

Labour Market Bulletin Quinte Area

Service Canada Centre

~ An Analysis of the Quinte Area Labour Market ~ April to June 2006 ~

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The Quinte Area 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)

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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 Quinte area which includes: Hastings County, Prince Edward Division; the majority of Lennox and Addington County; and the eastern part of Northumberland County.

The Quinte area labour market remained fairly positive throughout the second quarter of 2006. Numerous construction projects were announced and a number of openings and expansions occurred in various sectors. Unfortunately, these positive developments were tempered by the announced closure of two major businesses in the area that will affect over 200 people.

On the positive side, the regular employment insurance claim load decline 26% from the first quarter and 7% from a year ago. As well, the area experienced an increase in the number of advertised employment opportunities this quarter. Over half of the opportunities were in the sales and services, and trades and transport occupations.

Labour market conditions in the Kingston-Quinte-Pembroke region also improved from the first quarter of 2006. Both employment and labour force levels increased resulting in the participation rate rising from 58.7% in the first quarter to 61.9% in the second.

HIGHLIGHTS

- Construction remains strong in the Quinte area.
- Crane Plumbing in Quinte West closed affecting 118 people.
- Nordenia North America in Belleville will close in September 2006 putting 80 people out of work.
- Old Navy opens in Belleville's Quinte Mall creating 52 full- and part-time positions. Stores opening this fall are Eddie Bauer, La Vie en Rose, Eden Collection, Ben & Jerry's Ice Cream and Foot Locker.
- Seasonal downturn in regular employment insurance claims.
- Advertised job opportunities rose 28% during the quarter.
- Employment improves this quarter but unemployment rate remains relatively unchanged.





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.

Utilties

Prince Edward County could be the home to the single largest wind farm in North America. Trillium Power plans to build up to 142 wind turbines capable of producing enough clean, renewable electricity for over 200,000 homes. The company stated they will use local manpower wherever possible and the economic spinoffs could reach \$2.1 billion during the two to three year building process. No start date was given as it could take up to two years to go through the permit application process.

A labour shortage is looming in the electrical sector. According to the Canadian Electricity Association, 40 per cent of employees working in the industry will be eligible for retirement within the next 10 years. In Ontario, Bruce Power, Ontario Power Generation, Hydro One and the Power Workers' Union are addressing this problem through their TradeUp program. The program is aimed at Grade 9 and 10 students, their parents and high school guidance counselors. It promotes skilled trades found in the sector such as electricians, technicians, mechanical engineers and nuclear operators. More information is available at their web site: http://Tradeup.ca

Construction

Spectrum Seniors Housing Development from Mississauga purchased the Dufferin Centre in Quinte West. They plan to convert the former school into a 100-unit senior's independent living complex. The renovations are estimated to cost \$250,000. Company officials say that as many as 30 staff could be working at the facility once it is completed.

Nibourg Developments has purchased the former Lenadco Home in Napanee. The company is planning a multi-million dollar renovation to the facility. Once completed, there will be rental space for community agencies and health care related services.

The former Canada Trust building in Belleville is undergoing over \$2 million in renovations. The main floor will provide rental space for retail and the top three

floors will be for professional office space.

A million dollar expansion is taking place at QuintEssential Credit Union of Belleville. Plans call for a two-storey addition to be built on the east side of the building and 24 additional parking spaces.

In order to accommodate their growing truck fleet, Erb Transport of Quinte West is constructing another truck depot. Located on Glen Miller Road just north of Hwy. 401, the new drop yard will be able to handle 120 refrigerated trailers.

Construction of the new Charlotte Sills complex continuing care wing at Quinte Health Care Belleville is scheduled to start before the end of this year. The new wing will house 73 complex continuing care and 30 rehabilitation beds. This is first of the three-phase long-term reconstruction of the Belleville hospital. The total project will cost more than \$70 million.

Lennox and Addington General Hospital is undergoing \$23.7 million in upgrades. Included in the project is a new 24-bed Complex Continuing Care unit, expansion of the Emergency Department and extensive renovations throughout the hospital.

CFB Trenton's Mountain View detachment will be undergoing \$3.4 million in renovations this year. Plans include a new gravel runway, the resurfacing of the main runway, demolition of 3 deteriorating hangars, erecting a new hangar and possible road repairs.

