



Labour Market Bulletin

Human Resource Centre of Canada

Barrie HRCC Area

~ An Analysis of the Barrie HRCC Area Labour Market ~ January – March 2005 ~

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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.

During the quarter, announcements that were made and activity occurring in the construction, retail and manufacturing sectors, continued to fuel consumer confidence in the area.

The local labour market showed healthy activity for the first quarter of 2005 . Employment opportunities advertised during the quarter increased by 10% over the previous quarter and increased by 11% over the same period last year.

The number of applications for Employment Insurance (EI) increased by 13% over the previous quarter. This increase was a reflection of historical seasonal employment patterns. A comparison for the same period last year shows a 1% increase in the number of applications for EI.

HIGHLIGHTS

- ▶ Labour Force Survey results for Economic Region 540 for this quarter show the Employment Level was virtually unchanged from the previous quarter despite seasonal employment trends.
- ▶ Labour force and employment are up sharply compared with last year.
- ▶ Wind energy spurs local Economic Development Offices to explore possible opportunities in new industries to increase the employment base.
- ▶ Georgian College of Applied Arts & Technology is working to increase University programs offered. Spin-offs would include the ability to attract new business to the area and increase the representative share of the youth cohort in the area.

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.

Construction

The construction sector continues to show healthy activity in the area. The number and value of permits issued are higher this quarter than during the same quarter last year, although starts were somewhat slower. Activity in this sector is expected to continue to be robust in 2005 driven by the following:

1. A \$66 million expansion to the Georgian Mall begins this spring
2. Roads & Engineering Department of the County of Simcoe will be spending approximately \$25 million in construction costs
3. The construction of the \$30 million Holly Community Centre in Barrie's south end is expected to begin this year
4. Town of Innisfil announced it is moving forward with plans to build a recreation complex.
5. Township of Clearview is forecasting the value of construction permits to reach \$30 million for 2005
6. Investment of \$40 million for the expansion of existing schools where enrolment exceeds capacity.

These institutional and commercial investments combined with residential construction will contribute to strong employment levels in skilled construction trades and labouring occupations in 2005.

Retail

Over the quarter the retail labour force in Canada was identified by Statistics Canada as the second-largest labour force in Canada. It is also the second-largest in Ontario. The Retail Council announced that sales neared \$347 billion in 2004. This region is home to the fourth busiest retail sector in Canada and continues to draw more retailers. In addition to the Georgian Mall expansion (being driven by growth in primary and secondary trade areas, which will add 60 new stores to its current complement of 130), Sobey's has purchased land and filed notice of intent to build a 3600 square metre store in the village of Tottenham and NAPA AutoParts will be opening in Tottenham as well.

Manufacturing

The manufacturing sector continued to generate healthy employment levels locally over the quarter. Mountain manufacturing, a fabricator of transit shelter, street

furniture and advertising shops celebrated with an official opening this quarter. The company provides products for a niche market and is expecting a 10-fold increase in 2005, including exports. During the quarter Honda's new Ridgeline sports utility truck began production at the company's Alliston plant. The move to the truck will not result in any new jobs at the plant since the production output of the new vehicle will match those of the Odyssey which is being moved to Lincoln Alabama. Honda has 250 suppliers, 50 of which are located in Ontario.

Recent federal and provincial announcements around renewable energy appear to have captured the imagination of local Economic Development Offices as new manufacturing sectors are explored to enhance the diversity of local economies.

Utilities

In February 2005, the Nottawasaga Wind Energy Summit brought together experts on Wind Energy from the Netherlands, Denmark and across Canada over 2 days. There was significant interest within the local agricultural and government sectors to exploit this technology of renewable energy. The introduction of this technology would directly create new jobs locally in the installation and maintenance of wind towers and turbines.

There appears to have been an immediate impact as the Town of Innisfil is conducting a feasibility study on having the proposed new recreation complex powered entirely by wind energy. The agriculture community is also looking at alternative sources of energy with the costs of farming escalating. Grants from Farm Canada can help farmers install turbines and eliminate hydro bills in the long-term.

The David Suzuki Foundation estimates this source of energy would create 77,000 jobs in Ontario by 2010. The federal announcement quadrupling the federal Wind Power Production Incentive, estimated \$6 billion in investment, creating more than 40,000 direct and indirect person-years of employment.



