



# Labour Market Bulletin

## Lakeland Area HRCCs

(Serving communities in Midland, Orillia, Bracebridge & Parry Sound)

An Analysis of the Lakeland Area Labour Market

July to September 2004

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The Lakeland HRCC Labour Market Bulletin is a Quarterly Report produced by the Area Labour Market Information team. This Bulletin and other LMI products can be found at:

[www.labourmarketinformation.ca](http://www.labourmarketinformation.ca)

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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 refer also 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 Midland, Orillia, Bracebridge and Parry Sound HRCC area labour markets*

Tourism and construction-related industries continued to fuel the local economy during the July to September 2004 quarter. The area benefited from more retail and restaurant openings and expansions. In addition, a boat manufacturer has announced plans to relocate to Midland.

### HIGHLIGHTS

- **Pinelands Resort** on Lake Joseph to become a high-end resort/club
- Construction begins on a new early childhood education centre for **Mnjikaning First Nation**
- Boat manufacturer **Doral International Inc** announces its relocation to Midland
- **X-Syst Mold Solutions Inc.** in Midland closes in August
- **Giant Tiger** has its grand opening in Parry Sound mid-September
- **Wal-Mart Canada** to open a store in Parry Sound
- **Huron Regional Centre** in Orillia announces closure by 2009
- **EI claimload** in the Lakeland area declines by 29.1% from the previous quarter, as seasonal opportunities increase

## 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 other publications. Please refer to "Notes to Readers" for additional information.*

### Accommodation and Food Services

The **Port Inn/Sydney's Pub & Bistro** re-opened in August after a \$200,000 renovation. Formerly operated as the Pump and Barrel motel/restaurant for over 26 years, the site required extensive updates.

In the next three years, **Pinelands Resort** on Lake Joseph will become a high-end resort/club and will be renamed the **Muskokan Resort Club**. The complex will operate as a "fractional real estate development", meaning buyers will own a piece of the whole site, as well as a minimum of five weeks of use. To accommodate the new buildings, the 100 year old lodge will be demolished.

**Moe's Tap and Wings** opened in Gravenhurst this quarter. The restaurant and bar seats up to 64.

**Taboo Resort, Golf and Conference Centre** will be closed to guests from mid-fall to April 2005 while it undergoes extensive renovations to the lobby, main dining room and spa. A skeleton staff of 36 will remain while renovations are underway.

Plans to open an **A&W** in Huntsville have been delayed, with construction slated to begin sometime later this year. Upon completion, the franchise will employ around 50 staff, of which up to 15 will be full-time.

### Educational Services

A groundbreaking ceremony for a new early childhood education centre for Mnjikaning First Nation took place this quarter. At a cost of \$4.6 million, the 10,000 square foot centre will accommodate 20 infants, 30 toddlers and 48 preschool children. Construction began at the end of July, with a one year expected completion date. Once the new centre opens, the current 28 year old day-care centre will close.

### Manufacturing

Boat manufacturer **Doral International Inc.** has purchased the former **Mitsubishi** plant in Midland. Production at the current Owen Sound location will be phased out. The plant, which manufactures 24, 26 and 29-foot luxury boats will be refurbished at a cost of \$3 million, and could be ready for production within the next 6 to 9 months. They will produce 500 boats in the first year, and expect to increase production to 1,500 boats within two years. The manufacturer will initially employ 50 people, some who will come from Owen Sound, then increase to 70 within 3 months and to 150 within 2 years when they reach full capacity.

**X-Syst Mold Solutions Inc.** in Midland, closed its doors after 24 years of service. By mid-June, staff was already reduced to 11 from an initial 22, with a complete closure in early August.

### Retail Trade

The **Magnetawan Building Centre**, part of the **Home Hardware** chain, recently expanded to more than double its original size, increased its product line as well as staff. In the summer, the business employs approximately 25 staff, with additional workers hired specifically for the garden centre.

**Giant Tiger** had its grand opening in Parry Sound mid-September. The retail clothing store hired approximately 25 permanent part-time staff.