Four projects funded through the Canada-Ontario Municipal Rural Infrastructure Fund were announced. They are:

- Replacement of the Picton Water Pollution Control Plant projected to cost \$15.4 million.
- The Town of Bancroft will upgrade the Bancroft Waste Treatment Plant. Total cost for the project is \$9.6 million
- The Municipality of Tweed will replace the Marlbank Culvert, and Sherry and Doran bridges.
 Total cost for the projects is \$2.1 million.





 The Municipality of Marmora and Lake will replace the Ackerman and Bronson bridges. Total cost for the projects is \$0.9 million.

Manufacturing

Donini Chocolate of Belleville recently added a new chocolate chip line at its manufacturing facility. In order to accommodate this expansion, the company closed its retail outlet store the end of May. Four of the five affected employees are still working at the plant; the other employee has found work elsewhere.

A new bakery has opened its doors in Belleville. Chambers Bakery is located at 243 North Front Street the former M&M Meat Shop location.

Prince Edward County's newest winery, Sandbanks Estate Winery, held its official opening on June 26. The winery produced 4,000 to 5,000 bottles of wine in 2005 and will produce over 7,000 this year. The owners also officially opened their Wine Boutique which is located at 17598 Loyalist Parkway.

Crane Plumbing Canada Corporation closed its manufacturing facility in Trenton on March 31, 2006 putting 118 employees out of work. The warehouse, however, is expected to remain open. There are about 34 employees still working at the plant.

Nordenia North America in Belleville will cease production at its facility in Belleville on September 29, 2006. The rising Canadian dollar was cited as the reason for the closure. Eighty employees are affected by the closure.

Current contract negotiations

The 190 unionized employees at Deloro Stellite's Belleville alloy plant ratified a new three-year contract. The agreement includes wage increases and RRSP contributions equal to more than 12 per cent over the duration of the contract. The agreement will bring the hourly wage to \$26.09.

The 370 members of the International Association of Machinists and Aerospace Workers, Local 1788, ratified a new four-year agreement with Invar Manufacturing. Members will receive wage increases of 3 per cent in each of the first three years of the contract and 3.5 per cent in the fourth year.

Trade

The Bancroft IGA closed it doors on May 2 and reopened May 11 as Price Chopper. The 64 employees who worked at the IGA were laid off and had to apply to the new Price Chopper if they wanted to work there.

New stores in the area include:

- Betty's Boutique at 7 Station Street, Bancroft.
- Ya Ya Gallery at 25 Sherbourne Street, Bancroft.
- Tack Barn at 530 Quarry Road in Bancroft where a range of English and Western equestrian products are available.
- Custom Carts located at 27 Gotha Street in Trenton customizes golf carts.
- Old Navy opened in the Quinte Mall and employs 52 full- and part-time staff.

Five new retail stores are opening in Belleville's Quinte Mall later this year. They are:

- Eddie Bauer men's and women's casual outdoor apparel and accessories
- La Vie en Rose lingerie and swimwear
- Eden Collection home décor and fragrance store
- Ben & Jerry's Ice Cream
- Foot Locker sporting apparel store

Business building and other support services

A new pharmaceutical packaging and distribution employer will be locating in Quinte West. The company was not named but 25-30 people will be hired at the 30,000 sq. ft. facility.

In an attempt to hire an additional 150 people, Stream held a job fair at their Belleville call centre on July 7. These new positions require good customer service, good technical skills and a commitment to professionalism. Further information on the company can be found at http://www.stream.com.

Brenda Rump has developed and now opened her new business, Open Road Tours. She will plan bus tours for people of all ages to landmarks, museums, lighthouses, old railway stations and major shopping outlets in Niagara Falls and Syracuse. She will be working with Foley Bus Lines.

Educational services

Due to a \$1.6 million budget shortfall, the Hastings and Prince Edward District School Board will be





implementing a number of adjustments to programs, personnel and facilities. As a result, 34 employees, a number of which are educational assistants, received notices of lay off effective September.

The Algonquin and Lakeshore Catholic District School Board has a projected \$3.2 million deficit. There is no indication, at this time, as to how the Board will deal with the deficit.

If there is sufficient enrolment and financial funding, Loyalist College will offer a new two-year diploma in military arts & sciences. Graduates will be able to proceed to the Royal Military College in Kingston to earn their Bachelor of Military Arts and Science. The College is receiving \$54,313 in additional provincial government funding to expand their support for students with disabilities and to help remove barriers these students face.

