



# Labour Market Bulletin

## Human Resource Centre of Canada

### Oshawa HRCC

~ An Analysis of the Durham Region Labour Market ~ April 2004 to June 2004 ~

Volume 5, Issue 2                      Second Quarter 2004

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*An overview of the Durham Region which includes the communities of Clarington, Oshawa, Whitby, Ajax, Brock, Pickering, Scugog and Uxbridge.*

**HIGHLIGHTS**

- ▶ New Port Perry Canadian Tire store to be built by October 2004.
- ▶ Durham Region businesses make *Profit* magazine's list of 100 Canada's Fastest Growing Companies.
- ▶ Physician Recruitment Task Force established in Whitby.
- ▶ Quarterly labour market performance improves; full-time job creation drives employment growth. Job gains strongest in Construction.
- ▶ Labour market participation in Oshawa strongest of all urban centres in Ontario. Local unemployment rate lowest in province.
- ▶ Local Employment Insurance (EI) claims dropped 8.2%, or 643 claims, during the second quarter of this year relative to a quarter ago.
- ▶ From the Author's Desk:  
  
Focus on Durham Region's Real Estate Market and Its Impact on Employment  
  
Ontario Budget 2004 contains employment and training initiatives.

The Oshawa 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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*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.*



**LABOUR MARKET NEWS**

*This section highlights 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.*

**Manufacturing**

Lofthouse Brass Manufacturing, supplier of faucet valves to Moen Incorporated, was named Moen's global supplier of the year for 2003. Lofthouse Brass achieved top marks in the area of quality, delivery, reliability and competitiveness. The company employs 210 staff in its two plants located in Whitby and Burks Falls. Lofthouse also supplies forged and fully machined brass, aluminum and other non-ferrous metal components to the North American plumbing, automotive, solenoid valve and door hardware markets. (Source: *Durham Business Times*, May 2004)

**Retail Trade**

Retail giant Canadian Tire will begin construction of a new store in Port Perry. It will be located on the east side of Simcoe Street, south of Lake Scugog Lumber. The store is expected to be completed in October 2004. (Source: *durhamregion.com* – April 30, 2004)

**Professional, Scientific and Technical Services**

Two businesses in the Durham Region made *Profit* magazine's *List of 100 Canada's Fastest Growing Companies* in 2004. AirIQ Inc. and AC Technical Systems Ltd. ranked 41<sup>st</sup> and 70<sup>th</sup>, respectively. AirIQ produces a satellite technology tracking system for vehicles. It is located in Pickering and has been in business since 1997. AC Technical Systems Ltd., located in Whitby, offers security system solutions to hospitals, large retailers, property management companies, correctional facilities and other industry clientele. The company was founded in 1990. *Profit* magazine is an entrepreneurial periodical that provides news, interviews, resources, and strategies for Canada's business community. (Source: *profitguide.com*)

**Business, Building and Other Support Services**

Survey results for the third quarter of 2004 indicate that 15% of Durham's employers plan to hire. The industries in which employers anticipate the strongest hiring are **Construction**, **Wholesale & Retail Trade**, and **Public Administration**.

Fewer hiring possibilities are expected in: both **Durable and Non-Durable Goods Manufacturing**; **Finance, Insurance & Real Estate and Leasing**; and **Education Services**. Three percent of employers anticipate reducing staff levels, while the remaining 82% foresee no change. (Source: *Manpower Employment Outlook Survey* – June 15, 2004)

**Health Care and Social Assistance**

The Town of Whitby was declared an "underserved area" by the Ministry of Health and Long-Term Care. At least 16 family doctors are required to meet the health care needs of the Town's residents. A Mayor's Task Force on Physician Recruitment is now underway to attract physicians to Whitby. (Source: *durhamregion.com* – June 25, 2004)

**Public Administration**

The Ontario Summer Jobs Program is a program which assists students in finding summer employment or start a summer business. Students can receive up to \$3,000 to help with the start-up and running of a business. The program also offers businesses and community organizations a \$2 per hour wage support to hire students for up to 16 weeks. The program runs from April to September and offers a range of services and opportunities from job search and self-marketing services to working in a wilderness park as an Ontario Summer Ranger. More information about the program can be found at [www.edu.gov.on.ca](http://www.edu.gov.on.ca) or [www.youthjobs.gov.on.ca](http://www.youthjobs.gov.on.ca) or by telephone at 1-888-JOB-GROW or (416) 326-5656 in Toronto. (Source: *MTCU news release* - April 16, 2004)

The Uxbridge Human Resource Centre of Canada for Students (HRCC-S) opened on May 10<sup>th</sup>. The office assists students in their search for summer employment as well as provides a free job-posting service for area employers. Last year, the HRCC-S filled more than 150 jobs with students returning to secondary and post-secondary institutions. For more information, employers and students can call (905) 852-8688 or (905) 852-7848. (Source: *durhamregion.com* – May 21, 2004)