#### *Other openings*

- **West Marine** (boating supply retailer), Midland
- **Plug Nickel Antiques & Alternatives**, Huntsville
- **Laser Essentials** (hair removal), Huntsville
- **Belle Couleurs Interior Designs & Decorating Boutique**, Huntsville
- **Sport Mart** in Midland, creating 17 full and part-time retail jobs



**Wal-Mart Canada** has confirmed it will open a store in Parry Sound. One of 30 to be built across Canada in the next year, this site will open mid-January 2005 and will employ 200 people.

### Construction

Halfway through 2004, the **City of Orillia** has already approved \$10 million more in new construction than at the mid-point last year. While the *West Ridge* plaza continues to be the focus of new growth, two former downtown industrial properties are being converted to housing. A former foundry is slated for townhouses and/or apartment buildings and the *Hunter* building is being renovated to create apartments.

The **Town of Gravenhurst's** building department reported a 19% increase in building starts and an almost 25% rise in construction values for the first three months of 2004 compared to last year. The **Your Independent Grocer** accounted for the largest portion of the commercial development at \$3 million, while residential construction totaled more than \$3.2 million. Owing to these escalating numbers, the Town hired a clerical person and the building department will be recruiting an additional building inspector and plans examiner.

### Health Care & Social Assistance

The **County of Simcoe** hired 16 new paramedics this quarter, with the goal of reducing response times to rural communities. The hirings come in lieu of the plan to increase the level of care provided, as council decided it was "more important to get the people to the hospital quickly than to provide advanced care at the site".

The **Huron Regional Centre (HRC)** in Orillia will be shut down in 2009, three years ahead of previously announced plans. Social Services Minister Sandra Papatello says that **HRC** and government-run institutions for persons with developmental disabilities in Chatham and Smith's Falls will be phased out and the roughly 1,000 residents will be moved into community settings instead. About 2,200 jobs, including more than 700 in Orillia, will be lost.

### Other Services

Parry Sound Area Municipal Airport-based **BP Flight Training** opened a second flight training centre in Midland. The facility offers private, recreational or commercial pilot licensing, night rating, re-currency training and instrument rating. Three instructors will work out of the new location.

## LABOUR FORCE TRENDS

The labour force survey data below reflects three-month moving average unadjusted data, comparing September 2004 to September 2003

Unemployment Rates & Labour Force Survey Results	Region 520 (000's) (includes Midland & Orillia HRCCs)			Region 590 (000's) (includes Bracebridge HRCC)			Region 540 (000's) (includes Parry Sound HRCC)		
	September 2004	June 2004	September 2003	September 2004	June 2004	September 2003	September 2004	June 2004	September 2003
Pop. 15+	303.2	302.3	299.9	449.2	449.6	452.9	917.3	911.4	896.8
Labour force	185.4	195.0	198.4	280.7	283.6	278.1	662.3	646.5	641.9
# Employed	175.1	186.7	188.8	257.8	260.2	254.0	628.6	612.6	604.4
# Unemployed	139.1	8.3	9.6	22.9	23.5	24.1	33.7	33.9	37.5
Not in Labour Force	36.0	107.3	101.5	168.6	166.0	174.7	255.0	265.0	254.9
Participation Rate (%)	10.3	64.5	66.2	62.5	63.1	61.4	72.2	70.9	71.6
Unemployment Rate (%)	117.9	4.3	4.8	8.2	8.3	8.7	5.1	5.2	5.8
Employment Rate (%)	61.1	61.8	63.0	57.4	57.9	56.1	68.5	67.2	67.4



