



# Labour Market Bulletin

## Human Resource Centre of Canada

### Barrie HRCC Area

~ An Analysis of the Barrie HRCC Area Labour Market ~ October – December 2004 ~

Volume 1, Issue 4 Fourth Quarter 2004

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**An overview of the Barrie HRCC catchment area. The catchment area includes, the towns of Innisfil and New Tecumseth, townships of Essa, Adjala - Tosorontio, Springwater, part of Clearview & Oro-Medonte and the city of Barrie.**

Forecasted labour market activity over the quarter calls for continued healthy growth in 2005. Manufacturing, construction and retail sector's increased their hiring activity over the quarter in addition to announcing investments for 2005. The number of applications for Employment Insurance (EI) Benefits and the number of Regular EI Claimants decreased by 2% and 8% respectively over the previous quarter, while advertised employment vacancies increased 12% over the same period in 2003.

**HIGHLIGHTS**

- ▶ The social non-profit sector accounts for a higher portion of the workforce in Barrie than the provincial average. .
- ▶ Hydro One to open new central distribution centre in 2005.
- ▶ Region's largest shopping centre to expand size by 30%.
- ▶ Gas tax rebate to fund continuing expansion of city transit.
- ▶ Health Minister George Smitherman identifies Barrie as "the heart and soul of one of the Local Health Integration Networks (LHIN)." The LHINs will be a major source of employment for occupations in the medical field as patient care moves from a hospital to community setting.
- ▶ \$1.5 billion construction project receives final approval from the Simcoe County Council.
- ▶ Manufacturing sector continues to show strength during the quarter as new companies move to the area and existing local companies announce expansion plans.

The Barrie HRCC 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, 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 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 HRSDC.*



## 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.**

### Manufacturing

The manufacturing sector exhibited healthy activity during the quarter with announcements of planned local expansions and new manufacturers coming to the area. The industry's sectors vary from food processing and baking to chemical additives and box-spring manufacturers. Initially these expansions and moves would increase the local manufacturing job base by approximately 100 with the possibility of increased employment opportunities in the future.

Honda of Canada Manufacturing is now ranked among the top three vehicle producers in the country. Honda holds 9.4% of the Canadian auto sales market compared with 8.7% in 2000. The local manufacturer's focus will now be the production of its new light sport utility truck (SUT) and updating the design of their current models. While the production of the new SUT will not initially create new production employment at the Alliston plant, the potential is there since the plant will be the sole production site for not just the Canadian market but the global market as well for the new vehicle.

### Construction

Activity in the construction sector continued to stimulate job creation during the quarter. The industry ranked third out of the top five industry sectors generating the most hiring activity during the quarter. Future growth was re-enforced with the announcements of projects expected to break ground in 2005:

- Construction of a regional cancer centre; \$250m
- Georgian Mall expansion
- Recreation Centre; \$30.9m
- Big Bay Point Resort; \$1.5B over 15 years

The local branch of the Business Development Bank of Canada reported that they have experienced unprecedented growth in 2004 citing a “continued boom in building and construction projects in Simcoe County” as the driving force.

### Retail

Consumer confidence and population growth continued to stimulate activity in the retail sector.

Georgian Mall officials recently submitted a site plan application proposing a 148,000 sq. ft. addition to the existing 500,000 sq. ft., which houses 130 stores. This would be the fourth expansion in 30 years. Mall officials hope to break ground in 2005. Depending on the number and type of stores, the expansion could add 125 more jobs in retail by 2006.

After leaving Barrie and Canada in 1991 the Tandy Leather Company, now a part of The Leather Factory, is once again making Barrie its home and Canadian headquarters. The company, which grossed \$45 million in 2003, is also making the Barrie outlet its Canadian flagship store.

Staples opened its second Barrie store employing 23 associates. Further hiring activity occurred over the quarter with a variety of new retail stores opening in Barrie, Innisfil and Elmville.

### Transportation

The gas tax rebate for municipalities will be \$843,751 for the program's first year and will grow to \$1.5 million annually by 2006. The first installment was paid at the end of December 2004. The money will be used to offset costs associated with increasing transit service. Transit riders have increased by 4% this year and 8% last year. Increasing service could mean adding routes, increasing the frequency of service and connecting city buses with the Go trains when they come to Barrie early in 2006. The expansion of Barrie transit will increase opportunities for bus drivers, mechanics and maintenance personnel.

### Health

The employment environment for this sector will soon be changing according to the Ministry of Health's proposal for the delivery of health services. The proposal highlights the delivery of health services in the community through the use of Local Health Integration Networks. This will not only move some employment positions out of the hospital setting but also create more opportunities for positions in the community. The area could see a rise in specialty clinics, alternative health care clinics as well as an increased need for social service workers with medical backgrounds.



