



Labour Market Bulletin

Owen Sound

Service Canada Centre

~ An Analysis of the Grey, Bruce Counties and the Georgian Triangle Area Labour Market ~ January to March 2006 ~

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The Owen Sound SCC Labour Market Bulletin is a quarterly report produced by the area Labour Market Information Analyst. This bulletin and other LMI products may also be found on our website. (aussi disponible en français)

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Note: *In preparing this bulletin, Service Canada has taken care to provide clients with labour market information from reliable sources that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since the bulletin was published. Readers are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this bulletin does not necessarily reflect official policies of Service Canada.*

HIGHLIGHTS

- ▶ Blue Mountain Resort’s winter workforce is now close to 2,000 people.
- ▶ Wasaga Beach appears to be leading the way in local residential construction industry, followed by Town of the Blue Mountains.
- ▶ Demand for Brick and Stone masons is on the rise.
- ▶ Local striking community college teachers agreed to return to their classrooms at the end of March.
- ▶ Collingwood officials estimate the town has lost 500 manufacturing jobs over the last 18 months.
- ▶ Wal-mart opened their Collingwood store, employing around 100 people.
- ▶ Bruce Power has started to hire close to 1,600 construction workers.
- ▶ The number of people receiving Regular Employment Insurance benefit rose during the first quarter of 2006.
- ▶ Employment in Economic Region 540 declined by 2,400 jobs during the first three months of 2006.
- ▶ Employment in Economic Region 580 declined by almost 11,000 jobs during the first quarter of 2006.



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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.

Accommodation And Food Services

Blue Mountain resort's on-going development activity has had a major impact on their overall workforce. In addition to a new 40,000 square foot conference centre and hotel facility, they have plans to construct an aquatic centre in 2006.

Depending upon the time of the year, their workforce can range anywhere from 400 to as many as 2,000 people. This requires a great deal of HR planning to ensure that they have an adequate number of people to properly staff the resort. This year they had close to 600,000 visitors to the resort. Their goal is to increase this to 1,000,000 visitors next year. Consequently, they have started to expand their area of search for new workers to include Owen Sound and Barrie.

Although development at Blue Mountain resort is the largest of its kind in the area, it is not the only development taking place. There are a number of smaller, public and private ski resorts in the region, that continue to grow and offer full time and seasonal employment to local residents. It is estimated that as many as another 500 to 700 people could be employed in the winter ski industry beyond that of Blue Mountain resort.

A new Hanover restaurant opened in February, creating close to 30 jobs, many of which are full time.

Construction

Local municipalities continue to see a lot of construction activity across the region, with many reporting an increase in building permits over last year. Development taking place along Lake Huron at the Bruce Power nuclear plant and southern Georgian Bay, from Blue Mountain resort and Wasaga Beach, are creating both year round and seasonal demand for construction related occupations.

Wasaga Beach in particular continues to see yearly increases in the number of building permits, especially for new homes. Local officials anticipate that their year round population (approximately 16,000) will surpass that of Collingwood, this year. That year round population combined with another 16,000 summer residents, makes Wasaga Beach one of the fastest growing communities in Ontario.

An increased demand for brick and stone masons in the Collingwood area has prompted a partnership between the Ontario government and several local agencies to create 15

pre-apprenticeship training opportunities. The average age of experienced masons is climbing in the area. So with fewer youth entering the trade, skills were not being passed on. The training program lasts 24 weeks and provides participants with Level 1 certification.

Educational Services

Ontario community college teachers, counsellors and librarians, including those in this area, were on strike for close to three weeks in March. Classes resumed on March 29, when the two sides agreed to arbitration.

Simcoe County District School Board officials indicated that enrolment in Collingwood's elementary schools will be 100 to 150 students below capacity until 2015. This may require the board to do a school by school enrolment review in order to ensure they are being adequately utilized.

Elementary occasional teachers working for the Simcoe County School Board reached a tentative agreement. This impacts approximately 800 elementary supply teachers. Details of the agreement have yet to be announced.

The Ontario Ministry of Education now allows students to include co-op placements as part of their 18 compulsory courses required to graduate from high school. Local school board officials see this as a positive step toward reaching at risk student that otherwise may not have graduated. This also provides students with greater access to workplace training, making the transition from school to work easier.

The Bluewater District high school has successfully managed to get Ministry of Education approval for a new Agri-Business program. Program funding will allow the board to promote Animal Science classes using the barn that has been located on the school property for years. Students will benefit from increased skills and knowledge based on new technology being used on the farm.

Finance, Insurance, Real Estate And Leasing

A large national insurance company, that operates a processing centre in Owen Sound, announced it will be closing down operations by the end of July, 2006. This will impact just over 30 people. The company is offering several options to affected employees, including jobs at their Guelph and Moncton processing centres.



