



# Labour Market Bulletin

## Kingston/Pembroke Area

### Service Canada Centre

~ An Analysis of the Kingston/Pembroke Area Labour Market ~ October to December 2005 ~

Volume 5, Issue 4 Fourth Quarter, 2005

**IN THIS ISSUE:**

**HIGHLIGHTS**..... 1

**LABOUR MARKET NEWS**..... 2

    Utilities..... 2

    Construction..... 2

    Manufacturing..... 2

    Trade..... 2

    Finance, Insurance, Real Estate and Leasing..... 2

    Business, Building and Other Support Services... 3

    Educational Services..... 3

    Health Care and Social Services..... 3

    Information, Culture and Recreation..... 3

**LABOUR FORCE TRENDS**..... 4

**LABOUR SUPPLY AND DEMAND**..... 8

    Employment Insurance Claimload..... 8

    Employment Opportunities..... 9

Job vacancies in the Kingston/Pembroke area dropped in the fourth quarter of 2005 in most communities. As well, the number of people in receipt of Employment Insurance rose compared to the third quarter.

In the Brockville-Smiths Falls-Cornwall area (economic region 510 less Ottawa) there was an employment increase in health care and social assistance over last quarter. Decreases were seen in information, culture and recreation, as well as construction. Both industries are normally impacted by seasonal factors.

In the Kingston-Pembroke-Quinte area (economic region 515) public administration and manufacturing saw decreases in employment from last quarter, while educational services and business, building and other support services experienced increases in the number of people employed.

The Kingston Census Metropolitan area showed employment losses in manufacturing and public administration from last quarter. However, employment in educational services posted an increase.

**HIGHLIGHTS**

- ▶ On-Line Support in Pembroke announced that it planned to hire an additional 600 people for its call centre.
- ▶ The strike at Invista, west of Prescott, ended in October, with 280 employees returning to work.
- ▶ Home Depot opened a new store in Brockville, employing 110 people.
- ▶ Shortly before the holidays Mahle in Gananoque locked its doors, laying off 90 people.
- ▶ Windmills are being planned for Wolfe Island, near Kingston, as part of a province-wide investment in wind power.

The Kingston/Pembroke SCC 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:

**Lorie Truemner,**  
**Labour Market Information Analyst**

Telephone: 613 545-8942

Email: [lorie.truemner@servicecanada.gc.ca](mailto:lorie.truemner@servicecanada.gc.ca)

Visit our website at: [www.labourmarketinformation.ca](http://www.labourmarketinformation.ca)

*Note: In preparing this bulletin, Service Canada 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 Service Canada.*

*An overview of the Kingston/Pembroke Area, including Arnprior, Brockville, Carleton Place, Gananoque, Kingston, Pembroke, Perth, Prescott, Renfrew and Smiths Falls.*



Government of Canada

Gouvernement du Canada

## 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.*

### Utilities

Wind turbines are to be built on Wolfe Island, near Kingston, as part of the Province's project to increase the amount of "green" energy produced for consumption in Ontario. The Wolfe Island windmills will produce almost 200 megawatts of power, and will be the largest of nine wind projects planned by the province. Most of the new facilities should be operational by the end of 2007.

### Construction

The former Smiths Falls and District Collegiate Institute is being sold to Guy Saumore and Sons Construction Ltd. The Smiths Falls business plans to turn the 110,000 square foot building into condominiums.

### Manufacturing

Approximately 90 people were laid off when Gananoque's Mahle castings plant, which made car engine parts, abruptly ceased production in December. The company stated that it had been losing money for about three years and that the workforce had been slowly shrinking. The plant's sudden closure was a surprise to its employees and the Town of Gananoque. A week after the layoffs the plant filed for bankruptcy.

Duty placed by Canada on U.S. corn has raised concerns about the future of Casco, a corn processing plant in Cardinal where 250 people are employed. The plant sources its corn from both Ontario and the U.S, where corn producers are subsidized. Recently Canadian corn producers lobbied successfully for duty on the inexpensive US corn, which in turn has driven up costs for Casco.

In November the Prescott Shirt Company, formerly known as Hathaway Shirts, announced that it would be closing in January due to the lack of restriction on offshore clothing imports and the strengthening of the Canadian dollar. Layoffs began in December. Since May the plant's workforce has decreased from about 130 people with operations being transferred to the company's headquarters in Guelph.