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## Non-Profit Sector

A recent report on the social non-profit sector compiled by Statistics Canada and the Canadian Centre for Philanthropy has identified that this sector accounts for 12% of Barrie's workforce versus 9% of the provincial average. Universities colleges & hospitals are the major contributors for the non-profit sectors. Georgian College estimated its economic worth in Barrie is worth \$147million with the figure expected to grow to \$208 million by 2007. The college employs about 2,600 full and part-time employees, most of who live locally. The Royal Victoria Hospital's bi-weekly pay cheques have a net worth of more than \$2million. Collectively the sector accounts for over 4,500 full and part-time jobs and generates over \$200 million of economic activity annually.

## Utilities

Hydro One Networks will be re-locating its new warehouse distribution centre to Barrie. The new

centralized warehouse distribution centre will be responsible for providing materials and services to support electricity distribution. The centre will employ approximately 40 people when it begins operating early in 2005. Along with its new provincial transmission & distribution operating centre and new grid control centre, Hydro One increased the local employment base by 300 jobs in just under a year.



LABOUR FORCE TRENDS

The Kitchener-Waterloo-Barrie labour market (ER 540) showed a small seasonal contraction in the fourth quarter. A drop in the number of job seekers, largely youth (age 15-24 years), lowered unemployment in the area. The employment level was unchanged from the previous quarter, as part-time employment gains offset a decline in full-time workers. Consequently, the unemployment rate in Kitchener-Waterloo-Barrie dropped to a five-year low of 4.3%, from 5.1% in the third quarter. This was well below the provincial average of 6.2%.

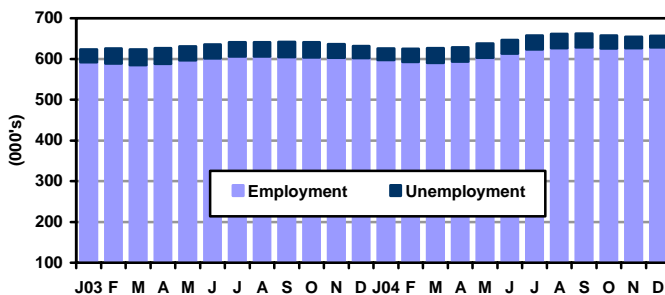
On a year-to-year comparison, the Kitchener-Waterloo-Barrie labour market continued to expand significantly faster than the Ontario average. Employment grew by 4.5%, compared with an average gain of 1.8% for Ontario. Employment growth has been accelerating since the first quarter, and by year's end it reached its highest level since the beginning of 2003. While the buoyant job market has prompted an above average increase in labour force participants, the employment gains have absorbed this, and reduced the unemployment rate from 4.7% a year ago. Both labour force and employment gains have outpaced the areas' above average population growth.

**Kitchener-Waterloo-Barrie Economic Region(ER) 540 Labour Force Trends**

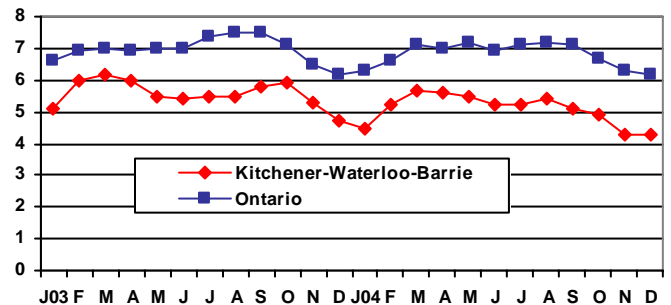
	October -	July -	October -	Quarter/Quarter		Year/Year	
	December	September	December	Absolute	%	Absolute	%
	2004	2004	2003				
Population 15 + ('000)	922,400	917,300	902,100	5,100	0.6	20,300	2.3
Labour Force ('000)	657,100	662,300	631,300	-5,200	-0.8	25,800	4.1
Employed ('000)	628,600	628,600	601,700	0	0.0	26,900	4.5
Full-time	512,600	524,500	490,200	-11,900	-2.3	22,400	4.6
Part-time	116,000	104,100	111,500	11,900	11.4	4,500	4.0
Unemployed ('000)	28,500	33,700	29,700	-5,200	-15.4	-1,200	-4.0
Not in Labour Force('000)	265,300	255,000	270,800	10,300	4.0	-5,500	-2.0
Participation Rate (%)	71.2	72.2	70.0%	-1.0		1.2	
Unemployment Rate (%)	4.3	5.1	4.7%	-0.8		-0.4	
Employment Rate (%)	68.1	68.5	66.7%	-0.4		1.4	

