



Labour Market Bulletin

Lakeland Area HRCCs

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

An Analysis of the Lakeland Area Labour Market

April to Jun 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

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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 traditionally increase during the April to June quarter, as tourism and construction related industries get into full swing. The area is also benefiting from many new retail, restaurant and grocery store openings, with more underway and some planned for the near future.

HIGHLIGHTS

- **C.C.L. Containers** in Penetanguishene expands and increases its workforce
- Several new restaurants, retail and grocery stores open across the area
- Two Barrie based companies relocate to Orillia
- **Nomadic Sport Inc.** closes its doors on April 5th
- **Inn At Christie's Mill** in Port Severn gets rave reviews over their multi-million dollar expansion
- **A&P Properties Ltd.** announces their plans to develop a new shopping centre in Parry Sound
- **Village Grocery Food Town** in Burk's Falls closes
- International Brotherhood of Teamsters unsuccessful in trying to unionize **Casino Rama** employees
- **EI claimload** in the Lakeland area 18% lower than in June 2003, as overall job 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

In the last quarter, the following restaurants recruited additional workers:

- **Boston Pizza**, Orillia; approximately 85 new staff
- **Kelsey's**, Huntsville, approximately 85 new staff
- **Coffee Cabin**, Huntsville; 4 part-time workers
- **Pita Pit**, Huntsville

Educational Services

In April, **Canadore College's** board of governors gave approval for the North Bay-based school to take over **Georgian College's** Parry Sound campus. As part of this integration, some **Canadore** courses will be offered this summer, with vocational and general interest courses to begin in September. **Canadore** is expected to take full responsibility for local post-secondary education this fall, although the absorption is not expected to "disrupt current students or displace staff".

The Academy of Learning in Orillia closed on May 31st. Students who were engaged in training past that date had the option of finishing their studies at the Midland location or attending a temporary training facility in Orillia until August 27th. The impact on staff and reasons for the closure are unknown.

Manufacturing

MBRP Inc. of Huntsville moved to a new 20,000 square foot building this spring, with plans already in place to expand the building within five years. The high-performance exhaust system manufacturer has seen a steady growth rate over the past few years, and anticipates adding up to 10 more staff to its existing 23 over the next twelve

months. By adding a new line of exhaust systems for diesel trucks, **MBRP** expects their U.S. sales to go "up to even greater than 65 %".

C.C.L Container in Penetanguishene has expanded and the plant is now 110,000 sq. ft. Two new state-of-the-art high speed extrusion lines were installed, one last September and the second in April 2004. Another expansion is to begin in July, adding another 60,000 sq. ft. and is to be finished in September, when a third line will be installed. By the time the third line is up and running, **C.C.L.** will have added another 65-70 employees to their workforce.

In late May, Orillia's **KFW Canada** changed its name to **Smiths Aerospace Components-Orillia**, but with no change in ownership. However, having recently secured "significant growth packages of aerospace components with 10 year commitments", the company was actively seeking 20 more machinists.

Two Barrie-based companies recently relocated to Orillia. **Bateman Manufacturing** began moving in January, with plans to be fully operational within six months. The heavy equipment attachment manufacturer hired welders for the initial prep work, and up to 15 more skilled tradesmen for the plant itself. Likewise, **Contractors Rental Supply (CRS)** expanded to Orillia, hiring 5 staff to work at their Forest Home Park building.

Nomadic Sport Inc. closed its doors on April 5th. Shutdown of the automotive accessories plant came just over one year after production staff voted to become members of the *Industrial, Wood and Allied Workers Union of Canada*. Eighteen production staff and 17 salaried office workers were affected, and the plant will be put up for sale.

In a 2001 interview, president of **C. S. Castings Inc.** in Orillia feared his firm would have to close because of the rising cost of electricity; in April, the



steel castings manufacturer went bankrupt, padlocking the gates to its factory yard. The company employed about 18 people in 2001.

Sun East Technology of Hong Kong has signed a deal with **Lord & Partners Ltd.** of Huntsville to distribute a portion of **Lord & Partners'** products to China, Taiwan and Thailand. The 12 year old local company manufactures environmentally responsible solvents, cleaners and other specialty products. **Lord & Partners** confirms that the deal has affected their future prospects: by 2008 they hope to be the largest company of its type in the world. The contract may mean two or three more jobs in the immediate future.

Tourism

The Inn At Christie's Mill completed a 27,000 sq. ft. expansion in time for the summer tourist season. The **Inn** now features a luxury spa as well as an indoor pool and 15 more suites. The multi-million dollar project is already getting rave reviews that bodes well for the local tourism sector.