The Harrowsmith Cheese Factory has announced that it will close in June 2006. The company is owned by Saputo, Inc, an international dairy and snack food manufacturing conglomerate which acquired the plant in 2001. The company intends to offer some of the 89 affected employees jobs in

other facilities. The shutdown will take place in phases, according to company officials, with warehouse workers likely to be the last employees laid off.

Abbott Labs in Brockville is expanding to the site vacated by Universal Grinding Wheel, which closed in 2003 and is being demolished. Abbott, which makes liquid nutritional products, has already increased its workforce to 160 and plans to hire 10 more people.

Late in October, 77% of Local 28-0 of the Communications, Energy and Paperworkers Union voted for the new three year contract at the Invista plant in Maitland, east of Brockville. Approximately 280 of the 350 workers at the facility were back on the job by the end of November. Some former employees are now working for other employers.

### Trade

Tait's Bakery and Deli plans to open a new store in Brockville's north end early in 2006. It will be called Tait's Uptown and will offer all of the products available at its King Street location as well as olive oils and specialty cheeses.

Shoppers Drug Mart at the 1000 Islands Mall in Brockville opened a new store at the former grocery store site early in October. The expanded store hired 20 additional employees, bringing its staff complement to 50. The store has added a digital camera department, with one-hour processing of digital photos. Post office hours have also been extended.

Home Depot opened its doors in Brockville in mid-October. The 80,000 square foot store employs over 110 people, and joins Wal-Mart and the Real Canadian Superstore as anchor stores in Brockville's Power Centre.

### Finance, Insurance, Real Estate and Leasing

BMO financial group reported that Kingston was rated number one for small business growth among Canadian Cities with a population over 100,000. According to data from Statistics Canada the number of small businesses in Kingston grew by 5.6 percent during the period 2002 to 2004. BMO's report showed that one in ten small businesses with payrolls in Kingston are in the professional, scientific and technical services sector.



### **Business, Building and Other Support Services**

On-Line Support is expanding to another Pembroke location and is creating a total of 600 additional jobs between staffing the new facility and adding to the current one.

Another call centre is looking at locating in the Pembroke area. Tel-Tech, considered to be one of the world's largest call centre companies, held a job fair in Pembroke in October. If the company locates in Pembroke it could provide employment for up to 600 people. Tel Tech has over 30,000 employees worldwide and hopes to open six new call centers across Canada.

### **Educational Services**

The province of Ontario is spending \$1.25 million to provide 1500 apprenticeships for high school students. The Ontario Youth Apprenticeship program encourages students to stay in school and pursue a skilled trade. This program allows students to earn credits toward their high school diplomas at the same time they are registered as an apprentice in a skilled trade.

### **Health Care and Social Services**

Residents of the Rideau Regional Centre in Smiths Falls will not be transferred out of the facility until a judicial panel from the Ontario Divisional Court rules on whether or not the centre is to remain open. 430 residents and approximately 700 staff members will be affected by the Center's potential closing.

The Rainbow Valley Community Health Centre has begun operations in Killaloe with staff that includes a physician, a nurse practitioner, a nurse, a social worker and a medical secretary. The centre is open three days a week with evening and Saturday hours. There is also an urgent care service that functions as a walk in clinic.

### **Information, Culture and Recreation**

Rio-Can Real Estate Investment Trust has received site-plan approval from Brockville council to build a six or eight screen Galaxy Theatre at the 1000 Islands Mall. The theatre is expected to hire approximately 100 people when completed in the summer of 2006.



**LABOUR FORCE TRENDS**

**Economic Region 510 Less Ottawa Labour Force Trends**

In the last quarter of 2005, employment remained stable. At the same time, the unemployment rate decreased slightly due to the decline in the labour force.

Year over year, employment improved considerably in the Cornwall-Brockville-Smiths Falls area adding an estimated 9,000 jobs, two thirds of which were in full-time employment. The labour force expanded nearly seven percent year over year. This caused the participation rate to jump more than three percentage points.

Since there were more new and returning labour force participants than new jobs, unemployment increased year over year. This caused the unemployment rate in the Cornwall-Brockville area to climb to 5.9%, which is slightly higher than the Ontario average.

