



Labour Market Bulletin

Lakeland Area HRCCs

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

An Analysis of the Lakeland Area Labour Market

April to June 2005

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

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

Employment opportunities in the Lakeland area increased during the April to June quarter, consistent with the traditional seasonal pattern, as tourism and construction related industries got into full swing. The area is also benefiting from many new retail stores, restaurants, hotel and resort developments either planned or currently underway.

HIGHLIGHTS

- Manufacturing sector experiences some lay-offs
- Apprenticeship training on the rise locally
- Full service dairy opens in Huntsville
- New restaurants for Gravenhurst and Huntsville
- Walk-in clinic opens in Penetanguishene
- New West-Parry Sound Health Centre opens
- Huntsville to host 2006 provincial Paralympics
- Site preparation begins at Red Leaves Resort
- Condo development to create 40 construction jobs
- Best Western to open in Huntsville



L A B O U R M A R K E T N E W S

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.

Educational Services

Apprenticeship training in Muskoka. In April, the Muskoka campus of Georgian College produced the first graduates of the General Carpentry Apprenticeship and Pre-Apprenticeship programs. With new residential construction in Bracebridge more than doubling from a year ago, this is a good first step in addressing the skilled trades shortages in the region. The General Carpentry Apprenticeship program will run again in October 2005.

Apprenticeship training for inmates. At the Central North Correctional Centre in Penetanguishene, 16 inmates graduated from the Brick and Stone Mason Pre-Apprenticeship program. Each graduate has a job as an apprentice to go to upon release. The program was a partnership between the Correctional Centre, the Simcoe County District School Board and the Universal Workers Union Local 183 Life Long Learning Centre. Applications are currently in the works to run 2 more programs within the jail.

Retail Trade

Full-service dairy opens in Huntsville. Kawartha Dairy, a full-service retail dairy, opened a new store in Huntsville in June, creating 30 jobs during the peak summer season. Approx 7 of these jobs will be year-round.

Parry Sound gets new movie rental store. Movie Gallery, a large video rental store, opened a store in Parry Sound in June, generating 10 new retail jobs. The Parry Sound store is one of approximately 400 Movie Gallery stores scheduled to open in Canada this year.

Other retail openings/closures

- **Forever in Season** (designer quilts, apparel and home accessories), opened in Huntsville Place Mall
- **Muskoka Paddle Shack** (canoes, kayaks & accessories) opened on Hwy 11 just South of Gravenhurst
- **Wayside Garden Market and Groundskeeping**, opened in Bracebridge
- **Wildflower Farm**, seed production, seasonal retail shop & landscaping, opened in Orillia
- **Fastenal**, distributor of industrial and construction supplies, opened in Midland
- **SAAN** store in Penetanguishene re-opened
- **Athletes World** to open a store in the Huntsville Place Mall
- **Panhandler** in Midland closed

Accommodation and Food Services

Boston Pizza coming to Gravenhurst. Boston Pizza is set to open on September 2nd 2005, as the centerpiece of Gravenhurst's Muskoka Wharf project. Work on the Sunset Grill, a 2nd waterfront eatery, will also begin shortly. Two more waterfront restaurants are planned in the future, bringing numerous restaurant jobs to the area.

New restaurant in Huntsville. A site plan was approved for a 2,600 square foot DQ Grill and Chill in the Muskoka Commerce Park area. It may be built before the end of the year and once operational, the new restaurant could create up to 50 new jobs.

Manufacturing

Lay-offs in the manufacturing sector. In May, Cequent Towing Canada Ltd. announced a lay off of 45



people—36 of them production workers. The lay-offs were due to the consolidation of product development activities in two U.S. facilities as well as high inventory levels.

Meanwhile, Hidden Hitch in Huntsville laid off 38 workers in May, due to an over estimation of sales and too much inventory on hand. These lay-offs were to be reviewed after a twelve-week period.

Health Care & Social Assistance

Penetanguishene gets a new walk-in clinic. The opening of a walk-in clinic in Penetanguishene in June is good news for the estimated 10,000 individuals in the area without family doctors. The recent closure of the clinic in Midland left many to rely on the emergency services at the local hospital. The clinic is located on the same site as the recently opened Bayside Medical Centre in Penetanguishene. In addition to the physicians with current full-time practices at the centre, five additional doctors have committed their involvement in the clinic. There are also three full time and two part time office staff working at the clinic.