The East Central Ontario Training Board (ECOTB) and partners, the Hastings and Prince Edward District School Board and the Algonquin and Lakeshore Catholic District School Board, have launched a new program - Mission Employable. The program links students looking for work right out of high school and unemployed youth with potential employers. This is a two year program funded through a grant of \$87,200 from the Ontario Trillium foundation.

Current contract negotiations

Ontario's college teachers have a new four-year contract. They will receive wage increases of 15.3 per cent over the duration of the agreement. The arbitrator, appointed after the three-week strike in March, imposed the agreement between the colleges and teachers. He also ordered a task force be struck to study workload issues.

Several organizations that provide support to individuals

Health care and social services

experiencing mental health issues in Hastings and Prince Edward Counties are sharing over \$3.1 million in funding from the provincial government.

Agencies receiving a 1.5% increase in their base budgets are Quinte Healthcare Corporation, Youth Habilitations Quinte Inc., the Sexual Assault Centre for Quinte & District, the Mental Health Support Network-Hasting Prince Edward Corporation, and the Addictions Centre (Hastings/Prince Edward Counties) Incorporated. As well, Quinte Healthcare Corporation will receive \$121,000 for its community based services (crisis

response, early intervention in psychosis and assertive community treatment teams). Mental Health Services-Hastings Prince Edward Corp also receives \$133,000 to create 8 additional supportive housing units. The South East Local Health Integration Network will receive \$2.8 million. Their office is located at 48 Dundas Street West in Belleville.

Belleville, Central Hastings and North Hastings join Picton in being approved for Family Health Teams. Team members include doctors, nurse practitioners, pharmacists, dieticians and mental health workers. Unlike walk-in clinics, the family health team doctors work as a team with each having their own patients. When one is on holidays, their patients are looked after by the other team members.

Hastings County has enlisted their first medical student in their family physician recruitment program. Under the program, James Larmar receives \$25,000 a year to assist in tuition and other expenses during the course of his medical degree program. Upon graduation, Mr. Larmar will return to Hastings County and practice family medicine for at least five years.

MPP Ernie Parsons has announced that the province will invest \$1,410,600 in the Access Centre for Hastings and Prince Edward Counties to enhance home care services and \$537,000 in new funding for the South East Local Health Integration Network.

The province is providing \$1.3 million towards the redevelopment of the Quinte Health Care Picton hospital and \$0.7 million towards the Quinte Health Care Trenton site.

Current contract negotiations

Local 3314 of the Canadian Union of Public Employees has ratified a 3-year contract with the Hastings and Prince Edward Health Unit. Members will receive wage increases of 3 per cent in each year of the contract as well as improvements in vision car, dental benefits and maternity/parental leave. The contract expires on December 30, 2008.

Information, culture and recreation

The official opening of the new Belleville Public Library and John M. Parrott Art Gallery was held on Friday May 26. The three-storey building is approximately 38,000 sq. ft and cost roughly \$7 million.





The RCAF Memorial Museum in Trenton is receiving \$1 million in federal funding. The museum, home to the world's only fully restored Second World War Halifax bomber, is undergoing an expansion and the funding will be put towards construction costs.

The official opening of the Belleville Golfing Centre Inc. was held in early April. For now, it is a driving range but the owners hope to eventually incorporate a putting green and some bunkers for golfers to hone their skills. The Centre is located north of the 401 between Wallbridge-Loyalist Road and Sidney Street.

Accommodation and food services

New businesses opening this quarter are:

- Huff Estates Inn located at 2274 County Road 1 in Bloomfield. The vineyard hotel features thirteen guest rooms, seven suites and two boardrooms.
- Bear Trail Couples Resort in Whitney.
- Silk Route Indian Fusion Restaurant located in the Clarion Inn, Belleville. Diners will be able to order traditional dishes from India and fusion cooking which represents various regional cooking styles.
- Earl and Angelo's Steak & Seafood Restaurant located at 182 Front Street, Belleville.

After 35 years of being in business, the Sneaky Pete restaurant in the Quinte Mall closed April 29 putting 10 people out of work. Declining business was cited as the reason for the closure.

Other services

A new project being developed by the East Central Ontario Training Board (ECOTB) received support from the Belleville and District Chamber of Commerce. The three-year program will help youth explore experience and establish a small business. The Chamber will provide \$3,000 over the three years.

