



Labour Market Bulletin

Lakeland area Service Canada Centre

Serving communities in Midland, Orillia, Muskoka and Parry Sound

~ An Analysis of the Lakeland Area Labour Market ~ January to March 2006 ~

Volume 5, Issue 1 First Quarter 2006

IN THIS ISSUE:

HIGHLIGHTS.....1

LABOUR MARKET NEWS..... 2

 Health Care and Social Assistance..... 2

 Retail.....2

 Manufacturing.....2

 Education.....3

 Government Services.....3

 Other Services.....3

 Construction.....3

 Accommodation, Food & Beverage.....4

LABOUR FORCE TRENDS..... 5

 Employment by Industry.....6

LABOUR SUPPLY..... 6

 Employment Insurance (EI) Claimload.....6

FROM THE AUTHOR'S DESK..... 7

An overview of the Midland, Orillia, Bracebridge and Parry Sound HRCC area labour markets

Hiring activity across the area started its upward seasonal trend, as employers geared up for the busy summer season. Occupations in sales and services, trades and transportation and in health care showed the most hiring activity throughout the first quarter of 2006. The area continues to see large scale retail openings such as Wal-Mart & Home Depot, as well as other smaller retail outlets, restaurants and gas bars that follow such developments.

HIGHLIGHTS

- Local hospitals increase staffing with new government funding
- First Pro development brings Wal-Mart to the Bracebridge area
- Lay-offs at Bracebridge's Dura Automotive postponed
- Doral in Midland begins production in the former Mitsubishi plant
- Nippissing University to expand its Bracebridge campus
- Ministry of Natural Resources Fire Management Headquarters to close in Parry Sound
- Redevelopment of the Parry Sound & Area Information Centre will see 100 new jobs
- Microtel Hotel in Parry Sound brings new jobs to the area

The Lakeland 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)

For further information contact:
Louise Therrien/Karen Naylor
Labour Market Information Unit

Telephone: (705)526-5282
 Email: louise.therrien@servicecanada.gc.ca
 Visit our website at: 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.



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.

Health Care and Social Assistance

Midland's Huronia District Hospital will have 36 new long-term care beds within three months, creating 29 temporary positions. The job opportunities will be a mix of both part and full-time registered nurses, registered practical nurses, personal support workers and an activationist. The jobs are considered temporary, as they are fully dependent on funding that is part of the provincial government's Alternate Levels of Care strategy. With a goal to freeing up acute care beds, Penetanguishene General Hospital will administer and manage the program under its long-term care mandate, while HDH will house and support the beds.

Soldiers' Memorial Hospital will be headquarters for the North Simcoe Muskoka Infection Control Network. With an investment of \$500,000/year from the Ministry of Health and Long-Term Care, the network will improve communication and data sharing on infection control practices. Soldier's has already leased office space, and a regional infection control co-coordinator, medical director and administrative assistant will be hired for the roll out date in 2007. Epidemiologists and other specialists will be added to the payroll, dependent on need. Training and certification programs on infection control will also be developed as part of the initiative.

Beginning April 1st, Soldiers' Memorial patients requiring convalescent-care will no longer have beds at Victoria House but will be sent to Midland or Barrie. Community Care Access Centres will instead be responsible for finding restorative care beds; as a result of the program ending, two personal support workers at Victoria House will lose their jobs.

In January, an Ontario court ruled that the provincial government has the legal authority to close the Huronia regional centre in Orillia. However, the government must obtain consent from families prior to transferring mentally disabled residents to community settings. The joint ruling will allow the government to close the Centre by March 2009, as well as give families the legal

right to ensure residents receive a comparable level of care. The confirmed closing means a loss of 700 government jobs and a \$49 million annual payroll.

Retail

Bracebridge's development services are processing a rezoning application that includes a Wal-Mart and eight other retailers. First Pro Shopping Centres has applied to rezone lands near the existing Home Depot on Taylor Road, that will also include services to the traveling public such as restaurants and gas stations. With the Wal-Mart tentative opening date of January 2007, it is estimated that there will be 200 trade and construction jobs and 200 retail jobs created, with 60% of those being full-time.