Education

Over the next year Georgian College of Applied Arts & Technology will continue to expand its offering of University degree programming. Currently the college has two agreements with York University, 2 with Laurentian and one agreement each with the Universities of McMaster, Central Michigan and Niagara. Over the course of the next year the college hopes to complete current negotiations of two additional agreements with York, three additional growth areas with Laurentian, three new partnerships with three other Ontario Universities and one new degree-completion partnership with a niche U.S. University. These programs would increase enrolment, increase employment opportunities at the college and offer the local labour force increased opportunities for skills enhancement.

Art, Culture & Information

The City of Barrie has earmarked \$10 million in the city's capital budget in the next two-four years for a performing arts centre. Based upon the proposal by the Greater Barrie Centre for the Performing arts this quarter, the centre would cost between \$10 and \$15 million without

the land and would seat 1,200. The centre is viewed as a huge economic engine for the future.

The County of Simcoe will be hiring more staff at the Simcoe County Museum. The increase in staff is due to the \$3 million expansion which began in the fall of 2004 and is expected to be completed by early spring 2005.

Public Administration

The province of Ontario's Places to Grow Strategy and Greenbelt Protection Initiative are having a major influence within Simcoe County from a demand perspective. The official plans of the County of Simcoe and various municipalities all reflect to some degree, the anticipated impact of increased hiring activity as a result of these two documents. Forecasted hirings over the year anticipate an increase in the following occupations; planners, environmental technologists, forestry technologists and support staff.



LABOUR FORCE TRENDS

The Kitchener-Waterloo-Barrie labour market (ER 540) held firm against seasonal trends in the first quarter of 2005. There was little change in the number of people working compared with last quarter, as an increase in part-time workers balanced a decline in full-timers. The employment level has remained fairly constant since the third quarter of 2004, at a time when it normally declines. This attracted more job seekers into the labour force, which grew by 6,000 people to a historical high of 657,000. The unemployment rate rose to 5.3%, its highest level since the middle of 2004, from 4.4% last quarter. Ontario's unemployment rate also trended upwards over the quarter, rising to 7.0%.

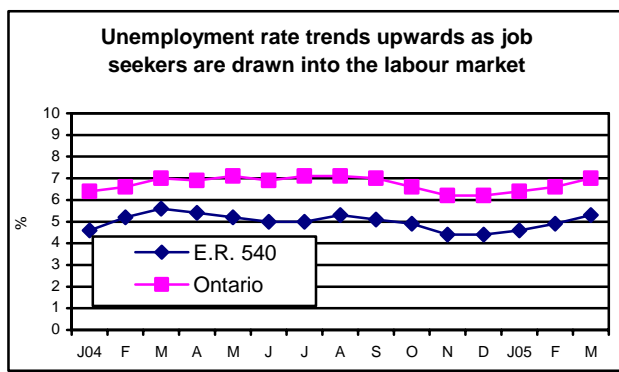
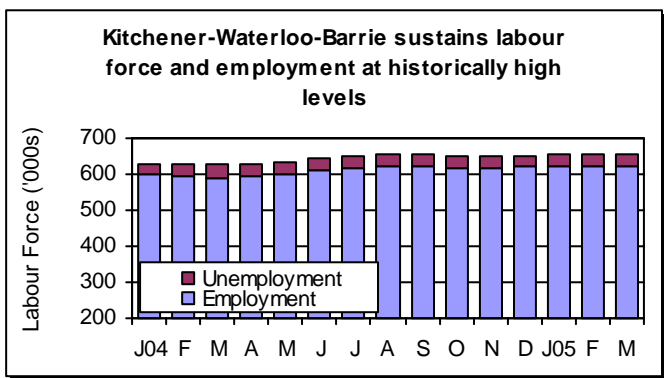
Labour force and employment levels were up sharply compared with a year ago. They both increased by 31,000, or at least 5%, compared with the first quarter of 2004. This growth has been accelerating over the past two quarters. By comparison, Ontario's employment level was up by 0.9% compared with a year ago. The unemployment rate in Kitchener-Waterloo-Barrie dropped slightly from 5.6% a year ago. The strength of the current labour market is more apparent in the participation and employment rates, which each rose by almost two percentage points compared with a year ago.

Kitchener-Waterloo-Barrie (E.R. 540) Labour Force Trends

	January to	October to	January to	Quarter/Quarter		Year/Year	
	March	December	March	Absolute	%	Absolute	%
	2005	2004	2004				
Population 15 +	922,600	917,900	902,000	4,700	0.5	20,600	2.3
Labour force	657,000	651,000	626,000	6,000	0.9	31,000	5.0
Employed	622,000	622,300	591,000	-300	0.0	31,000	5.2
Full-time	503,500	506,700	483,800	-3,200	-0.6	19,700	4.1
Part-time	118,600	115,500	107,300	3,100	2.7	11,300	10.5
Unemployed	35,000	28,700	34,900	6,300	22.0	100	0.3
Not in labour force	265,600	266,800	276,100	-1,200	-0.4	-10,500	-3.8
Participation rate	71.2	70.9	69.4	0.3		1.8	
Unemployment rate	5.3	4.4	5.6	0.9		-0.3	
Employment rate	67.4	67.8	65.5	-0.4		1.9	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.