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

Labour force and employment levels resist seasonal contraction trend



Unemployment rate falls to a 15-year low in Kitchener-Waterloo-Barrie



**Employment by Industry**

While the overall employment level showed no change over the quarter, the region saw some significant employment shifts within industries. Manufacturing experienced its largest quarterly decline of 7% since 1990, with a loss of 11,000 jobs. This followed a period of fairly steady growth since the beginning of 2004. Temporary lay-offs in the automotive parts sector contributed to the decline. The area also saw employment levels fall in business, building and other support services; health care and social assistance; accommodation and food services; and public administration. These losses overshadowed employment gains across several other industries. A booming residential construction market has produced steady job gains since the beginning of this year, and raised construction employment to a historical high in the fourth quarter. The area also saw employment gains in finance, insurance, real estate and leasing, and wholesale and retail trade, both of which benefited from the high level of construction activity, and in educational services. A late harvest pushed agricultural employment higher as well.

A year-over-year comparison shows that the job growth in the region has been concentrated in a few industries. Construction and wholesale/retail trade contributed to a combined employment growth of 27,000 jobs. Several other industries, mostly in services, showed smaller increases in workers. These were eroded by year-to-year losses in a smaller number of goods and services-producing industries. The largest declines came in manufacturing, and information, culture and recreation (which has seen employment fall steadily from its historical high in the third quarter of 2003).

**Kitchener-Waterloo-Barrie Economic Region(ER) 540 Area Employment by Industry ('000)**

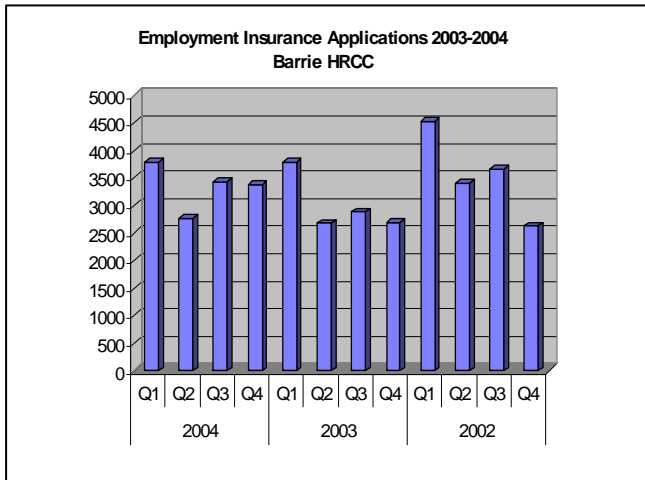
Industry	October -	July-	October -	Quarter/Quarter		Year/Year Change	
	December	September	December	Absolute	%	Absolute	%
	2004	2004	2003				
<b>Total</b>	<b>628,600</b>	<b>628,600</b>	<b>601,700</b>	0	0.0	26,900	4.5
<b>Goods-Producing Sector</b>	<b>204,300</b>	<b>208,200</b>	<b>201,300</b>	-3,900	-1.9	3,000	1.5
Agriculture	13,300	10,800	11,200	2,500	23.1	2,100	18.8
Forestry, Fishing, Mining, Oil and Gas	...	1,800	...	...	...	...	...
Utilities	2,200	2,100	5,100	100	4.8	-2,900	-56.9
Construction	51,600	46,600	43,400	5,000	10.7	8,200	18.9
Manufacturing	136,300	147,000	140,900	-10,700	-7.3	-4,600	-3.3
<b>Services-Producing Sector</b>	<b>424,300</b>	<b>420,300</b>	<b>400,400</b>	4,000	1.0	23,900	6.0
Trade	107,400	101,400	88,700	6,000	5.9	18,700	21.1
Transportation and Warehousing	23,100	24,700	24,700	-1,600	-6.5	-1,600	-6.5
Finance, Insurance, Real Estate and Leasing	41,700	33,000	36,300	8,700	26.4	5,400	14.9
Professional, Scientific and Technical Services	31,700	32,200	27,700	-500	-1.6	4,000	14.4
Management, Administrative and Other Support	20,000	22,700	23,100	-2,700	-11.9	-3,100	-13.4
Educational Services	45,500	39,500	42,400	6,000	15.2	3,100	7.3
Health Care and Social Assistance	57,800	61,900	55,300	-4,100	-6.6	2,500	4.5
Information, Culture and Recreation	17,800	18,800	22,600	-1,000	-5.3	-4,800	-21.2
Accommodation and Food Services	34,000	37,500	33,500	-3,500	-9.3	500	1.5
Other Services	23,000	21,800	21,000	1,200	5.5	2,000	9.5
Public Administration	22,500	26,800	24,900	-4,300	-16.0	-2,400	-9.6

Note: "... " indicates that data are too small to be expressed and are not appropriate for release. Totals may not add due to rounding.  
Source: Statistics Canada. Labour Force Survey





LABOUR SUPPLY AND DEMAND



**Employment Insurance Claimload**

The number of applications for Employment Insurance in the fourth quarter decreased by 2% over the previous quarter. The total of benefits paid for the fourth quarter was \$16,821,039 a decrease of 7% over the previous quarter. Child care benefits paid increased by 1.0% over the previous quarter, however since total benefits paid decreased from the previous quarter child care benefits represented 30% of benefits paid between October - December, a representative share increase of 3% compared to the July-September period.