New family doctor for Parry Sound. Parry Sound is getting a new family doctor, the first to set up shop in three years. The area will, however, still be three family physicians short and continue with its underserved status.

Long awaited West-Parry Sound Health Centre opens. June 21st was opening day for the new West Parry Sound Health Centre, and the relocation of patients from the former James Street site. With a staff of 500, the \$88 million health centre is one of Ontario's most modern and best equipped health centres. Although the hospital serves a full-time population of 20,000, that number swells to 120,000 in the summer months.

Construction

Lake Muskoka to get a new multi-million dollar resort. The Township of Muskoka Lakes has given its approval for a multi-million-dollar resort near Bracebridge. The 191,000 square foot facility will

replace both the Tamwood Lodge and Aston Resort on Lake Muskoka. The project could start as early as this fall.

Best Western Huntsville to open in October.

Construction of the new Best Western in Huntsville is underway, with a projected opening date in early October. Motel 6 has announced that it will build a new three-storey, 82-room motel right next door, with a planned opening of December 2005.

Condo development to create 40 construction jobs.

Construction of the first of two 24-unit condominiums at Dairy Lane Heights in Huntsville is scheduled to start in July, with occupancy by June 2006. The development is geared towards retirees migrating to the Huntsville area. Up to 40 construction jobs will be created during the various stages of the project.

Blasting begins at Red Leaves Resort. Construction of the Red Leaves Resort—a waterfront luxury resort located between the shores of Lake Rosseau and The Rock Golf Course, is now underway, with the blasting and site preparation phase. Once this work is complete, the first of the 220 or so tradespeople will start the construction of The Rosseau, a 178-room condominium hotel, scheduled to open in 2007. The rest of the complex is to be completed in 2014.

TOURISM:

Huntsville to host 2006 provincial Paralympics

Ontario's first Winter Paralympic Games will be hosted in Huntsville in January 2006. Some 450 Paralympic athletes, coaches, managers and other officials will be in the area at that time, generating a significant economic impact on the community. Huntsville's service industry is a major employer, and is heavily influenced by tourism. Daily traveler spending estimates are about \$300-500 per day, and the event will also present numerous opportunities for local businesses. Deerhurst Resort for one, with its expansive facilities, has been the site chosen for accommodation, meeting areas and dining facilities for the athletes, support staff and coaches.



LABOUR FORCE TRENDS

The labour force survey data below are three-month moving average unadjusted data

Unemployment Rates & Labour Force Survey Results	Region 520 (000's) (includes Bracebridge HRCC)			Region 590 (000's) (includes Parry Sound HRCC)			Region 540 (000's) (includes Midland & Orillia HRCCs)		
	June 2005	March 2005	June 2004	June 2005	March 2005	June 2004	June 2005	March 2005	June 2004
Pop. 15+	299.7	298.3	294.8	448.7	448.6	448.9	928.3	922.6	907.1
Labour force	186.5	175.2	191.1	278.1	274.1	278.1	678.8	657.0	642.3
Employed	176.4	160.2	182.4	258.2	253.0	254.2	641.5	622.0	610.0
...Full-time	134.5	122.9	145.3	204.9	197.1	201.7	522.1	503.5	498.2
...Part-time	41.8	37.3	37.0	53.3	55.9	52.5	119.3	118.6	111.8
Unemployed	10.1	15.0	8.7	19.9	21.1	23.9	37.3	35.0	32.3
Not in Labour Force	113.2	123.2	103.7	170.7	174.6	170.8	249.5	265.6	264.8
Participation Rate (%)	62.2	58.7	64.8	62.0	61.1%	62.0	73.1	71.2	70.8
Unemployment Rate (%)	5.4	8.6	4.6	7.2	7.7%	8.6	5.5	5.3	5.0
Employment Rate (%)	58.9	53.7	61.9	57.5	56.4%	56.6	69.1	67.4	67.2

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

Economic Region 520

Employment in this region expanded by 10% during the spring quarter. The increase in employment dropped unemployment by nearly 5,000 and brought twice that many job seekers into the labour force. The previous spike in the unemployment rate was due to a flood of people moving into a growing labour market. The decrease in unemployment and the unemployment rate was the result of the remnants of that tide finding jobs as employment opportunities continued rise at a rapid rate. The unemployment rate dropped over three percentage points to 5.4%.

