must train more apprentices. Rae advised that kids as young as those in grades six and seven should be advised of what an apprenticeship is and that it is a viable career path to take. His announcements come as new marketing has been posted in bus shelters around Queen's Park, reminding people that over 25,000 apprentices were trained last year.

DBM's annual Career Transition study showed that unemployed managers and professionals spent more time searching for jobs in 2004 than 2003. Interviewing and selection processes have been cited as one of the factors associated with increasing job search time, as organizations are taking longer to find the right fit for their corporate culture.



Notes to Readers:

1. The **Halton, Dufferin and Peel area** is comprised of Milton, Burlington, Oakville, Georgetown, Mississauga, Brampton, Malton and Orangeville.
2. 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 **the Globe and Mail, the Toronto Star, the Oakville Beaver, the Burlington Post, the Brampton Guardian, the Brampton Business Times, the Mississauga News, the Mississauga Business Times, the Orangeville Citizen, the Orangeville Banner and the Milton Champion.**
3. **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.
4. **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.
5. 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>
6. 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>