### Employment by Industry (000's September 2004 compared to September 2003)

Industry	Region 520			Region 590			Region 540		
	Sept 2004	June 2004	Sept 2003	Sept 2004	June 2004	Sept 2003	Sept 2004	June 2004	Sept 2003
<i>Total all industries</i>	175.1	186.7	188.8	257.8	253.6	254.0	628.6	612.6	604.4
<i>Goods-Producing Sector</i>	49.2	47.2	53.7	60.9	63.1	62.9	208.2	201.0	200.2
Agriculture	5.2	...	4.5	...	3.0	1.9	10.8	8.7	12.1
Forestry, Fishing, Mining, Oil and Gas	...	...	1.7	18.4	19.3	14.6	1.8	1.8	...
Utilities	3.5	3.8	...	3.4	4.2	2.4	2.1	1.7	3.4
Construction	16.2	16.9	18.3	17.2	14.6	17.6	46.6	44.5	44.2
Manufacturing	23.4	25.0	28.5	20.5	21.9	26.3	147.0	144.3	139.5
<i>Services-Producing Sector</i>	125.9	139.5	135.1	196.9	190.5	191.1	420.3	411.6	404.2
Trade	30.9	35.2	33.5	42.7	41.9	39.0	101.4	86.8	94.3
Transportation and Warehousing	4.3	6.1	6.7	12.2	12.6	12.5	24.7	24.1	23.5
Finance, Ins., Real Estate & Leasing	7.4	8.0	8.4	11.9	9.3	11.5	33.0	30.6	38.2
Professional, Scientific and Technical	8.6	9.0	6.7	9.7	7.7	9.4	32.2	30.9	28.2
Management, Administrative & Other	11.4	8.1	7.3	8.8	10.2	8.9	22.7	22.3	21.1
Educational Services	13.1	13.6	11.0	16.5	20.1	14.0	39.5	48.7	37.6
Health Care and Social Assistance	21.7	27.7	20.3	37.3	35.1	39.2	61.9	62.1	54.8
Information, Culture and Recreation	6.2	6.2	10.6	10.2	8.7	9.5	18.8	19.0	28.3
Accommodation and Food Services	8.5	11.4	12.4	22.7	21.1	18.5	37.5	37.3	32.9
Other Services	7.0	7.4	10.7	10.1	9.4	11.4	21.8	23.5	22.7
Public Administration	6.7	6.6	7.6	14.8	14.4	17.1	26.8	26.3	22.7

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

**Note:** Totals may not add due to rounding

**Source:** Statistics Canada Labour Force Survey

- Economic Region 540 includes the Counties of Dufferin, Wellington & Simcoe, and the Waterloo Regional Municipality.
- Economic Region 520 includes the Counties of Northumberland, Peterborough, Victoria, Haliburton & the Muskoka District Municipality.
- Economic Region 590 includes the District of Nipissing, Parry Sound, Manitoulin, Sudbury, Timiskaming, Cochrane, Algoma, the North Eastern part of the District

## Labour Force Survey Highlights

### Economic Region 520 (Kawartha-Muskoka)

The labour market in Economic Region 520 experienced its second consecutive quarter of weakness. Employment dropped by 11,600—the area's largest third-quarter decline on record. Job cuts were widespread, impacting both sexes and

all age groups. The absence of work led to a labour force contraction of 9,600 quarter-over-quarter.

Fewer jobs contributed to higher unemployment, which reached 10,300 from 8,300 in the previous



quarter. As a result, the unemployment rate climbed by 1.3 percentage points to 5.6%.

Year-over-year, all major indicators worsened. Relative to the third quarter of 2003, employment was off by 13,700, the labour force shrank by 13,000, and the unemployment rate rose 0.8 percentage points from 4.8%.

By industry, quarterly job declines were greatest in the Services-producing sector, where employment fell by 13,600. The biggest losses were in Health Care and Social Assistance (-6,000) and in Trade (-4,300).

#### **Economic Region 590** (*Northeastern Ontario*)

Labour market conditions continued to improve in the third quarter of 2004. The labour force expansion (+3,100), marked the third consecutive quarter of labour force growth in the region. Employment increased by 4,200 jobs and since there were more new jobs created during the quarter than there were new or returning job seekers, the area's unemployment rate declined from 8.6% in the second quarter to 8.2%.

The area's labour market is also stronger year-over-year. The labour force expanded (+2,600) while the area also experienced job growth (+3,800) during this same period. With growth outpacing the labour force expansion, the unemployment rate dropped from 8.7% one year

ago to 8.2%.

Employment in the area's Goods-producing sector declined during the third quarter (-2,200). In contrast, the Services-producing sector recorded growth of more than 3% (+6,400). Eight of the 11 industries within the sector expanded during the quarter. The strongest growth was recorded in Finance, Insurance, Real Estate and Leasing (+2,600), where employment hit a 7-year high of 11,900.