Retail Trade

Orillia's **Square Mall** will see major renovations to two of its anchor tenants: **Joe's No Frills** will double its size by December, and **Zellers** will undergo 10 weeks of construction that will launch a grocery section as well as offer new big ticket items. A mall spokesperson confirms that the ongoing development of the West Ridge area continues to "help, not hinder business" at the **Square** location.

A&P Properties Ltd. announced their plans to develop a new shopping centre on a 20 acre site in Parry Sound. Pending site approval, which is to include a department store, as well as additional retail space, **A&P** has already confirmed its discount store, **Food Basics**, will be the grocery store anchor. Completion is set for the summer of 2005.

In Bracebridge, the **A&P** underwent major renovations in May, hiring approximately 50 additional part-time staff, while renovations at the **A&P** in Huntsville generated an additional 60

part-time jobs. A new *Your Independent Grocer* also opened in Huntsville in May; over 100 new employees were hired, for a total of 250 staff on hand. **Robinson's** YIG now retains a full-time marketing consultant to continue and expand on its community involvement.

The **Village Grocery Food Town** in Burk's Falls closed after 11 years, citing "slow sales". Three full-time and 11 part-time jobs were lost. The building on Ontario Street is for sale as a real estate/retail opportunity.

Telus Mobility opened a 1,300 square foot corporate store in Huntsville's *First Pro Shopping Centre*. **Telus** products have been available for two years now at **Surennet Communications**, but there should be "no impact on **Surennet's** operations as a result of the opening". As many as ten staff will be hired for the new store.

After 12 years, the **Canadian Tire** in Bracebridge saw an 8,000 square foot addition to the existing store, bringing it into the *Next Generation* retail store format used for new outlets. Ten additional jobs were created. Huntsville's store also underwent extensive renovations, expanding their site by 13,000 square feet and 7,000 products.

Mark's Work Warehouse opened in Huntsville in April, hiring 8 full and part-time workers and one manager.

Other openings

- **Roger's Video**, Orillia
- **McArthur Tire**, Orillia
- **Muskoka Antiques**, Minett
- **Water Depot**, Huntsville
- **Four Feet on the Floor** (luxury items for pets), Orillia
- **Nautilus North Strength & Fitness Centre**, Bracebridge
- **Sleep Factory** (mattress, bed and futon store), Penetanguishene

Closures

- **Louis' Men's Wear**, Orillia



Construction

New construction in Bracebridge was valued at nearly \$4 million the first three months of 2004 compared to the same quarter last year. A planned **Canadian Tire** car wash, a new site for **Subaru of Muskoka** and an additional building in the *Taylor Court Business Park*, combined with eight residential projects accounted for the 50 per cent increase over 2003.

Fowler Construction Co. was awarded a \$2.9 million package of work in Bracebridge, of which nearly \$1.9 million will include a facelift to the downtown core. The work will be suspended during the tourist season, but will resume in mid-September and will include replacement sidewalks and burying of overhead wires.

Construction of the first of four massive hangars at the **Lake Simcoe Regional Airport** is nearing completion. Weatherwise Aviation, an England-based company, has developed the hangar and maintenance facility with buy, lease or rent options. The new hangars will be a “springboard for new business and commerce...and is in line with the commission wanting to privatize the

development side of the facility”. The airport commission has representatives from each of Orillia, Oro-Medonte and Barrie, and all three municipalities share in the operational costs of the facility.

Other

Despite a fourteen month campaign, the *International Brotherhood of Teamsters* was unsuccessful in securing a majority vote at **Casino Rama**. Just under 62% of 900 ballots cast were against joining the union. The *Teamsters* is the sixth group to try to unionize **Casino Rama** employees since it opened in 1996.

Gravenhurst Veterinary Services relocated to a space three times larger than where they’ve spent the last 18 years; three more doctors will join the practice for the summer allowing for 24 hour emergency coverage.

Homelife Muskoka opened an office in Dwight in May, employing a full-time secretary and two agents, with as many as six more hirings in the near future.