	October to December 2005	July to September 2005	October to December 2004	Quarter/Quarter Change		Year/Year Change	
				Absolute	%	Absolute	%
Population 15 + ('000)	269,200	268,400	265,400	800	0.3%	3,800	1.4%
Labour Force ('000)	174,800	176,600	163,700	-1,800	-1.0%	11,100	6.8%
Employed ('000)	164,400	164,700	155,400	-300	-0.2%	9,000	5.8%
Full Time	132,800	136,300	126,600	-3,500	-2.6%	6,200	4.9%
Part Time	31,800	28,500	28,800	3,300	11.6%	3,000	10.4%
Unemployed ('000)	10,400	11,800	8,300	-1,400	-11.9%	2,100	25.3%
Not in Labour Force ('000)	94,400	91,900	101,600	2,500	2.7%	-7,200	-7.1%
Participation Rate (%)	64.9	65.8	61.7	-0.9		3.3	
Unemployment Rate (%)	5.9	6.7	5.1	-0.7		0.9	
Employment Rate (%)	61.1	61.4	58.6	-0.3		2.5	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.

**Economic Region 515 Labour Force Trends**

The Kingston-Quinte-Pembroke region has experienced slow employment performance this quarter and year over year. Employment fell by 9,800 quarter to quarter, and by 10,200, compared to last year. In both comparisons, all of the losses were in full-time employment.

For this quarter, since labour force declined more than the drop in employment, unemployment improved and the unemployment rate fell to 5.3% which is lower than the Ontario average of 5.7%.

	October to December 2005	July to September 2005	October to December 2004	Quarter/Quarter Change		Year/Year Change	
				Absolute	%	Absolute	%
Population 15 + ('000)	356,600	355,600	353,200	1,000	0.3%	3,400	1.0%
Labour Force ('000)	211,400	224,000	221,400	-12,600	-5.6%	-10,000	-4.5%
Employed ('000)	200,400	210,200	210,600	-9,800	-4.7%	-10,200	-4.8%
Full Time	156,500	170,500	166,100	-14,000	-8.2%	-9,600	-5.8%
Part Time	43,900	39,700	44,500	4,200	10.6%	-600	-1.3%
Unemployed ('000)	11,100	13,800	10,800	-2,700	-19.6%	300	2.8%
Not in Labour Force ('000)	145,100	131,700	131,800	13,400	10.2%	13,300	10.1%
Participation Rate (%)	59.3	63	62.7	-3.7		-3.4	
Unemployment Rate (%)	5.3	6.2	4.9	-0.9		0.4	
Employment Rate (%)	56.2	59.1	59.6	-2.9		-3.4	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.



In the fourth quarter of 2005, the Kingston labour market experienced a small drop in employment while at the same time recording the lowest unemployment rate (4.4%) in years. This was a result of the expected seasonal contraction in the labour force along with a larger proportion of unemployed individuals leaving the labour force. The Kingston unemployment rate was still considerably below both the Ontario and Canada rates.

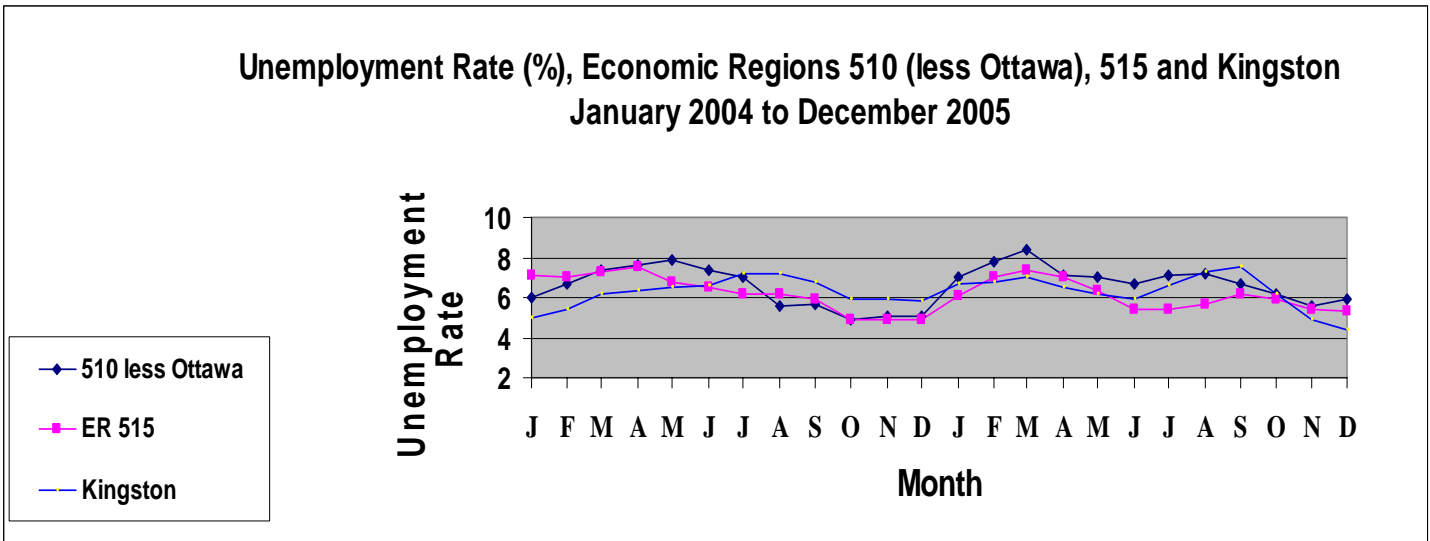
While there was a relatively small drop in employment this quarter (1,500), year-over-year employment was up by almost 4%. Underlying the 4<sup>th</sup> quarter drop in employment was the substitution of full-time employment with part-time employment.

