

An overview of the London Economic Region including Oxford, Elgin and Middlesex counties. The Labour Market Monitor is a monthly report focusing on labour market information produced by a local Labour Market Information Analyst. For further information contact: mary.fox@servicecanada.gc.ca

Labour Force Trends

From February 2009 to February 2010, the labour force in the London economic region decreased by 2,100 workers as fewer people were participating in the workforce or searching for work. Net employment in the London economic region fell slightly by 1,100. All job losses came from full-time employment and were partially offset by some part-time employment gains. The decrease in the number of unemployed people since February 2009 caused the unemployment rate to decline slightly from 8.8% to 8.5%. Over the same period, the provincial unemployment rate rose from 7.9% to 8.9%.

For more information, please visit the Statistics Canada website at:

<http://www40.statcan.gc.ca/l01/cst01/lfs05d-eng.htm>

Labour Market News by Industry

Accommodation & Food Services

New restaurants in the London area include:

- K-Town Chicken and Ribs in Kilworth
- Fusion Ultra
- YoYo's Yogurt
- Club Rouge, an upscale dance bar
- Il Tenore

The historic Pinewood Restaurant in Ailsa Craig closed due to a fire.

Members of the new local Regional Tourism Organization met to discuss priorities in the tourism industry. [Region One](#) includes Windsor-

Essex, Sarnia-Lambton, Chatham-Kent, London, Middlesex, Elgin, Oxford, Norfolk and Haldimand. The organizations are provincially funded through the Ministry of Tourism for two years. Their goal is to better coordinate tourism markets, attract new visitors and create new jobs.

Arts, Entertainment & Recreation

Targeted towards women, Karma Fitness opened in downtown London.

Construction

Single and row housing starts in the London-St. Thomas area increased to 82 in January 2010 compared to 34 starts a year ago. Despite the improvement, overall new housing starts fell by 66% compared to last January due to a lack of apartment starts this year.

The City of London approved the construction of a \$22-million recycling plant. The new facility will be funded with \$17.6 million from the gas tax and \$4.4 million from Waste Diversion Ontario. The plant will be designed, built and operated by a private company, but owned by the city.

The London Optimists Sports Centre will be moving to a new facility on Rectory Street. The \$7.5-million complex will include indoor soccer, football and lacrosse fields. The new centre should be open in early 2011.

About 530 building permits valued at almost \$81.3 million were issued in Woodstock in 2009. The figure is significantly lower than the preceding three years which included the building of the Toyota plant and the new Woodstock General Hospital.

Chateau Gardens nursing home in Aylmer is undergoing an \$8.3-million expansion project. The facility will almost double in size and offer more private living arrangements. The project is expected to be completed in 2012.

A new biodiesel facility is being built in Springfield by Noroxel Energy Ltd. of Tillsonburg. The new plant will be able to produce up to 10 million litres of biodiesel fuel from soybean vegetable oil and animal fat. The plant should be operational by April 2010.

Oxford County was approved for an infrastructure loan as part of Canada's Economic Action Plan. A loan of about \$1.4 million from Canada Mortgage and Housing Corporation's Municipal Infrastructure Lending Program (MILP) will be used for a number of road improvements on King Street West in Ingersoll.

The Ontario Job Creation Partnership program is providing an additional \$141,000 in funding for restoration work at the Canada Southern Railway station in St. Thomas. The money will be used to hire 19 workers for 47 weeks.

Finance, Insurance & Real Estate & Leasing

In February, 605 homes were sold in the London-St. Thomas area. The latest sales are 32% higher than February 2009 when real estate sales were down due to the economy. On average, 620 homes were sold every February in the last 10 years.

Health Care & Social Services

In an effort to save money, St. Thomas-Elgin General Hospital is eliminating six full-time positions in its laboratory and diagnostic imaging departments. The hospital will not fill four vacant positions and some part-time hours will be reduced.

Unionized workers at Caressant Care long-term facility in Woodstock ratified a new collective agreement. The three-year contract includes salary and benefit increases of 2.25% in the first year. The second year provides for a 2.75% increase and 2.00% in the last year.

Manufacturing - Automotive

CAMI Automotive plans to recall the last of 128 laid-off workers at its Ingersoll plant. Due to demand, the plant is boosting production of its popular Equinox and Terrain vehicles. Employees are now working mandatory overtime. If demand warrants additional hiring,

laid-off workers from other General Motors plants may be considered.

The Brose Group held a Career Fair to hire full-time assembly operators. The position pays \$14.00 per hour and includes a benefits package.

Manufacturing – General

General Dynamics Land Systems-Canada has negotiated a \$227-million contract with the U.S. Marines to manage the building of 250 armoured vehicles. The mine-protected armoured personnel carriers will be manufactured in South Africa. No new hiring will take place at the London plant as a result of the contract. The company earlier announced it is adding about 300 workers after landing several other contracts listed in the media:

- A \$2.2-billion deal to supply 724 LAV IIs for the U.S. Army
- A contract to design the Stryker vehicle upgrade valued at \$203 million
- A \$1.1-billion contract to upgrade 550 LAV III light-armoured vehicles for the Canadian military through the Department of National Defence
- A \$647-million deal with the U.S. army for 352 new Stryker light armoured vehicles

Source: lfpres.com.

Tillsonburg Custom Foods will receive a loan of more than \$264,000 through the Federal Economic Development Agency for Southern Ontario's (FedDev Ontario) Southern Ontario Development Program (SODP). The company will match the funding. The money will be used to expand production and increase productivity. Once the improvements are in place, the company hopes to double the staff of 30 people currently working at the plant.

Three St. Thomas companies received funding under the FedDev Ontario.

- Reaction Distributing Inc. is receiving a loan worth almost \$398,000. The money will be used to modernize its plant and expand its export markets. The company will add six workers to its current staff of 20 people.
- GCW Custom Kitchens & Cabinetry Inc. will receive about \$170,600 to purchase new machinery to increase efficiency. One new position will be created.

- Zimmer Air Services Inc. will receive about \$85,250 for its helicopter training school.

During his speech to the Middlesex Kiwanis Club, Doug Porter, deputy chief economist for BMO Capital Markets, stated the manufacturing sector in Southwestern Ontario will continue to be affected by slow consumer spending in the U.S. and the strong Canadian dollar. He suggested that Canadian exporters focus more on doing business with emerging Asian markets, particularly China.

Other Services

Yew Tree Spa Boutique opened on Dundas Street offering a variety of services.

Public Administration

Area Support Unit (ASU) London is laying off 15 of its 100 staff. ASU is located at Wolseley Barracks and provides support to the military throughout Southwestern Ontario. The new layoffs follow an earlier cut of 34 members of Southwestern Ontario's 31 Canadian Brigade Group at the barracks.

Trade, Wholesale & Retail

Lowe's Companies Canada announced their plans to open a new retail outlet in the former Sam's Club location in London. The opening should occur by the end of 2010. More than 150 workers will work at the new store.

Apocalypse, a new clothing store for men and women, opened in downtown London.

Mama Assist London opened a retail outlet catering to the needs of new mothers.

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.