Employment by Industry

The relatively stable employment level this quarter masked some significant shifts within industries. Most industries employed more people this quarter than last, with accommodation and food services showing the largest increase. The area also saw noteworthy job gains within business, building and other support services; educational services; and information, culture and recreation. However, a larger than normal drop in workers within wholesale and retail trade eroded most of these gains. Employment in that industry had risen sharply through the second half of 2004 to reach a historical high of 106,000 in the fourth quarter.

Two-thirds of the industries employed more workers compared with a year ago. Most of the growth came from three groups: construction, reflecting the strong growth in both the residential and non-residential markets; trade; and accommodation and food services. Agricultural employment jumped by 58% because of steady growth since the middle of 2004. In contrast, employment in manufacturing was down compared with a year ago, due to losses in the fourth quarter of 2004. It had remained relatively constant through the first three quarters of last year. Professional, scientific and technical services also dropped, due to cumulative job losses since the middle of last year.

Kitchener-Waterloo-Barrie (E.R. 540) Area Employment by Industry ('000)

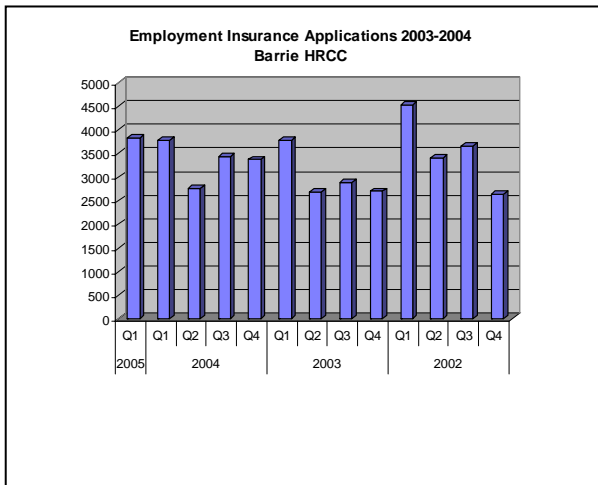
Industry	January to	October to	January to	Quarter/Quarter		Year/Year Change	
	March 2005	December 2004	March 2004	Absolute	%	Absolute	%
Total	622,000	622,300	591,000	-300	0.0	31,000	5.2
Goods Producing Sector	207,000	204,100	197,700	2,900	1.4	9,300	4.7
Agriculture	13,100	12,900	8,300	200	1.6	4,800	57.8
Forestry, fishing, mining, oil and gas
Utilities	1,500	2,100	4,000	-600	-28.6	-2,500	-62.5
Construction	51,900	50,700	38,900	1,200	2.4	13,000	33.4
Manufacturing	139,600	137,700	145,400	1,900	1.4	-5,800	-4.0
Services Producing Sector	415,100	418,100	393,400	-3,000	-0.7	21,700	5.5
Trade	94,800	106,200	83,300	-11,400	-10.7	11,500	13.8
Transportation and warehousing	22,900	23,500	25,900	-600	-2.6	-3,000	-11.6
Finance, insurance, real estate and leasing	37,100	39,100	33,400	-2,000	-5.1	3,700	11.1
Professional, scientific and technical services	26,500	29,600	30,900	-3,100	-10.5	-4,400	-14.2
Business, building and other support services	23,700	20,100	19,800	3,600	17.9	3,900	19.7
Educational services	46,100	42,800	45,300	3,300	7.7	800	1.8
Health care and social assistance	56,000	57,500	57,900	-1,500	-2.6	-1,900	-3.3
Information, culture and recreation	21,300	18,600	17,700	2,700	14.5	3,600	20.3
Accommodation and food services	39,700	34,200	32,000	5,500	16.1	7,700	24.1
Other services	23,600	23,500	22,600	100	0.4	1,000	4.4
Public administration	23,400	23,000	24,600	400	1.7	-1,200	-4.9

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



Employment Insurance Claimload



In the first quarter of 2005, the number of applications for Employment Insurance increased by 1% over the same quarter in the previous year and by 13% over the previous quarter. The quarter-over-quarter increase was due in part to seasonal employment patterns as reflected by the occupational groups below. The total benefits paid for the fourth quarter was \$21,869,634 an increase of 23% over the previous quarter.