**Kingston Census Metropolitan Area Labour Force Trends**

	October to December 2005	July to September 2005	October to December 2004	Quarter/Quarter Change		Year/Year Change	
				Absolute	%	Absolute	%
Population 15 + ('000)	125,500	125,100	123,800	400	0.3%	1,700	1.4%
Labour Force ('000)	79,100	83,100	77,300	-4,000	-4.8%	1,800	2.3%
Employed ('000)	75,500	77,000	72,800	-1,500	-1.9%	2,700	3.7%
Full Time	57,200	61,800	55,400	-4,600	-7.4%	1,800	3.2%
Part Time	18,300	15,100	17,300	3,200	21.2%	1,000	5.8%
Unemployed ('000)	3,500	6,200	4,500	-2,700	-43.5%	-1,000	-22.2%
Not in Labour Force ('000)	46,400	41,900	46,500	4,500	10.7%	-100	-0.2%
Participation Rate (%)	63	66.4	62.4	-3.4		0.6	
Unemployment Rate (%)	4.4	7.5	5.8	-3.1		-1.4	
Employment Rate (%)	60.2	61.6	58.8	-1.4		1.4	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.



## Employment by Industry

### Economic Region 510 Less Ottawa Employment by Industry

There were no significant changes to the distribution of employment by industry in the Cornwall-Brockville-Smiths Falls area in the last quarter of 2005.

Year over year, the goods and services-producing sectors experienced large net employment gains. In the goods-producing sector this was carried almost entirely by growth in construction and manufacturing. The gains for the services producing sector were mixed with losses in seven industries being offset by gains in four. Year over year, employment gains were particularly large for trade and for business, building and other support services.

Industry	October to	July to	October to	Quarter/Quarter		Year/Year Change	
	December	September	December	Absolute	%	Absolute	%
	2005	2005	2004				
<b>Total</b>	164,400	164,700	155,400	-300	-0.2%	9,000	5.8%
<b>Goods-Producing Sector</b>	45,500	46,200	42,000	-700	-1.5%	3,500	8.3%
Agriculture	5,800	4,900	5,300	900	18.4%	500	...
Forestry, fishing, mining, oil and gas	...	...	...	...	...	...	...
Utilities	...	...	...	...	...	...	...
Construction	13,600	14,700	11,000	-1,100	-7.5%	2,600	23.6%
Manufacturing	25,100	25,500	24,000	-400	-1.6%	1,100	4.6%
<b>Services-Producing Sector</b>	118,900	118,500	113,500	400	0.3%	5,400	4.8%
Trade	28,100	27,800	20,300	300	1.1%	7,800	38.4%
Transportation and warehousing	11,000	10,000	8,600	1,000	10.0%	2,400	27.9%
Finance, insurance, real estate and leasing	5,400	6,000	6,700	-600	-10.0%	-1,300	-19.4%
Professional, scientific and technical services	6,700	7,300	9,000	-600	-8.2%	-2,300	-25.6%
Business, building and other support services	7,500	7,200	2,800	300	4.2%	4,700	167.9%
Educational services	9,400	9,300	11,500	100	1.1%	-2,100	-18.3%
Health care and social assistance	21,200	18,200	17,900	3,000	16.5%	3,300	18.4%
Information, culture and recreation	4,900	7,600	5,500	-2,700	-35.5%	-600	-10.9%
Accommodation and food services	8,500	9,000	11,800	-500	-5.6%	-3,300	-28.0%
Other services	5,400	5,800	6,400	-400	-6.9%	-1,000	-15.6%
Public administration	10,800	10,300	13,100	500	4.9%	-2,300	-17.6%

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



**Economic Region 515 Employment by Industry**

Both the goods producing and services producing sectors experienced a reduction in employment in the fourth quarter. In the goods-producing sector, manufacturing saw the most losses while in the services-producing sector, public administration saw lower employment.