Other retail openings

- HART department store opened March 29th in Parry Sound, with a compliment of 40 staff.
- In early March, Algonquin Outfitters opened in downtown Bracebridge, employing three full-time and four part-time employees.
- High-end fashion store Milani Women's Apparel is one of the first tenants at the Muskoka Wharf in Gravenhurst, with an opening date of May.
- Cottage Country Animal Clinic, Parry Sound.
- Fashion Lodge Trading Post is relocating from Huntsville to the Muskoka Wharf

Manufacturing

An expected April layoff of 18 staff at Dura Automotive in Bracebridge was delayed in March, with seven employees extended until June and the remainder being kept on until further notice. Since November, almost 100 employees at Dura Automotive in Bracebridge have lost their jobs, with as many as 80 additional workers expected to be laid off by the end of 2006. The loss of a multimillion-dollar General Motors contract contributed to the downsizing. As every manufacturing job in Bracebridge is also credited with creating 2.9 jobs elsewhere, such as in retail or food services, and 60% of



Dura's employees live in Bracebridge, this loss of over \$8 million salary dollars will have an economic impact on the community.

Doral's boat building plant has begun production at its new Midland location, with 90 employees working out of the former Mitsubishi site. Doral Midland will produce up to 500 boats annually, and hopes to employ 150 people within the year. Plans also include conferring with Georgian College to set up a training program for basic skills in the industry that would provide people with hands-on experience.

Workers at Bruin Engineered Parts in Midland voted to sever all ties with the United Steelworkers union in favour of representing themselves. Citing a lack of commitment from one of North America's largest private sector unions, the 130 workers will now be responsible for their own health and safety and other related issues.

Education

In February, the Orillia and District Construction Association announced a new \$5,000 scholarship. Over the next five years, \$1,000 will be paid out to encourage more young people to enter the skilled building trades.

Three Orillia Public schools are slated for closure: Mount Slaven, Hillcrest and David H. Church. As all three schools will be labeled too expensive to repair by 2010, the Simcoe County District School board acted on a recommendation by the Orillia Accommodation Review Task Force to close the three sites and build a new one. The Task Force also proposed a four-classroom addition and gymnasium be built at Regent Park Public School, and that the native second-language program be transferred to the new elementary school, upon its completion.

Nipissing University announced in January that it would be expanding its Muskoka Campus to more than double its current space in the first phase—increasing its capacity up to 400 students and allowing the school to widen its curriculum. Phase 2, which is still in the development stages, will be a residence with capacity to accommodate 300 to 400 students. As well as retaining and attracting youth to the area, the expansion will be a boon to the local economy, with job creation and a ripple effect in the community.

Government Services

On April 1st, the Ministry of Natural Resources Fire Management Headquarters in Parry Sound will close, affecting five full-time and 18 seasonal workers. Employees have the option of moving to another community for a new position or transferring to a different ministry job locally. Once the Parry Sound office is closed, fire services will be offered from bases in Haliburton, North Bay and Sudbury. The MNR plans to create a fire advisor position, whose job will be to work with the municipal fire departments in those locations.

In a move towards having counter service transferred to Service Ontario government information centres, both the Parry Sound and the Bracebridge MNR offices also closed their doors to walk-in customers in April. There is no staff impacts associated with the closures.

Bracebridge OPP saw their complement increased in February, as three new constables replaced those who transferred or retired this year.

The Orillia Fire Department will get four additional firefighters by July 2006, and the city OPP detachment will see two new officers.

Other Services

Redevelopment of the Parry Sound & Area Information Centre will see 100 new jobs. Windswept Investments recently bought the centre, and is planning two new buildings that will include a Tim Hortons, a gas bar and the information centre itself. The centre will be renamed the Georgian Bay Country Information Centre; Georgian Bay Country, a tourism and marketing agency operated by the Parry Sound Community Business and Development Centre, will operate the information centre.

Construction

Tax increases in the City of Orillia will produce \$1.2 million in four years, specifically for five major capital projects: a multi-use recreation facility (MURF), a library, a police station and both a fire substation and new fire hall. According to the funding schedule, with additional revenue from the Orillia Power Corp., the city can begin work on the MURF and fire substation in 2006, the library in 2007, the police station in 2009 and a new fire hall in 2011.