The current labour market remains behind last June's conditions, with six thousand fewer jobs.

Unemployment, however, was only 1,400 above last year's number and the unemployment rate is less than 1% above the previous level.

Economic Region 590

This labour market regained some strength in the second quarter of 2005. Employment rose 2%, and all of these new jobs were full-time. This growth caused the employment rate to climb from 56.4% in the first quarter to 57.5%. This was the highest quarterly employment

rate seen in the region since the fall of 2002. At the same time, the labour force expanded, rising back to the level recorded in the second quarter of last year. Since employment growth exceeded this expansion, unemployment decreased. As a result, the area's unemployment rate fell from 7.7% in the first quarter to 7.2%.

These conditions were a marked improvement over those recorded in the region in the second quarter of 2004. While both the working age population and the labour force were stable year-over-year, employment rose more than 1%. Because of these new jobs, the unemployment rate fell from 8.6% in the second quarter of 2004 to the current 7.1%.

Economic Region 540

This area's labour market surged ahead in the second quarter, propelled by summer job gains for youth. Employment rose by 3.1% or 19,500, with full-time job gains accounting for nearly all of that. However, a record high increase in labour force participants absorbed all of the job growth. Youth accounted for most of the labour force increase, although the number of prime-aged participants, age 25 to 54, also rose. This nudged the



unemployment rate up to 5.5% from 5.3% last quarter. While the rate had been rising steadily since the beginning of the year, it began to drop at the end of the quarter. The youth unemployment rate dropped to 11.6% from 12.5% last quarter.

The larger than normal expansion this quarter maintained last quarter's sharp increases from labour force and employment levels a year earlier. Employment was up by 5.2%, or almost 32,000 workers above its second quarter level of 2004. Ontario's employment level was up by 1.5% by comparison. Economic Region

540 has enjoyed a period of above average growth since last summer. The vibrant labour market has brought an even larger increase in job seekers, which pushed the unemployment rate up from 5.0% a year ago. Still, labour force and employment growth have outpaced the increase in working age population, raising the participation rate and employment rate by about two percentage points each. The employment rate hit its highest level since January 1990, while the participation rate reached a 13 year high.

Employment by Industry (000's)

Industry	Region 520			Region 590			Region 540		
	June 2005	March 2005	June 2004	June 2005	March 2005	June 2004	June 2005	March 2005	June 2004
Total all industries	176.4	160.2	182.4	258.2	253.0	254.2	641.5	622.0	610.0
Goods-Producing Sector	48.7	47.8	46.5	59.0	50.1	62.8	209.8	207.0	200.0
Agriculture	2.9	4.4	...	2.9	2.2	3.1	13.3	13.1	8.9
Forestry, Fishing, Mining, Oil and Gas	13.8	17.1	18.5	1.9	...	1.8
Utilities	5.4	2.5	3.9	1.8	...	5.0	3.7	1.5	1.9
Construction	14.2	18.1	16.7	15.2	13.5	14.1	47.2	51.9	42.3
Manufacturing	25.0	21.4	24.3	25.4	16.1	22.2	143.8	139.6	145.1
Services-Producing Sector	127.7	112.4	135.9	199.1	202.9	191.4	431.7	415.1	410.0
Trade	33.0	25.5	33.7	38.7	39.9	42.9	99.9	94.8	86.5
Transportation and Warehousing	6.6	7.9	6.1	12.7	13.6	12.8	29.3	22.9	24.6
Finance, Ins., Real Estate & Leasing	7.3	5.8	7.7	13.3	11.6	9.0	35.5	37.1	29.1
Professional, Scientific and Technical	7.4	6.6	9.4	8.0	8.8	7.5	31.2	26.5	30.3
Management, Administrative & Other	6.3	6.5	8.6	12.0	12.4	10.6	25.0	23,700	22.8
Educational Services	16.8	12.7	12.0	22.2	22.4	19.3	45.5	46,100	47.5
Health Care and Social Assistance	19.6	18.2	27.4	37.3	37.4	35.8	56.3	56,000	63.4
Information, Culture and Recreation	6.2	5.9	7.0	10.0	10.8	8.6	23.1	21,300	19.1
Accommodation and Food Services	10.2	10.4	10.6	14.2	14.8	20.5	38.1	39,700	36.5
Other Services	4.9	5.9	7.2	14.2	12.6	9.7	25.4	23,600	23.7
Public Administration	9.4	7.1	6.1	16.6	18.5	14.8	22.3	23,400	26.3