Manufacturing

Steelback brewery of Tiverton, has agreed to a five year contract with its unionized members of the Service Employee International union. The agreement, the first of its kind for the company and union, standardizes rates of pay for employees, along with annual pay increases. It also provides for seniority rights and formalizes a grievance procedure. Starting wages begin at just under \$10.00 per hour and can increase as high as \$11.00 after one year of service. The contract affects roughly 40 employees.

Transcontinental - RBW Graphics of Owen Sound announced a \$4.5 million contract to print 300,000 copies of the Zoological Society's monthly magazine for the San Diego Zoo. They will also print zoo guidebooks and three to five million maps a year of the zoo and park.

The Town of Collingwood has formed a task force to address issues facing the town's industrial sector. The Mayor estimated that close to 500 manufacturing jobs have been lost over the last 18 months due to plant closures.

Public Administration

The Town of the Blue Mountains is looking for volunteer firefighters. The town's Mayor attributes the rising cost of homes in the area as one of the problems in attracting and retaining the right people.

Retail

Wal-mart opened a new store in Collingwood. They received close to 1,000 applications for work and eventually hired close to 200 people. At the same time, it was announced that Home Depot will be opening near the end of 2006. They will employ around 100 people, but that it could increase by another 50 or so over time.

Utilities

Bruce Power, operators of the Bruce Nuclear Generating Station, near Tiverton, indicated that they hope to hire close to 1,600 contractors and trades people by the middle of 2007. They expect that two-thirds of them will remain employed until 2010. At the same time, Bruce Power is hoping to be successful in their bid to build new nuclear power plants, perhaps at the Bruce site. This would allow them to move many of these construction workers from one project, thus extending the length of employment by several years.

Approximately 45 wind turbines, at a cost of 125 million dollars, went into operation near Dundalk, during the first quarter of 2006. This completes the first of a two phase project. The second phase calls for another 80 wind turbines over the next year or two. Company officials estimate that it requires roughly one maintenance employee for every 8 – 10 turbines. The actual day to day operation of the turbine can be done from a centralized off-site location.



LABOUR FORCE TRENDS

The labour market in the Stratford-Bruce Peninsula area (ER 580) slowed noticeably in the first quarter of 2006. While the contraction was consistent with seasonal trends, it was larger than usual and followed a relatively weak labour market performance in 2005. Employment in the area fell by 6.8%, or almost 11,000 workers compared with the fourth quarter of 2005. This cut the employment rate by 4.6 percentage points to 60.5%, its lowest level since the second quarter of 2005. Ontario's economy also contracted in the first quarter, but by a relatively smaller amount - employment fell by 1.6%. Labour force participation declined in Stratford-Bruce Peninsula, although not by as much as employment. This pushed the unemployment rate up to 5.3% from 3.6% last quarter. Despite this seasonal increase, it remained below the provincial average of 6.5%.

Labour force and employment levels in Stratford-Bruce Peninsula were about the same as at this time last year. This meant that the unemployment rate was unchanged at 5.3%. However, this is less positive than at first glance for two reasons: the labour market experienced a sharp decline in the first quarter of 2005, which left the labour force and employment at only marginally higher levels than they were two years earlier; and, the area's working age population grew by almost 3,000 people over the year. This meant that the participation rate and employment rate actually fell, by six-tenths of a percentage point each. Ontario's participation rate also fell, as the working age population increased faster than the labour force. However, the provincial employment rate was unchanged from a year earlier. Employment grew by 1.7% in Ontario between the first quarter of 2005 and the first quarter of 2006.

Stratford - Bruce Peninsula (Economic Region 580) Area Labour Force Trends

	January to	October to	January to	Quarter/Quarter		Year/Year	
	March	December	March	Change		Change	
	2006	2005	2005	Absolute	%	Absolute	%
Population 15+ ('000)	246	245.7	243.3	0.3	0.1%	2.7	1.1%
Labour Force ('000)	157.3	165.8	157	-8.5	-5.1%	0.3	0.2%
Employed ('000)	148.9	159.8	148.7	-10.9	-6.8%	0.2	0.1%
Full-time ('000)	118.3	124.5	119.4	-6.2	-5.0%	-1.1	-0.9%
Part-time ('000)	30.7	35.3	29.3	-4.6	-13.0%	1.4	4.8%
Unemployed ('000)	8.4	6	8.3	2.4	40.0%	0.1	1.2%
Not in Labour Force ('000)	88.7	79.9	86.4	8.8	11.0%	2.3	2.7%
Participation Rate (%)	63.9	67.5	64.5	-3.6		-0.6	
Unemployment Rate (%)	5.3	3.6	5.3	1.7		0	
Employment Rate (%)	60.5	65	61.1	-4.5		-0.6	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.

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.