Year over year, employment losses continued primarily in the services-producing sector. Notable decreases in employment were witnessed in trade; transportation and warehousing; health care and social assistance and other services.

Industry	October to	July to	October to	Quarter/Quarter		Year/Year Change	
	December	September	December	Absolute	%	Absolute	%
	2005	2005	2004				
<b>Total</b>	200,400	210,200	210,600	-9,800	-4.7%	-10,200	-4.8%
<b>Goods-Producing Sector</b>	49,100	51,200	48,900	-2,100	-4.1%	200	0.4%
Agriculture	6,300	5,100	0	1,200	23.5%	6,300	...
Forestry, fishing, mining, oil and gas	...	...	...	...	...	...	...
Utilities	3,500	4,000	1,800	-500	-12.5%	1,700	94.4%
Construction	15,200	15,200	16,900	0	0.0%	-1,700	-10.1%
Manufacturing	23,500	26,400	24,900	-2,900	-11.0%	-1,400	-5.6%
<b>Services-Producing Sector</b>	151,300	159,000	161,700	-7,700	-4.8%	-10,400	-6.4%
Trade	31,900	32,000	34,700	-100	-0.3%	-2,800	-8.1%
Transportation and warehousing	7,400	8,700	10,900	-1,300	-14.9%	-3,500	-32.1%
Finance, insurance, real estate and leasing	6,200	7,300	6,800	-1,100	-15.1%	-600	-8.8%
Professional, scientific and technical services	7,900	8,600	8,400	-700	-8.1%	-500	-6.0%
Business, building and other support services	11,600	10,100	7,400	1,500	14.9%	4,200	56.8%
Educational services	19,400	16,900	15,600	2,500	14.8%	3,800	24.4%
Health care and social assistance	26,000	26,500	31,200	-500	-1.9%	-5,200	-16.7%
Information, culture and recreation	5,600	7,500	3,900	-1,900	-25.3%	1,700	43.6%
Accommodation and food services	15,000	15,500	16,300	-500	-3.2%	-1,300	-8.0%
Other services	7,800	9,400	11,900	-1,600	-17.0%	-4,100	-34.5%
Public administration	12,400	16,500	14,700	-4,100	-24.8%	-2,300	-



**Kingston Census Metropolitan Area Employment by Industry**

The goods-producing sector, primarily manufacturing, accounted for all of the quarter to quarter decrease in employment. For the same period, the services-producing industries had a modest increase in employment.

Year over year, goods-producing employment declined and the services-producing sector experienced positive employment growth. The majority of this employment growth was in the trade.