LABOUR FORCE TRENDS

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

Unemployment Rates & Labour Force Survey Results	Region 540 (000's) (includes Midland & Orillia HRCCs)			Region 520 (000's) (includes Bracebridge HRCC)			Region 590 (000's) (includes Parry Sound HRCC)		
	June 2004	March 2004	June 2003	June 2004	March 2004	Jun 2003	June 2004	March 2004	June 2003
Pop. 15+	911.4	906.5	891.6	302.3	301.5	299.1	450.2	450.8	453.9
Labour force	646.5	626.1	635.5	195.0	209.4	186.6	277.6	272.8	280.3
# Employed	612.6	590.5	601.3	186.7	201.0	175.3	253.6	250.5	258.5
# Unemployed	33.9	35.6	34.2	8.3	8.4	11.3	24.0	22.3	21.8
Not in Labour Force	265.0	280.4	256.0	107.3	92.1	112.5	172.5	178.0	173.6
Participation Rate (%)	70.9	69.1	71.3	64.5	69.5	62.4	61.7	60.5	61.8
Unemployment Rate (%)	5.2	5.7	5.4	4.3	4.0	6.1	8.6	8.2	7.8
Employment Rate (%)	67.2	65.1	67.4	61.8	66.7	58.6	56.3	55.6	57.0



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

Industry	Region 540			Region 520			Region 590		
	June 2004	Mar 2004	June 2003	June 2004	Mar 2004	June 2003	June 2004	Mar 2004	June 2003
Total all industries	612.6	590.5	601.3	186.7	201.0	175.3	253.6	250.5	258.5
Goods-Producing Sector	201.0	196.1	199.7	47.2	51.8	49.2	63.1	56.6	61.4
Agriculture	8.7	8.6	9.8	...	1.5	5.0	3.0	2.5	...
Forestry, Fishing, Mining, Oil and Gas	1.8	19.3	16.9	14.4
Utilities	1.7	3.6	2.8	3.8	5.3	...	4.2	2.8	2.4
Construction	44.5	39.8	45.9	16.9	17.3	15.4	14.6	11.9	17.0
Manufacturing	144.3	142.9	140.4	25.0	27.2	27.2	21.9	22.5	26.2
Services-Producing Sector	411.6	394.4	401.6	139.5	149.2	126.1	190.5	193.9	197.1
Trade	86.8	82.6	90.4	35.2	33.7	33.3	41.9	41.8	37.1
Transportation and Warehousing	24.1	24.7	24.4	6.1	8.7	7.1	12.6	13.8	11.6
Finance, Ins., Real Estate & Leasing	30.6	34.6	41.1	8.0	8.4	7.3	9.3	9.4	10.1
Professional, Scientific and Technical	30.9	31.2	30.0	9.0	10.0	7.5	7.7	7.7	8.8
Management, Administrative & Other	22.3	20.4	19.3	8.1	7.7	9.3	10.2	10.4	9.8
Educational Services	48.7	47.6	37.4	13.6	12.9	7.9	20.1	21.1	20.8
Health Care and Social Assistance	62.1	56.7	50.7	27.7	30.8	18.0	35.1	39.1	38.8
Information, Culture and Recreation	19.0	17.5	26.6	6.2	8.4	9.6	8.7	9.5	10.9
Accommodation and Food Services	37.3	32.1	37.1	11.4	14.6	11.7	21.1	15.5	19.7
Other Services	23.5	22.4	24.4	7.4	7.1	6.8	9.4	9.9	13.4
Public Administration	26.3	24.7	20.3	6.6	7.0	7.5	14.4	15.7	16.2

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

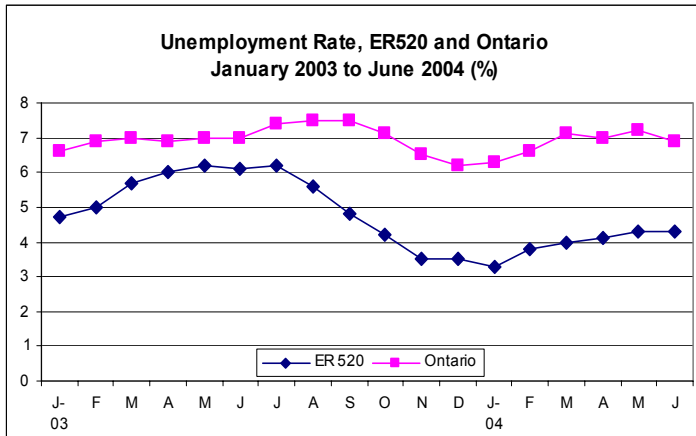
(Kawartha-Muskoka)

Local labour market performance slowed significantly during the 2nd quarter of 2004, marking a sharp contrast from the previous 12-month streak of remarkable growth. Employment dropped by 14,300 — the largest quarterly decline on record. Despite the large magnitude of this

decline, quarterly joblessness altered slightly, as almost as many individuals withdrew from the labour force. The unemployment rate rose to 4.3% from 4.0% in the last quarter, yet stayed notably below Canada's 7.2% and Ontario's 6.9%.



On a year-over-year basis however, major labour market indicators showed striking improvement. Employment, labour force, and the participation rate were all up strongly, while the number of unemployed and the unemployment rate shrank sizably.