Overall 2005 construction numbers for Southern Georgian Bay showed growth of 8.5%. The four municipalities comprising the region had an increase in the value of new buildings of just over \$6.25 million compared to 2004.

The Northern Ontario Heritage Fund Corp. (NOHFC), in partnership with the Parry Sound Community Business and Development Centre will fund \$325,000 in upgrades to the Parry Sound and Area Municipal Airport. Construction includes the installation of a new septic system and upgrades to the airport terminal.

Construction of Midland's Home Depot has been postponed from its April 1st start. An objection to a severance application has put the project into the hands of the Ontario Municipal Board. The store will be

located on Highway 12, close to the current Wal-Mart store.

Accommodation, Food & Beverage

On May 1st, a new Microtel Hotel will open in Parry Sound, bringing about 20 new jobs to the area. The American based small hotel chain will begin staff training in mid-April. Negotiations are also underway with Boston Pizza to become the hotel's restaurant partner, with an expected opening date of spring 2007.

Orillia's downtown Champlain Hotel has renovated another section of the building to include hospitality services. Opened in March, the restaurant will serve both hotel guests and outside patrons.



LABOUR FORCE TRENDS

Labour market conditions in **Economic Region 520** were relatively calm in the first quarter of 2006. While the level of employment was unchanged, there was a shift in the composition of that employment. A 13% increase in part-time employment (+5,100) was completely offset by a matching decline in the number of people working full-time (-5,100). At the same time, there was a modest increase in labour force participation. This combination of stable employment and a fractionally larger labour force caused the unemployment rate to creep up from 6.5% in the fourth quarter of 2005 to 6.9%. This was the highest unemployment rate recorded in Muskoka-Kawarthas since the first quarter of 2005.

These conditions are considerably stronger than those reported for the Region in the first quarter of 2005. The working age population increased almost two percent (+5,100). The labour force expanded by a larger amount (+8,300), pushing the participation rate up from 58.6% in the first quarter of 2005 to 60.4%. Larger still was the year-over-year employment growth recorded in the area. An increase of nearly seven percent (+10,600) caused the Region's employment rate to jump from 53.6% in the first quarter of 2005 to 56.2%. Slightly more than half of these new jobs were part-time. Since the Region saw more new jobs than new and returning job seekers, unemployment decreased. As a result, the unemployment rate fell from 8.5% in the first quarter of 2005 to 6.9%.

Labour market conditions in **Economic Region 590** were slightly weaker in the first quarter of 2006. A very small labour force contraction caused the participation rate to dip from 59.5% in the fourth quarter of 2005 to a four-year low of 59.6%. Employment declined at a faster pace, falling more than 1% (-4,000). The job loss was almost evenly split between full- and part-time employment. And, because the number of jobs lost were greater than the number of individuals who withdrew from the labour force, unemployment increased. As a result, the area's unemployment rate rose from 6.4% in the fourth quarter of 2005 to 7.4%. Among Ontario's 11 Economic Regions, only Windsor-Sarnia (8.6%) and Northwestern Ontario (8.4%) posted higher unemployment rates for the quarter.

These conditions are also slightly weaker than those recorded in the first quarter of 2005. Employment fell almost 2% (-4,400) year over year. All of the job loss was in part-time work. However, because the labour force contracted by a slightly larger amount (-5,500), there was a decrease in the number of people seeking work. Therefore, the unemployment rate edged down from 7.7% in the first quarter of 2005 to 7.4%.

Employment in **Economic Region 540** declined this quarter by 2,400 jobs or 0.4%. All of the employment decline was in full-time work (-3,800) while part-time employment grew (1,500), consistent with normal seasonal patterns. The labour force grew marginally over this period resulting in an increase in the unemployment rate to 5.1% compared to 4.6% in the previous quarter.

Year-over-year employment gains in the region continued to out-perform the province as a whole, up by 2.5% compared to 1.7% for Ontario. Over the past two years, the region's unemployment rate has consistently remained below that of the province, reflecting the strength of the region's economy.