**LABOUR FORCE TRENDS**

Produced by the Eastern Ontario Area Economist  
Economic analysis and Information Directorate, Ontario

- Quarterly labour market performance improves, rebounding from weak conditions entrenched in the area since September 2003
- Full-time job creation drives employment growth
- Local labour market participation was strongest of all urban centres in Ontario, while the local unemployment rate was the lowest during the quarter
- Quarterly job gains strongest in Construction

The Oshawa CMA’s labour market strengthened during the Second Quarter of 2004, ending the string of listless quarterly performances that entrenched the area since September 2003. Employment advanced by 2,200, driven entirely by an increase in full-time work (+4,500). The number of part-time jobs sank (-2,300). Job gains accrued mainly to men and workers aged 25-44, buoyed primarily by employment growth in the **Construction** industry.

New job creation helped entice job-seekers to look for work, bolstering labour market attachment. The local labour force rose by 1,600 quarter-over-quarter, while the participation rate inched upward by 0.3 percentage points to 72.3% over the same period. This rate was the highest of all urban centres in Ontario, surpassing Ottawa’s 70.8%, and Toronto’s 70.4%. However, it remained below Calgary’s 75.7%—the nation-wide leader.

Stronger employment results pared unemployment slightly (-500). Fewer jobless individuals translated into a lowered unemployment rate, which fell to 5.2% from 5.5% a quarter ago. This marked the lowest rate in Ontario during the quarter. Comparable rates for Canada and Ontario stood at 7.2% and 6.9% respectively.

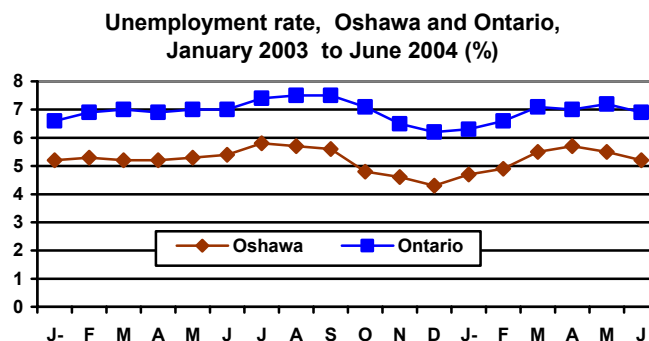
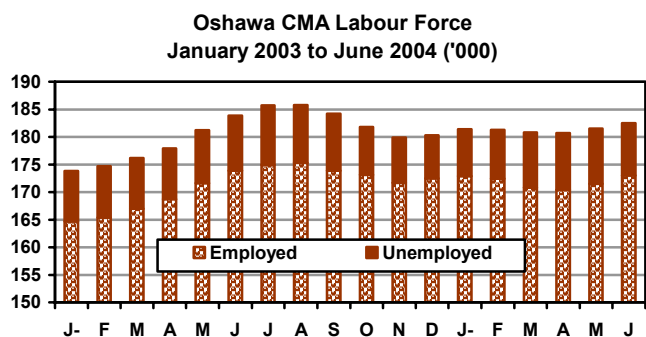
From a longer-term perspective, most labour market indicators showed some easing from their positions recorded a year earlier. Both the labour force and employment weakened. Fewer people looking for and finding work meant joblessness was kept in check. This helped the unemployment rate remain below the 5.4% posted back in the Second Quarter of 2003.

**Oshawa Census Metropolitan Area Labour Force Trends**

	April to June 2004	January to March 2004	April to June 2003	Quarter/Quarter Change		Year/Year Change	
				Absolute	%	Absolute	%
Population 15 +	252,400	251,000	247,000	1,400	0.6	5,400	2.2
Labour Force	182,400	180,800	183,800	1,600	0.9	-1,400	-0.8
Employed	173,000	170,800	173,900	2,200	1.3	-900	-0.5
Unemployed	9,500	10,000	10,000	-500	-5.0	-500	-5.0
Not in Labour Force	70,000	70,300	63,100	-300	-0.4	6,900	10.9
Participation Rate (%)	72.3	72.0	74.4	0.3		-2.1	
Unemployment Rate (%)	5.2	5.5	5.4	-0.3		-0.2	
Employment Rate (%)	68.5	68.0	70.4	0.5		-1.9	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.



## Employment by Industry

The Goods-Producing Sector contributed the most to employment growth during the quarter, adding 3,300 jobs. Underlying the gain was a surge in **Construction** employment which generated 3,500 jobs from a quarter ago. Residential home building remained very strong. In contrast, the number of jobs in **Manufacturing**—the area’s stalwart industry in terms of its size—changed little. **Utilities** saw its employment level reduced by 1,400.