Other services

Two Canadian air force squadrons will be consolidated at the Canadian Forces Aerospace Warfare Centre based at 8 Wing-CFB Trenton. The think tank studies the way the air force operates and develops new ways of working. The consolidation will increase personnel by 24 military and nine civilian jobs. The Defence Department is spending \$8.3 billion to purchase 4 strategic heavy aircraft and 17 new tactical airlift planes for 8 Wing-CFB Trenton.

The federal and provincial governments are providing a cash grant of \$775,000 to Hastings County. The money is for 60 new affordable housing spaces for single county residents who are receiving disability pension payments.

Queen's Park announced that Belleville will be home to one of twelve Youth Intervention Centres in Ontario. The centres are designed to assist youths aged 12-17 who are in trouble with the law. It is hoped that the centre will open in the fall.

A new community policing and satellite office is opening at 34 Dundas Street in downtown Quinte West. The office will be staffed by community liaison officers, a cadet officer, civilian volunteers and regular front-line officers and will be open during evening hours.

Ernie Parsons, MPP for Prince Edward-Hastings, announced that Belleville will receive a one-time grant of \$223,110 through the Move Ontario initiative. The monies will be used to improve Belleville's public transit.

Current contract negotiations

The volunteer firefighters of Quinte West ratified a new three-year agreement. They will receive a 2.75 per cent wage increase in each year of the contract.

The Union of Canadian Correction Officers reached a tentative agreement with Treasury Board. Ratification vote should take place by the end of the June. The correctional officers have been without a contract since May 31, 2002 and this new agreement expires in 2010.

Hastings County and Local 496 of the Ontario Public Service Employees Union ratified a new three-year agreement. The contract is retroactive to January 1, 2006. The 185 full- and part-time employees will receive a 3 per cent wage increase in both 2006 and 2007 and a 3.5 per cent increase in 2008.

Thirty-eight part-time crossing guards in Quinte West have voted to join the Canadian Union of Public Employees Local 799.





LABOUR FORCE TRENDS

(By Denise Gobin, Eastern Ontario Area Economist)

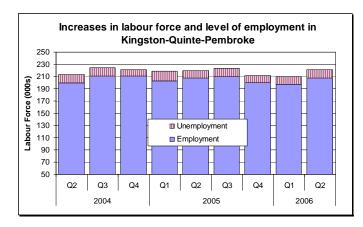
In the second quarter of 2006, the Kingston-Quinte-Pembroke region gained 10,700 jobs of which 90% were full-time. The labour force expanded by 11,800 or 5.6%. This resulted in the participation rate climbing from 58.7% last quarter to 61.9% this quarter. However, since there were slightly more new and returning job seekers than available jobs, the unemployment rate edged up marginally to 6.2%.

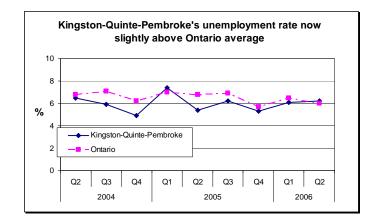
Conditions are weaker in the Kingston-Quinte-Pembroke region compared to those recorded in the second quarter of 2005. Modest growth in the labour force accompanied weak employment performance. While 3,100 full-time positions were created, the region experienced a higher loss of part-time positions, yielding a net job loss of -100. The combination of lackluster employment and slight labour force expansion resulted in the unemployment rate rising on the year, finally surpassing the Ontario average after moving closer to it in recent quarters.

Kingston-Quinte-Pembroke (E.R. 515) labour force trends

	Second	First	Second	Change			
	Quarter	Quarter	Quarter	Quarter/Quarter		Year/Year	
	2006	2006	2005	Absolute	%	Absolute	%
Population 15 +	357,500	356,900	354,400	600	0.2	3,100	0.9
Labour force	221,400	209,600	219,600	11,800	5.6	1,800	0.8
Employed	207,600	196,900	207,700	10,700	5.4	-100	0.0
Full-time	166,400	156,900	163,300	9,500	6.1	3,100	1.9
Part-time	41,100	39,900	44,400	1,200	3.0	-3,300	-7.4
Unemployed	13,800	12,800	11,900	1,000	7.8	1,900	16.0
Not in labour force	136,200	147,300	134,800	-11,100	-7.5	1,400	1.0
Participation rate	61.9%	58.7%	62.0%	3.2		-0.1	
Unemployment rate	6.2%	6.1%	5.4%	0.1		0.8	
Employment rate	58.1%	55.2%	58.6%	2.9		-0.5	

Note: Totals may not add due to rounding. Source: Statistics Canada, Labour Force Survey.