#### **Economic Region 540** (*Kitchener, Waterloo, Barrie*)

Economic Region 540 saw full time employment rise by 22,000 during the second quarter of 2004. This was almost equal to the total year-over-year increase. The combination of more individuals joining the labour force, increased population and part-time workers working full-time hours, accounted for the quarterly increase. Fewer unemployed played a greater role in yearly gains. The unemployment rate was almost unchanged from June, but down over half a percentage point from September 2003.

Economic Region 540 had both quarterly and yearly gains in employment. Ten of the 16 industry sectors had quarterly yearly gains in employment. Only 6 of the 10 industries had both quarterly and yearly gains. The Service-producing sector had larger employment gains than the Goods-producing sector, with Retail Trade leading the way.

## **LABOUR SUPPLY & DEMAND**

### **Employment Insurance (EI) Claim Load**

During the July to September 2004 quarter, the claimload declined by 29.1%, or 861 less claims compared to the April to June 2004 quarter. Most of the decline was among male recipients, indicating a return to seasonal work. The most significant quarter-to-quarter decline was in occupations related to Trades, Transport and Equipment Operators, primarily Heavy Equipment Operators, Carpenters and Construction Trades Helpers.

Compared to the third quarter of 2003, the claimload is slightly lower this year, with 150 individuals, or 6.8% less individuals on claim.





### Regular Employment Insurance Claimants – Lakeland Area (3 month average)

Area	July to September 2004			April to June 2004			July to September 2003		
	Total	Female	Male	Total	Female	Male	Total	Female	Male
Midland	567	320	247	660	277	383	561	297	264
Orillia	750	392	358	930	297	633	889	468	421
Bracebridge	513	300	214	858	326	532	558	301	257
Parry Sound	262	135	127	505	189	316	234	121	113
<b>Total Lakeland Area</b>	<b>2092</b>	<b>1147</b>	<b>946</b>	<b>2953</b>	<b>1089</b>	<b>1864</b>	<b>2242</b>	<b>1187</b>	<b>1055</b>

Source: HRCC administrative data C-356

### Employment Opportunities

Hiring activity started its normal seasonal decline during the July to September quarter, with 3,563 jobs advertised, compared to the previous quarter when 4,742 jobs advertised. During the July to September 2003 period, there were 3,013 jobs advertised.

This recent quarter saw some openings and expansions of retail stores and restaurants, which generated a fair number of new jobs for the economy. The Bracebridge area had the largest volume of advertised jobs, with approximately 40% of the activity being in that region, followed by Orillia with almost 30%. Year-over-year, advertised job vacancies in the Lakeland area have increased by 18.3%

### Employment Opportunities – Lakeland Area

Industry	Jul to Sep 2004	Apr to Jun 2004	Jul to Sept 2003
Management	92	111	92
Business/Administration	326	322	192
Natural & Applied Sciences	84	86	55
Health	102	153	115
Social Science & Education	162	135	112
Culture & Recreation	35	77	34
Sales & Service	1450	2400	1448
Trades & Transport	884	969	695
Primary Industry	130	165	89
Manufacturing & Utilities	300	324	181
<b>Total Vacancies</b>	<b>3565</b>	<b>4742</b>	<b>3013</b>

Source: HRCC vacancies and local newspaper ads



**Notes to Readers:**

1. The information contained in the Labour Market News section is gathered from a variety of internal and external sources. The primary sources of information include the *Orillia Packet & Times*, *Midland Free Press*, *Gravenhurst Banner*, *Huntsville Forester*, *Bracebridge Examiner*, *Midland Mirror*, *Simcoe County Business*, *North Country Business*, *Parry Sound Beacon*, *Almaguin News*, *Parry Sound North Star*.
2. **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.
3. **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.
4. 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>
5. For more information on Industrial and Occupational categories used in this review, visit **Statistics Canada's website** at: [http://www.statcan.ca/english/Subjects/Standard/standard\\_classifications.htm](http://www.statcan.ca/english/Subjects/Standard/standard_classifications.htm)