By industry, quarterly job losses were widespread, impacting both the Goods and Services-Producing sectors of the economy. The bulk of the cuts occurred in the latter, whose employment slumped by 9,700. By comparison, the Goods-Producing sector dropped 4,600 jobs.

The largest decline in the Goods-Producing sector was in manufacturing (-2,200), due to lower than expected demand for motor vehicles. This cut production in transportation equipment and parts fabrication.

On the Services-Producing side, the biggest reduction occurred in accommodation and food services (-3,200) where a drop in the number of tourists to the area adversely affected hotels and restaurants. Following closely, employment in health care and social assistance dropped by 3,100 jobs.

Economic Region 590
(Northeastern Ontario)

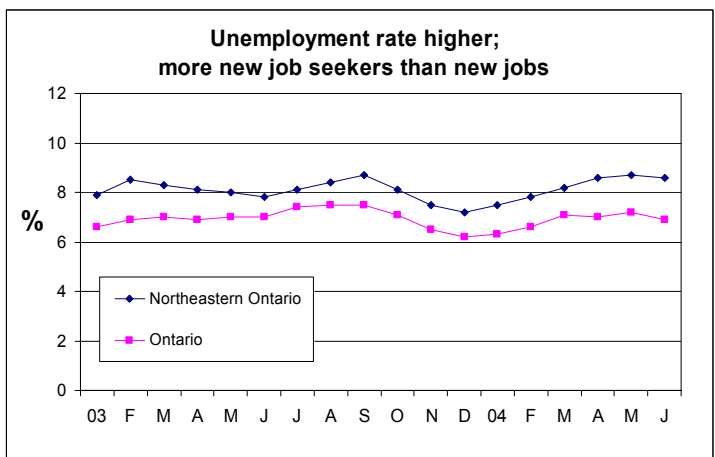
Reversing a downward trend that started in the fall of 2003, this area’s labour market regained some strength in the 2nd quarter of 2004, with an increase of 3,100 full-time jobs. At the same time,

the labour force expanded (+4,800). Since the increase in the labour force outpaced the number of new jobs, there was an increase in the number of people unemployed and looking for work. As a result, the area’s unemployment rate rose from 8.2% in the first quarter to 8.6%.

Despite these signs of strengthening, conditions in the region were weaker year-over-year. Even with the new jobs created in the 2nd quarter, employment was 4,900 lower than in the 2nd quarter of 2003.

During this current period, employment growth was centered in the Goods-Producing sector (+6500). Growth was widespread, as new jobs were created in each industry grouping in the sector with the exception of manufacturing. Construction recorded the highest actual growth (+2,700).

Losses in the Services-Producing sector offset a portion of the Goods sector expansion. Losses were spread across the sector, with eight of eleven industry groupings showing declines. The largest absolute decrease was in health care and social assistance (-4,000). On the positive side, the area’s accommodation and food services sector expanded by 5,600 jobs.

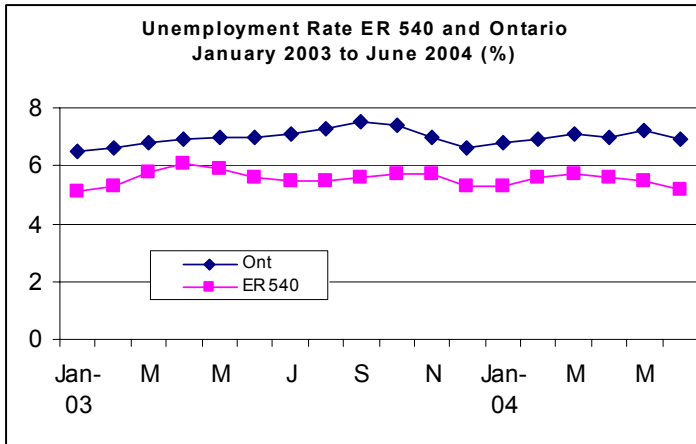


Economic Region 540
(Kitchener, Waterloo, Barrie)

The Unemployment Rate in Economic Region 540 declined slightly on a year-over-year basis. Full-time employment posted gains on both a yearly and quarterly basis. Youth returning to the workforce



for the summer were primarily responsible for the increase in quarterly employment figures. The youth unemployment rate fell to 11.4% from 14.7% last quarter.



The area’s Service-Producing sector recorded a higher yearly employment gain than the Goods-Producing sector. However, only five of its eleven industries actually employed more people. Educational services, health care and social assistance and public administration lead the way. In the Goods-Producing sector, only manufacturing recorded higher employment.