By comparison, Services-Producing employment dropped by 1,100 during the same period. Four main industries contributed. The largest decline was 1,800 jobs in **Public Administration**, where cuts to municipal government dominated. Employment in **Professional, Scientific, and Technical Services** contracted by 1,700, wholly due to a loss in legal services jobs. At 12,200, **Educational Services** employment fell by 1,600 as the school year wound down and hiring eased at area school boards. Down also by 1,600, jobs in **Accommodation and Food Services** were less numerous, due to fewer visits reported at local restaurants and drinking establishments.

Shoring up these losses was a notable job gain in **Finance, Insurance, Real Estate, and Leasing** (+2,200). Growth stemmed from the Finance side of the industry where personal and commercial banking, lending, and credit intermediation activity grew. Trade employment rose by 1,400, a reflection of stronger retail sales—particularly in home furnishings and housewares which coincided

with stronger residential construction. Elsewhere, jobs in **Transportation and Warehousing** expanded by 1,200, pushed chiefly by the supply-chain and material-handling demands of both the **Construction** and **Retail Trade** industries.

On an annual basis, Goods-Producing employment altered little, while its Services-Producing counterpart dropped 1,400 jobs. Declines in **Accommodation and Food Services**, **Manufacturing**, and **Public Administration** were largely responsible.

## Oshawa CMA Employment by Industry

Industry	April to	January to	April to	Quarter/Quarter		Year/Year Change	
	June	March	June	Absolute	%	Absolute	%
	2004	2004	2003				
<b>Total</b>	173,000	170,800	173,900	2,200	1.3	-900	-0.5
<b>Goods-Producing Sector</b>	51,100	47,800	50,600	3,300	6.9	500	1.0
Agriculture	...	...	...	...	...	...	...
Forestry, Fishing, Mining, Oil and Gas	...	...	...	...	...	...	...
Utilities	5,300	6,700	5,100	-1,400	-20.9	200	3.9
Construction	13,400	9,900	9,600	3,500	35.4	3,800	39.6
Manufacturing	31,100	30,200	33,900	900	3.0	-2,800	-8.3
<b>Services-Producing Sector</b>	121,900	123,000	123,300	-1,100	-0.9	-1,400	-1.1
Trade	27,700	26,300	26,900	1,400	5.3	800	3.0
Transportation and Warehousing	7,300	6,100	6,500	1,200	19.7	800	12.3
Finance, Insurance, Real Estate and Leasing	11,500	9,300	13,200	2,200	23.7	-1,700	-12.9
Professional, Scientific and Technical Services	10,400	12,100	8,100	-1,700	-14.0	2,300	28.4
Management, Administrative and Other Support	7,600	7,600	6,100	0	0.0	1,500	24.6
Educational Services	12,200	13,800	13,400	-1,600	-11.6	-1,200	-9.0
Health Care and Social Assistance	17,100	16,700	15,300	400	2.4	1,800	11.8
Information, Culture and Recreation	8,300	8,000	8,100	300	3.8	200	2.5
Accommodation and Food Services	6,400	8,000	11,700	-1,600	-20.0	-5,300	-45.3
Other Services	6,400	6,300	4,400	100	1.6	2,000	45.5
Public Administration	7,000	8,800	9,600	-1,800	-20.5	-2,600	-27.1

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**

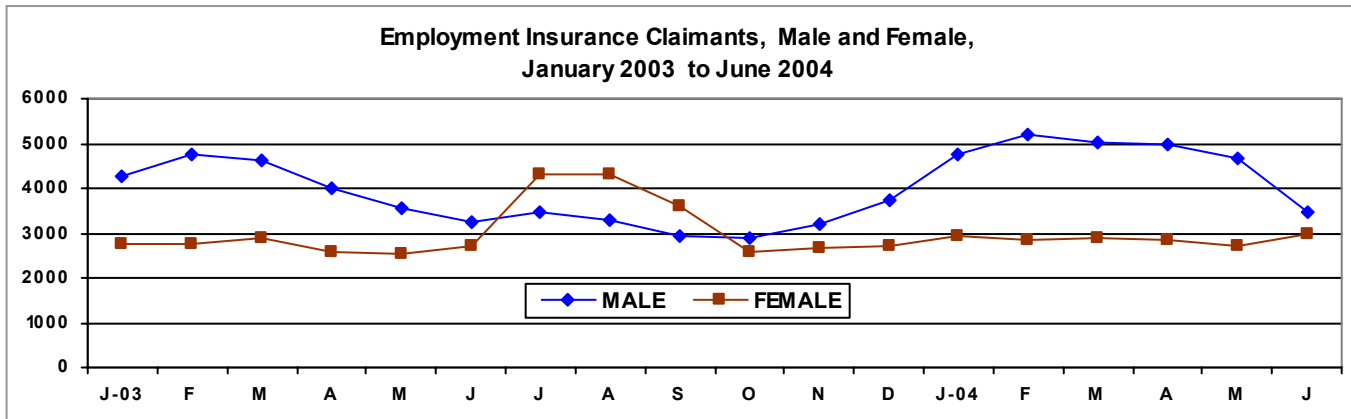
Employment Insurance (EI) claims dropped 8.2%, or 643 claims, during the second quarter of this year relative to a quarter ago. The decline was widespread, affecting both sexes and all age categories. Despite the reduction, men continued to account for the majority of claim activity by sex (60.5%), while those aged 25-44 dominated activity on the basis of age (53.6%).