Lakeland Area Labour Force Trends

| Unemployment Rates & Labour Force Survey Results | Region 520 (000's) (includes Bracebridge SCC) | | | Region 590 (000's) (includes Parry Sound SCC) | | | Region 540 (000's) (includes Midland & Orillia SCC) | | |
|--|--|---------------|---------------|--|---------------|-------|--|---------------|------------|
| | March 2006 | December 2005 | March 2006Mar | March 2006 | December 2005 | | March 2006 | December 2005 | March 2005 |
| Pop. 15+ | 304.8 | 304.0 | 299.7 | 453.0 | 453.0 | 451.9 | 942.4 | 937.6 | 921.4 |
| Labour force | 184.0 | 183.3 | 175.7 | 269.8 | 271.2 | 275.3 | 671.3 | 670.4 | 656.1 |
| Employed | 171.3 | 171.3 | 160.7 | 249.8 | 253.8 | 254.2 | 636.9 | 639.3 | 621.3 |
| ...Full-time | 127.9 | 133.0 | 123.2 | 198.1 | 200.0 | 197.9 | 517.8 | 521.6 | 503.0 |
| ...Part-time | 43.4 | 38.3 | 37.5 | 51.7 | 53.9 | 56.3 | 119.1 | 117.6 | 118.3 |
| Unemployed | 12.7 | 12.0 | 15.0 | 20.0 | 17.4 | 21.1 | 34.4 | 31.1 | 34.8 |
| Not in Labour Force | 120.8 | 120.7 | 124.0 | 183.2 | 181.8 | 176.6 | 271.2 | 267.2 | 265.4 |
| Participation Rate (%) | 60.4 | 60.3 | 58.6 | 59.6 | 59.9 | 60.9 | 71.2 | 71.5 | 71.2 |
| Unemployment Rate (%) | 6.9 | 6.5 | 8.5 | 7.4 | 6.4 | 7.7 | 5.1 | 4.6 | 5.3 |
| Employment Rate (%) | 56.2 | 56.3 | 53.6 | 55.1 | 56.0 | 56.3 | 67.6 | 68.2 | 67.4 |

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.

- * 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 of Kenora, also the Sudbury Regional Municipality.
- * Economic Region 540 includes the Counties of Dufferin, Wellington & Simcoe, and the Waterloo Regional Municipality.

Employment by Industry

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

Employment Insurance (EI) Claimload

Following the seasonal trend, the three month average EI claimload in the Lakeland area almost doubled during the January to March 2006 quarter, rising to 4,478 claims from 2,337 during the previous quarterly period. Male claimants were almost double the number of females claimants during the January to March 2006 and 2005 quarters. This shows that males are much more involved in seasonal work than females.

On a positive note, there has been a steady decline in the number of claims during this quarterly period since 2002. During this most recent quarter, there were 20.3% less claims compared to the same quarter of 2002.



Regular Employment Insurance Claimants – Lakeland Area

| Area | January to March 2006 | | | October to December 2005 | | | January to March 2005 | | |
|----------------------------|-----------------------|--------|------|--------------------------|--------|------|-----------------------|--------|------|
| | Total | Female | Male | Total | Female | Male | Total | Female | Male |
| Total Lakeland Area | 4478 | 1480 | 2998 | 2337 | 1071 | 1266 | 4536 | 1552 | 2984 |

Source: SCC administrative data C-356

Note: At this time, claim load data is only available for the broad geographic area served by the Lakeland area. This area includes Midland, Orillia, Muskoka and Parry Sound.

FROM THE AUTHOR'S DESK

Service Canada is now the place to get your pleasure craft licence. As of April 1, 2006, all 320 Service Canada Centres offer pleasure craft licences on behalf of Transport Canada. A pleasure craft licence is no longer available from the Canada Border Services Agency.

For more information on pleasure craft licencing, visit the Service Canada website at:

<http://www.servicecanada.gc.ca/en/feature/pcl.html>

Notes to Readers:

1. The **Lakeland area** is comprised of communities in Midland, Orillia, Muskoka and Parry Sound.
2. 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 *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*
3. **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.
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>