The number of Regular Employment Insurance Claimants during the January – March period decreased by 1% over the same period last year, but increased by 37% over the previous quarter again reflecting a seasonal variance. Females represented 37% of regular claimants down from 49% the previous quarter and males represented 63%. The average number of weeks paid for the period was 11 while the average number of weeks on claim was 17, virtually unchanged from the previous quarter. Forty-two 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 following represents the top five occupational groups of Regular Employment Insurance Claimants for the Barrie HRCC service area:

1. Intermediate Occupations in transport, equipment operation, installation and maintenance
2. Trades and skilled transport and equipment operators
3. Trades helpers, construction labourers and related occupations
4. Clerical occupations
5. Labourers in processing, manufacturing and utilities

Regular Employment Insurance Claimants – Barrie HRCC Area

Area	January - March '05			October - December '04			January - March '04		
	Total	Female	Male	Total	Female	Male	Total	Female	Male
Barrie HRCC	3840	1423	2418	2794	1378	1416	3869	1435	2434

Source: HRCC administrative data C-356

Employment Opportunities

Employment opportunities advertised during the quarter increased by 9.8% over the previous quarter and by 10.9% over the same period last year. Full-time employment accounted for 82% of these advertisements and 98% of advertised employment opportunities were permanent. The volume of retail and accommodation and food services opportunities advertised were the major contributor to the rate of part-time employment advertised. The following represent the top five occupational groups and the top five industry groups which generated activity over the quarter:

Occupational Groups:

1. Intermediate sales and service occupations
2. Elemental sales and service occupations
3. Processing and manufacturing machine operators and assemblers
4. Intermediate occupations in transport, equipment operation, installation and maintenance
5. Trades and skilled transport and equipment operators



Industry Sectors:

1. Administrative support, waste management and remediation services
2. Accommodation and food services
3. Manufacturing
4. Retail
5. Professional, scientific and technical services

The similarity between the representation of the top 5 occupations of regular claimants and the top 5 employment opportunities advertised by occupation is due to the influx of seasonal applications for these occupational groups at the beginning of the quarter and the influx of employment opportunities advertised for these same occupational groups at the end of the quarter.

Employment Opportunities – Barrie HRCC Area

Occupations (NOC)	January- March '05	October- December '04	January- March'04
Total Vacancies	4525	4121	4079
Management	135	92	125
Business/Administration	547	471	488
Natural & applied sciences	134	65	156
Health	196	134	89
Social science & education	151	127	98
Culture & recreation	70	35	107
Sales & service	1380	1247	1499
Trades & transport	970	1208	902
Primary industry	91	20	96
Manufacturing & utilities	851	722	519

Source: HRCC vacancies and local newspaper ads

FROM THE AUTHOR'S DESK

During the quarter the Minister of Labour and Housing announced funding of \$72,000 to assist Simcoe County's homeless. The funding is being provided under the Supporting Communities Partnership Initiative (SCPI), a component of the Government of Canada's National Homelessness Initiative. The 2004 survey produced by the Canada Mortgage and Housing Corporation for the Province of Ontario continues to show a lack of affordable housing for this area. (See chart below).

	Apartment Vacancy Rates (%)							Average Rents (\$)						
	1998	1999	2000	2001	2002	2003	2004	1998	1999	2000	2001	2002	2003	2004
Bachelor	0.0	2.2	2.0	0.7	0.8	9.4	**	538	550	564	594	605	614	**
1 Bedroom	0.4	0.9	1.0	0.8	0.9	1.7	3.5	661	664	695	743	737	784	782
2 Bedroom	1.3	0.9	0.3	0.9	1.8	3.5	2.7	774	788	830	881	877	934	920
3 Bedroom+	1.6	2.1	0.0	1.4	0.9	**	**	925	894	977	1025	1105	**	**
Total	1.0	1.0	0.5	0.9	1.4	3.3	3.0	741	747	791	837	832	884	

For the second year in a row, vacancy rates for 1 Bedroom Apartments in the Barrie CA doubled from 1.7% to 3.5%.

Source: Canada Mortgage & Housing Corporation Rental Market Report, Ontario Highlights, Barrie Census Agglomeration

Since employment is a low priority compared to shelter and food for this group, affordable housing becomes a critical issue as this resource of human capital goes untapped.



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>