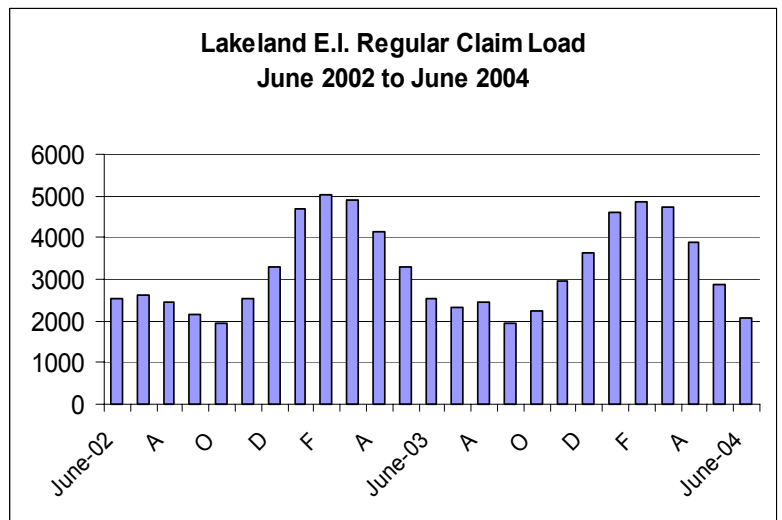
On a quarterly basis, the Service-Producing sector again outpaced the Goods-Producing sector, with increased employment occurring in eight of its eleven industries. Both manufacturing and construction showed quarterly gains in this sector.

LABOUR SUPPLY & DEMAND

Employment Insurance (EI) Claim Load

At the end of June 2004, there were **2,081** individuals in receipt of EI benefits, compared to **4,731** claims at the end of March 2004. Employment levels always increase dramatically during this second quarter of the year, as many seasonal workers return to the workforce. Comparing year-to-year activity, this year’s June total is approximately 18.5% lower than in June 2003, when there were **2,553** claims.

Consistent with seasonal trends, there was a significant decline in claim numbers in most occupational groups, with construction and tourism related occupations showing the most significant decrease. Claims in manufacturing related occupations have also declined year-over-year, suggesting increased employment in that sector. The many large retail and restaurant openings across the region in the past year have contributed to the overall reduction in claim numbers year-over-year as well.



Currently, males make up 56.4% of the claimload, while females account for 43.6%. Older workers (ages 45+) make up 40.6% of the claims, while the younger group (14 to 24) account for 10.9%. The largest group of EI recipients are in the age 25-44 category.



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

Area	April to June 2004			January to March 2004			April to June 2003		
	Total	Female	Male	Total	Female	Male	Total	Female	Male
Midland	660	277	383	1006	309	696	773	288	485
Orillia	930	297	633	1426	420	1006	1190	423	768
Bracebridge	858	326	532	1479	499	980	915	354	561
Parry Sound	505	189	316	829	277	552	456	166	290
Total Lakeland Area	2953	1089	1864	4740	1505	3234	3334	1231	2104

Source: HRCC administrative data C-356

Employment Opportunities

Job vacancy activity showed a normal seasonal increase during the April to June quarter with **4742** jobs advertised during that period. This is higher than the same period in 2003, when there were **4018** jobs advertised. During the previous quarter of January to March 2004, there were **3482** jobs advertised. Along with the normal seasonal increase, this recent period saw numerous openings and expansions of restaurants and grocery stores, which generated a good number of new jobs for the economy. The Bracebridge area had the largest volume of advertised jobs, with approximately 46% of the activity being in that region, followed by Orillia with 23%.

Year-over-year, the Lakeland area has benefited from an overall 18% increase in advertised job vacancies.

Employment Opportunities – Lakeland Area

Industry	Apr. to Jun. 2004	Jan to Mar 2004	Apr. to Jun. 2003
Management	111	104	101
Business/Administration	322	439	256
Natural & Applied Sciences	86	140	78
Health	153	94	88
Social Science & Education	135	186	147
Culture & Recreation	77	105	114
Sales & Service	2400	1625	2124
Trades & Transport	969	524	865
Primary Industry	165	148	115
Manufacturing & Utilities	324	117	130
Total Vacancies	4742	3482	4018

Source: HRCC vacancies and local newspaper ads



EDITOR'S MESSAGE

- **Service Canada** is a network of 76 in-person offices offering one-stop access to information on Government of Canada programs and services. If you require information on programs, answers to questions or a referral to specific services, please visit our Service Canada Access Centre at 74 James Street in Parry Sound, or call 1-800-O-Canada.

For a complete listing of **Service Canada Access Centres**, visit their website at:

<http://www.servicecanada.gc.ca/en/where/map.shtml>

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.ca80/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