Year-over-year, claim levels increased by 16.8%, or 1,040 claims, again impacting both sexes and all ages. The composition of claims activity remained unchanged relative to a year ago. Men and individuals aged 25-44 generated the bulk of the claims.

**Regular Employment Insurance Claimants – DURHAM REGION**

EI Regular Claims	April to June 2004	January to March 2004	April to June 2003	% Change Quarter to Quarter	% Change Year to Year
<b>Total Average Claims</b>	<b>7,228</b>	<b>7,871</b>	6,188	<b>-8.2%</b>	16.8%
<b>By Sex</b>					
Female	2,858	2,887	2,598	-1.0%	10.0%
Male	4,370	4,985	3,590	-12.3%	21.7%
<b>Age Breakdown</b>					
15-24 years	735	874	632	-15.9%	16.3%
25-44 years	3,872	4,196	3,379	-7.7%	14.6%
45-64 years	2,528	2,690	2,099	-6.0%	20.4%
65+ years	93	112	78	-17.0%	19.2%
<b>Average Weeks on Claim</b>	<b>17</b>	<b>15</b>	18	13.3%	-5.6%

Source: HRCC administrative data C-356



*FROM THE AUTHOR'S DESK*

**Focus on Durham Region's Real Estate Market and Its Impact on Employment**

Durham Region's real estate market continues to perform well. Sales of single family homes reached record highs by the end of the quarter, with more than a 13% increase over the previous year. By the end of the second quarter, new home construction and commercial permits were also higher relative to a year ago. Building permit values rose nearly 50% in 2003 and analysts expect that 2004 will be another highly productive year.

Population growth rates are the driving factor sustaining real estate expansion in the region. Low mortgage rates and high housing costs in other parts of the GTA have generated an increasing demand for new and resale homes in the Durham Region.

A study conducted by the Real Estate Investment Network ranked 4 of Durham Region's 8 municipalities in its top 10 list of towns in Ontario in which to invest in residential real estate.

The active real estate industry is generating employment opportunities in the Construction trades. Overall, Construction employment rose by 3,500 jobs in the second quarter of this year. (See page 5 for further detailed analysis of employment by industry on a quarterly and annual basis.)

**2004 Ontario Budget**

The 2004 Ontario budget was released on May 18, 2004. The following funding initiatives presented in the budget will influence Ontario labour markets.

**(A) New Employment Initiatives**

Health Care

A health human resource strategy will be designed to increase the supply of highly-trained health care professionals. Its aim will be to:

- increase the number of full-time nursing positions by 8,000 over the next four years;
- double the number of clinical education positions for nurse practitioners to 150; and,
- double the number of opportunities for international medical graduates to 200 by 2007-2008.

Education

Public education goals include placing a cap of 20 students per class from junior kindergarten to Grade 3. The reduced class sizes will translate into more teachers. Training spaces for 1,000 additional new teachers in 2005-2006 will be funded by the Ontario government. A lead teacher for literacy as well as one for numeracy will be placed in every elementary school. This will translate into the training of 4,000 new lead teachers, doubling to 8,000 the number of specialists trained in best practices.

**(B) Training Initiatives**

The following initiatives are expected to address the shortage of skilled trades workers in the province as well as increase employment opportunities of foreign-trained workers:

- Employers will be eligible for a 25% refundable Apprenticeship Training Tax Credit on salaries and wages to encourage the hiring and training of apprentices;
- The number of new entrants into apprenticeship programs will increase to 26,000 by 2007-2008; and
- The Ontario government plans to remove barriers faced by skilled internationally-trained workers by investing \$12.5 million annually by 2005-2006. The plan includes working with professional regulatory bodies and employers to increase access and eliminate barriers to credential recognition and job entry; expand training and employment services to help with the transition to Ontario's workforce; and improve information on employment opportunities and requirements for individuals considering immigration to Ontario.



**Notes to Readers:**

1. The **OSHAWA CMA** is comprised of Clarington, Oshawa and Whitby.
2. For the purpose of this publication, the **DURHAM REGION** includes all of the above communities as well as Ajax, Brock, Pickering, Scugog and Uxbridge.
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 **Statistics Canada and area newspapers**.
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>