The number of Regular Employment Insurance Claimants decreased 8.2% for the October – December period compared to July – September 2004, and increased 1.0% over the same period in 2003. Females represented 49% of regular claimants down from 59% the previous quarter and males

represented 51%. The average number of weeks paid for the period was 11 while the average number of weeks on claim was 18, virtually unchanged from the previous quarter. Thirty-nine percent of claimants in receipt of benefits had a weekly benefit rate of \$400 or more at the end of this quarter. The maximum benefit rate is \$413.00 per week.

The top 5 occupations represented by Regular Employment Insurance Claimants for the quarter were as follows:

1. Clerical Occupations
2. Trades and Skilled Transport Occupations
3. Middle and Other Management Occupations
4. Intermediate Sales and Service Occupations
5. Labourers in Processing, Manufacturing and Utilities

**Regular Employment Insurance Claimants – Barrie HRCC Area**

Area	October-December '04			July-September '04			October – December '03		
	Total	Female	Male	Total	Female	Male	Total	Female	Male
Barrie HRCC	2794	1378	1416	3045	1785	1260	2766	1350	1416

Source: HRCC administrative data C-356

**Employment Opportunities**

The number of vacancies notified between October – December increased by 12% compared to the same quarter last year and decreased by 13.5% from the previous quarter. The quarterly decrease is a typical seasonal pattern for the area. Full-time employment accounted for 85% of the vacancies notified and permanent employment accounted for 95% of the vacancies notified.

The top 5 occupational groups which generated the most hiring activity for the quarter were as follows:

1. Intermediate Occupations in Transport, Equipment Operation, Installation & Maintenance
2. Intermediate Sales and Service Occupations
3. Elemental Sales and Service Occupations
4. Trades and Skilled Transport and Equipment Operators
5. Processing and Manufacturing, Machine Operators and Assemblers



The top 5 industry groups which generated the most hiring activity for the quarter were as follows:

1. Administrative and Support, Waste Management and Remediation Services
2. Accommodation and Food Services
3. Construction
4. Retail
5. Health Care and Social Assistance

The administrative and support waste management and remediation services group includes placement agencies. Over the quarter they had significant vacancies for positions in the manufacturing sector.

### Employment Opportunities – Barrie HRCC Area

Occupations (NOC)	Oct-Dec '04	July-Sept 04	Oct-Dec '03
<b>Total Vacancies</b>			
Management	92	150	86
Business/Administration	471	625	463
Natural & Applied Sciences	65	106	72
Health	134	128	72
Social Science & Education	127	165	112
Culture & Recreation	35	76	47
Sales & Service	1247	1593	1205
Trades & Transport	1208	943	889
Primary Industry	20	78	43
Manufacturing & Utilities	722	904	705

Source: HRCC vacancies and local newspaper ads

### FROM THE AUTHOR'S DESK

A new study by real estate firm Re/Max suggests the re-sale housing market is ready to deliver a fourth successive year of record-breaking results, with prices and sales volume heading even higher in 2005. The real estate firm expects prices across the country to increase by an average of 6% next year to a new high of \$237,900 in 2005, up from a forecast of \$224,729 this year. The number of homes trading hands will edge up 2% next year to a record 477,800 from the expected record of 467,900 this year. The strongest gains in volume are forecast for the West, with Edmonton, Kelowna, B.C., and Calgary leading the way, followed by Barrie, and Saskatoon. The greatest price increases are anticipated in Edmonton, Quebec City, Kelowna, Halifax and Vancouver.



**Notes to Readers:**

1. The **Barrie HRCC Area** is comprised of the Towns of Innisfil and New Tecumseth, the Townships of Essa, Adjala-Tosorontio, Springwater, parts of Clearview and Oro-Medonte and the City of Barrie..
2. For the purpose of this publication, the **Barrie HRCC management area** includes all of the above communities.
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 Huronia Business Times, Springwater News, The Advance, The Barrie Examiner, Canada Mortgage & Housing Reports, EIC Corporate Data, Local Internet Sites**
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 is seeking work or is 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. The Kitchener-Waterloo-Barrie area (Economic Region 540) is comprised of Waterloo Regional Municipality, and the counties of Wellington, Dufferin and Simcoe. It includes the Kitchener-Waterloo CMA.
5. **Definitions - HRDC 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.
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/concepts/labour/index.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>