Note to readers:

Revisions to the LFS

Labour Force Survey (LFS) estimates for the January 1987 to December 2005 period have undergone revisions. There are three reasons for the revision. First, the revision enables the use of improved population benchmarks in the LFS estimation process. These improved benchmarks provide better information on the number of non-permanent residents. There are also changes to the data for the public and private sectors from 1987 to 1999. In the past, the data on the public and private sectors for this period were based on an old definition of the public sector. The revised data better reflects the current public sector definition, and therefore result in a longer time series for analysis. Finally, the geographic coding of several small Census Agglomerations (CA) has been updated historically from 1996 urban centre boundaries to 2001 CA boundaries. This affects data from January 1987 to December 2004.

It is important to note that the changes to almost all estimates are very minor, with the exception of the public sector series and some associated industries from 1987 to 1999. Rates of unemployment, employment and participation are essentially unchanged, as are all key labour market trends. Users are cautioned that any comparisons of historical data should be done using these revised estimates.

The article "Improvements in 2006 to the LFS" (71F0031XIE, free) provides further explanation for the revisions and an overview of the effect of these changes on the estimates.

Source: Statistics Canada, The Daily, February 10, 2005

Employment by Industry Analysis

Readers of this quarterly labour market review may note that we have discontinued the tables and commentary on employment by industry sector as of the First Quarter, 2006. We have discontinued this content element because recent analysis indicates that the sampling error is too large to provide meaningful observation of changes in sector employment at the sub-provincial level over the short term.

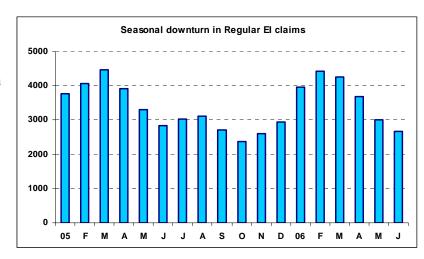




LABOUR SUPPLY AND DEMAND

Employment Insurance Claim Load

The number of regular Employment Insurance (EI) claims in the Quinte area decreased steadily throughout the second quarter - declining 26% from the first quarter. This is an expected trend in the spring months as activity in the construction sector increases and people return to work. The largest decrease in claims occurred in the trades and related occupations; specifically, construction trades helpers and labourers, heavy equipment operators (except crane), truck drivers, and carpenters.



While both male and female claimants decreased

this quarter, the decrease in male claimants was more significant at 31%. In contrast, female claimants decreased by 14%. Year over year, the claim load is down 7%. There were almost 180 fewer males on claim and 60 fewer females.

Regular Employment Insurance Claimants - Quinte Area

	April – June '06		January - March '06			1	April – June '05		
	Total	Female	Male	Total	Female	Male	Tota	l Female	Male
Quinte Area	3,119	1,065	2,054	4,213	1,246	2,967	3,358	1,126	2,231

Source: SCC administrative data C-356

Employment Opportunities

The Quinte area saw advertised employment opportunities rise 28% from the previous quarter. Over half of the opportunities fell in two occupational groups – sales and services (38%) and trades and transportation (22%). Top opportunities this quarter were cooks, retail salespersons and sales clerks, food and beverage servers, registered nurses and other labourers in processing, manufacturing and utilities.

Employment Opportunities - Quinte Area

Occupations (NOC)	April-June 2006	January-March 2006	April-June 2005
Total Vacancies	1,295	1,014	1,257
Management	57	44	60
Business/administration	135	142	128
Natural & applied sciences	24	27	24
Health	122	120	82
Social science & education	70	71	73
Culture & recreation	21	29	39
Sales & service	488	329	542
Trades & transport	289	171	195
Primary industry	34	34	44
Manufacturing & utilities	55	47	70
Source: Local newspaper ads			





Notes to Readers:

- 1. The **Economic Region 515: Kingston-Quinte-Pembroke** is comprised of the Counties of Frontenac; Lennox and Addington; Hastings; Prince Edward; and Renfrew.
- 2. For the purpose of this publication, the **Quinte Area** includes Hastings County, Prince Edward Division, the majority of Lennox and Addington County and the eastern part of Northumberland County..
- 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 Bancroft Times, Belleville Intelligencer, Marmora Herald, Napanee Beaver, Picton Gazette and the Trentonian 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 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