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 520

Jobs increased in both the goods- and services-producing sectors. In the goods-producing sector, large gains in manufacturing and utilities were almost entirely offset by losses in construction and agriculture. Manufacturing is the region's largest employer. The services-producing sector had over 15,000 more jobs. About half of the jobs came from wholesale and retail trade. Education, at a seasonal high in June, also added over 4,000 jobs.

Compared to a year ago, many industries are still recovering from the 2004 decline. Health care and social assistance with over 7,000 fewer workers remains significantly below its previous levels. Eight out of 11 services-producing industries were below last June's numbers. The goods-producing sector seems to have made a more complete recovery as the sector's total employment was higher than June 2004. The exception is construction which was dragged down by this quarter's poor job performance.

Economic Region 590

Second-quarter job gains occurred in the goods-producing sector. After falling to a record low at the beginning of the year, the sector rebounded with job growth approaching 18%. Manufacturing was the source of most of this job creation, with a 58% increase during the quarter. On the downside, employment in forestry, fishing, mining, oil and gas continued to drop. With the loss of 3,300 jobs, employment in this industry group fell to a three-year low.

The number of people working in the services-producing sector fell 2% during the quarter. Losses occurred in all industry groups with the exception of finance, insurance, real estate and leasing, and other services.

Year-over-year results were somewhat the opposite of the changes seen in the second quarter. Even with the quarter's losses, service sector employment was 4% higher than in the second quarter of 2004. Increases were recorded in most industries, again with two exceptions. Employment in accommodation and food services fell 31% year-over-year, while trade employment fell 10%. In the goods-producing sector, year-over-year growth in manufacturing was not sufficient to offset a 25% decline in forestry, fishing, mining, oil and gas. As a result, employment in the sector was 6% lower than in the second quarter of 2004.

Economic Region 540

Employment levels increased across most industries this quarter. The largest gains came from trade, and transportation and warehousing. Manufacturing, and professional, scientific and technical services also showed sizable increases. Construction employment dropped the most, which was unexpected for this time of year. Employment peaked last quarter following a rapid expansion in the second half of 2004.

Most industries also increased their workforces compared with a year ago. Trade dominated this growth, adding more than 13,000 workers. Employment in that industry surged in the second half of 2004. In contrast, both health care and social assistance, and public administration showed noteworthy declines in workers. The drop within health care and social assistance is largely the result of a return to more normal levels in the fourth quarter of 2004, following a spike in employment in the first half of the year. Employment in public administration is down from historically high levels last summer.

LABOUR SUPPLY**Employment Insurance (EI) Claim Load**

Following seasonal trends, the average number of claims dropped by 1,310 claims from the previous quarter. Most occupational groups showed a decline in claim numbers, with construction and tourism related occupations showing the most significant decrease.

When comparing the April to June 2005 period to the same quarter of 2004, the average number of claims shows an increase of 273 claims. The increase is evident in occupations related to sales & service, trades & transportation and in manufacturing.



As of the end of June 2005, males made up 61.5% of the claimload, while females accounted for 38.5%. Older workers (ages 45+) made up 42.2% of the claims, while the younger group (14 to 24) accounted for 11.8%. The largest group of EI recipients is in the age 25-44 category.

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

Area	April to June 2005			January to March 2005			April to June 2004		
	Total	Female	Male	Total	Female	Male	Total	Female	Male
Midland	557	229	328	747	266	481	660	277	383
Orillia	1468	534	934	2143	665	1478	930	297	633
Bracebridge	778	327	451	1051	421	630	858	326	532
Parry Sound	423	151	272	595	200	395	505	189	316
Total Lakeland Area	3226	1241	1985	4536	1552	2984	2953	1089	1864

Source: HRCC administrative data C-356

Notes to Readers:

- 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*.
- 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.
- 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.
- 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>
- 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