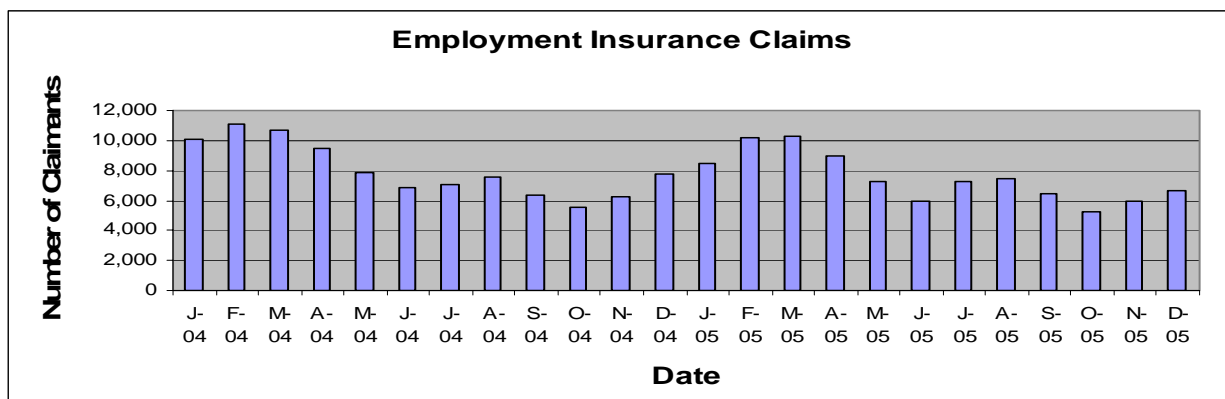
Industry	October to	July to	October to	Quarter/Quarter		Year/Year Change	
	December	September	December	Absolute	%	Absolute	%
	2005	2005	2004				
<b>Total</b>	75,500	77,000	72,800	-1,500	-1.9%	2,700	3.7%
<b>Goods-Producing Sector</b>	10,300	13,100	10,600	-2,800	-21.4%	-300	-2.8%
Agriculture	...	...	...	...	...	...	...
Forestry, fishing, mining, oil and gas	...	...	...	...	...	...	...
Utilities	...	...	...	...	...	...	...
Construction	4,500	5,100	4,600	-600	-11.8%	-100	-2.2%
Manufacturing	5,000	7,000	4,400	-2,000	-28.6%	600	13.6%
<b>Services-Producing Sector</b>	65,300	63,800	62,200	1,500	2.4%	3,100	5.0%
Trade	11,500	10,700	8,800	800	7.5%	2,700	30.7%
Transportation and warehousing	2,000	2,300	2,900	-300	-13.0%	-900	-31.0%
Finance, insurance, real estate and leasing	3,400	3,600	3,800	-200	-5.6%	-400	-10.5%
Professional, scientific and technical services	4,100	3,800	2,200	300	7.9%	1,900	86.4%
Business, building and other support services	3,500	3,500	3,800	0	0.0%	-300	-7.9%
Educational services	12,500	10,200	11,200	2,300	22.5%	1,300	11.6%
Health care and social assistance	10,300	9,700	11,100	600	6.2%	-800	-7.2%
Information, culture and recreation	1,800	2,800	2,600	-1,000	-35.7%	-800	-30.8%
Accommodation and food services	6,600	6,500	6,300	100	1.5%	300	4.8%
Other services	3,200	3,100	3,900	100	3.2%	-700	-17.9%
Public administration	6,400	7,700	5,500	-1,300	-16.9%	900	16.4%

**LABOUR SUPPLY AND DEMAND**

**EMPLOYMENT INSURANCE CLAIMLOAD**

The number of people receiving Employment Insurance rose during the fourth quarter of 2005, although there were fewer claimants than during the same period in 2004, when there were over 7,000 people on claim. There were 6,628 people on claim at the end of December compared to 6,503 at the end of September. The following chart shows the number of people on regular Employment Insurance claims from January 2004 to December 2005. People on regular claims are unemployed and seeking work.

**Regular Employment Insurance Claimants – Kingston/Pembroke Area**





## Employment Opportunities

Seasonal factors influenced vacancies, with the fourth quarter experiencing a normal fall decrease in jobs in most of the Kingston/Pembroke area. However, that trend was bucked by Pembroke and Renfrew, both of which posted a slight increase in job opportunities.

### Employment Opportunities – Kingston/Pembroke area

	October to December '05	July to September '05
<b>Office</b>		
Arnprior	121	216
Brockville	836	1073
Carleton Place	200	273
Gananoque	92	254
Kingston	2986	3626
Pembroke	872	744
Perth	102	231
Prescott	84	146
Renfrew	397	271
Smiths Falls	422	576
Source: SCC vacancies and local newspaper ads		



**Notes to Readers:**

1. The **Cornwall-Brockville-Smiths Falls (Economic Region 510 less Ottawa)** area is comprised of the Counties of Prescott-Russell, Stormont-Dundas-Glengarry, Leeds-Grenville, and Lanark. Normally Economic Region 510 includes the City of Ottawa, but we have factored out this area to make the data more representative of local trends. **The Kingston-Quinte-Pembroke ( Economic Region 515)** area includes the Counties of Frontenac, Lennox & Addington, Hastings, Prince Edward, and Renfrew. The Kingston CMA (Census Metropolitan Area) includes the City of Kingston, Frontenac Islands, Loyalist Township and South Frontenac Township.
2. For the purpose of this publication, the **Kingston/Pembroke area** includes Arnprior, Brockville, Carleton Place, Gananoque, Kingston, Pembroke, Perth, Prescott, Renfrew and Smiths Falls.
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 **The Arnprior Chronicle Guide; Brockville Recorder & Times; Carleton Place Canadian; Gananoque Reporter; Kingston Whig Standard; Pembroke Daily Observer; North Renfrew Times; Perth Courier; Prescott Journal; Renfrew Mercury; Eganville Leader; and, Smiths Falls Record News (EMC).**
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 – Service Canada Centre 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 SCC 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/sdds/3701.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>