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

	January to	October to	January to	Quarter/Quarter		Year/Year	
	March	December	March	Change		Change	
	2006	2005	2005	Absolute	%	Absolute	%
Population 15+ ('000)	942.4	937.6	921.4	4.8	0.5%	21	2.3%
Labour Force ('000)	671.3	670.4	656.1	0.9	0.1%	15.2	2.3%
Employed ('000)	636.9	639.3	621.3	-2.4	-0.4%	15.6	2.5%
Full-time ('000)	517.8	521.6	503	-3.8	-0.7%	14.8	2.9%
Part-time ('000)	119.1	117.6	118.3	1.5	1.3%	0.8	0.7%
Unemployed ('000)	34.4	31.1	34.8	3.3	10.6%	-0.4	-1.1%
Not in Labour Force ('000)	271.2	267.2	265.4	4	1.5%	5.8	2.2%
Participation Rate (%)	71.2	71.5	71.2	-0.3		0	
Unemployment Rate (%)	5.1	4.6	5.3	0.5		-0.2	
Employment Rate (%)	67.6	68.2	67.4	-0.6		0.2	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.

LABOUR SUPPLY

Employment Insurance Claim load

The number of people on Regular Employment Insurance benefit was higher during the first quarter of 2006, compared to last year. The increase of 372 claims, which impacted males more than females, was mostly concentrated in the construction and manufacturing related occupations. Still, increases in the claim load are common during the first quarter of the calendar year, due to a general slowdown of the local economy.

Regular Employment Insurance Claimants - Owen Sound Service Canada Centre Management Area

	January to March 2006			October to December 2005			January to March 2005		
	Total	Female	Male	Total	Female	Male	Total	Female	Male
Owen Sound Management Area	4587	1447	3141	2771	1203	1567	4215	1357	2858

Source: SCC administrative data C-356

FROM THE AUTHOR'S DESK

The Regional Technology Skills Challenge, involving 12 local high schools, was held in March. Approximately 70 students participated in a variety of skills, such as welding, auto servicing, electrical wiring and desktop publishing. I was fortunate to attend the auto servicing competition in Owen Sound, where I saw students displaying a high standard of proficiency in the trade. I was also able to talk to a few of the participants. One individual, that had placed second in last year's competition, told me he had been training for this since September. Another student indicated he was currently involved in an Ontario Youth Apprenticeship Program (OYAP) and hoped to eventually work as a heavy equipment mechanic. Although he was only 17 years of age, he had worked around cars most of his life and had accumulated close to \$14,000 in industry related tools. For more information about the local OYAP activities, visit their web site at www.oyap.ca.

Local wage rates, based on 2005 Employment Insurance claim load data, have been posted to our labour market information web site www.labourmarketinformation.ca. Choose the "Wages and Salaries" menu option, then select the Ontario, followed by the Owen Sound, Collingwood, Walkerton area. You search for wages by individual occupations or print off an entire wage book. Wage rates are also available for areas across the country.



Notes to Readers:

1. The **Owen Sound SCC Management Area** is comprised of Counties of Grey, Bruce and the Georgian Triangle area.
2. For the purpose of this publication, the **Stratford - Bruce Peninsula** consists of the Counties of Grey, Bruce, Perth and Huron. **Kitchener – Waterloo – Barrie** consists of the Counties of Simcoe, Wellington, Dufferin and the Regional Municipality of Waterloo.
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 **Owen Sound Sun Times, Collingwood Enterprise Bulletin and the Hanover Post.**
4. **Definitions – Labour Force Survey data**
Population 15+ (the working age population) consists of all persons 15 years of age and over residing in Canada with the exception of residents of the Territories, persons living on Indian Reserves, inmates of institutions and full-time members of the Canadian Armed forces. The **Labour Force** consists of people employed or unemployed and searching for work. Those who are neither employed nor unemployed and are not willing or able to supply labour services are considered **Not in the Labour Force**. The **Participation Rate** is the percentage of the working age population (15+) who are seeking work or are employed. The **Unemployment Rate** is the number of people who are unemployed and looking for work as a percentage of the number of people in the Labour Force. The **Employment Rate** is the number of people employed as a percentage of the working age population.
5. **Definitions – Service Canada Centre Corporate Data**
Employment Insurance claim load: The number of individuals with an active claim for regular Employment Insurance benefits. Data on Employment Insurance claimants is not an accurate measure of the absolute level of unemployment. The data does not include unemployed individuals who: 1/ have not met the program's eligibility requirements or 2/ have exhausted their benefit entitlement.
Employment Opportunities: Advertised employment opportunities are comprised of vacancies notified to the SCC offices in our area and newspaper want ads. This data is not a count of all labour market activity; in practical terms, such a count is not feasible. This data is useful to track short and long-term changes in the demand for individual occupations. The total number of opportunities is equal to full-time plus part-time and casual.
6. This review uses data from **Statistics Canada's Labour Force Survey (LFS)**. In any survey there is a chance of variation due to sampling size. **Three-month moving averages** are used for selected labour force characteristics in an attempt to improve the reliability of this data. For further information on the Labour Force Survey, visit Statistics Canada's website at: <http://www.statcan.ca/english/sdds/3701.htm>
7. For more information on Industrial and Occupational categories used in this review, visit **Statistics Canada's website** at: <http://www.statcan.ca/english/concepts/index.htm>

