

2008 REGIONAL ECONOMIC DEVELOPMENT NEWS, LABOUR MARKET REPORTSPickering

- **Aker Kvaerner ASA Chemetics (Aker Solutions)** announces that it would be relocating its Toronto location and expanding to a new 90,000 square foot state-of-the-art fabrication facility in Pickering at an investment of \$17.7-million. Responding to market demand for shell and tube fabrication, construction of this new facility will allow this Norwegian-based company, a leading global provider of engineering and construction services, technology products and integrated solutions, to expand its customer base into equipment supply to the energy and process markets. The company plans to grow its operations in Pickering by 40 per cent in 2009.
- Nationally ranked as one of PROFIT magazine's Fastest Growing Companies in Canada, Pickering-based **RecoverCorp** opens a new 1,600 square foot call centre which is expected to create 35-50 new skilled positions over the next year.
- **Pickering Town Centre** continues a \$17-million "mall makeover" renovation project which is expected to be completed in 2009. The one million square foot centre includes more than 200 retailers and draws over 10 million visitors each year.
- The Province announced that it will invest \$4.9-million through its Biopharmaceutical Investment Program toward **Purdue Pharma Canada's** \$32-million expansion set to begin in January 2009. Purdue has manufacturing, research and development, and administrative facilities in Pickering, with special focus on drug delivery technologies. The investment will double the company's R&D capacity, creating more than 100 jobs in the construction phase and 53 high skill jobs when the new facility is open.
- **Home Depot** opened a 133,000 square foot facility which will create about 200 full and part-time jobs.
- ***AirIQ**, a Pickering-based wireless technology company, announces that it is cutting 21 more jobs or 36% of its remaining workforce to reduce its operating losses. In 2007, the company reduced its payroll from 123 to 59 employees.*

Ajax

- **Higgins Development Partners**, a real estate development firm, announces plans to develop 50 acres of employment lands in Ajax as a prestige business park with first-class architectural and urban design. Construction of a 100,000 square foot building, the first of six on the site which will ultimately provide 650,000 square feet of new employment space, will begin this summer.
- **Messier-Dowty**, a manufacturer of aircraft landing gear who recently landed a new contract for the Boeing 787 Dreamliner, is building a 13,000 square foot addition to their plant in Ajax.
- **Atlas Logistics** opens its first third party logistics site in Canada, an 875,000 square foot, state-of-the-art Loblaw's food distribution warehouse facility in Ajax. When the facility is in full operation, over 700 jobs will have been created making Atlas one of the largest employers in Ajax.
- **Americus Logistics** announces a partnership with Atlas to provide freight handling and janitorial services and expects to hire up to 150 workers by year-end 2008.
- Two new distributors, **Terry C. Stapley** and **Olympic Wholesale**, open in Ajax creating over 100 new jobs.
- A new oval quarter-horse racetrack and a new grandstand built to seat 800 people will be built at **Picov Downs** in Ajax as part of a \$5-million renovation project. Once complete in 2009, the facility will generate hundreds of jobs and represent a boost to the tourism and agriculture industries.
- A new \$11-million **Fire and Emergency Services Headquarters** opened in Ajax, the first municipal LEED (Leadership in Energy and Environmental Design) registered project in Ajax and Durham Region. A new **Operations Centre**, the Town's second municipal LEED project, is planned for construction next to the Fire Hall with completion expected in 2010.
- **BMW** and **Nissan** opened new dealerships.
- ***Sure Fit Home Furnishings** ceased production at its Ajax outlet and will focus on distribution, affecting 25-30 employees.*
- ***Fleming Door Products** announced the closure of its 45-year old facility in Ajax, which manufactured commercial steel doors and frames affecting about 150 workers.*
- ***Sklar Furniture** in Ajax declared bankruptcy with 174 workers losing their jobs.*
- ***Precision Valve**, a manufacturer of aerosol valves, announces closure of its Canadian subsidiary in Ajax affecting about 60 employees as part of a world-wide restructuring of the company.*

Whitby

- **GO Transit** is building a 5-storey parking garage with 900 additional parking spaces at their Whitby station to meet increasing commuter demand.
- New commercial-retail developments in Whitby include: **Rona**, which opened a 110,000 square foot store; expansion of the **Village of Taunton Mills**, a retirement and long-term care facility, which will include a 5,000 square foot family health care clinic; new **Honda Motorcycle**, **Durham Honda Powerhouse** and **Mercedes-Benz** dealerships; opening of a new **Lowes Home Improvement Warehouse**; **Bed Bath & Beyond**, which opened a 28,000 square foot store; and a 17,000 square foot, 250 seat **Optima Communications International** call centre.
- Phase 1 of the Taunton Garden Power Centre is near completion with **Staples**, **Winners**, **Zellers**, **Sport Chek** and **BouClair** now open. Phase 2 is currently underway with store openings scheduled for early 2009. The total centre will be approximately 450,000 square feet.
- New industrial developments in Whitby include: **Hanet Plastics**, which has completed an 11,000 square foot expansion of their existing manufacturing facility to accommodate growth; **Giffels**, which is nearing completion on a 300,000 square foot industrial building; **Global Emissions Systems**, which relocated to a 10,000 square foot industrial building; and **Pet Value**, which is building a 60,000 square foot warehouse/distribution centre.
- The **Brooklin Community Centre and Library** is in the final stages of design and development. Construction is expected to begin August 2009 with completion scheduled for 2010. The proposed facility will be a 2-storey building, approximately 40,000 square feet.
- The long anticipated **Indoor Soccer Facility** at Rossland Fields is currently open and running programs.
- **Ontario Power Generation** has moved into 21,000 square feet of office space.
- Windsor-based, **Ground Effects Ltd.**, a supplier of interior and exterior accessories for the automotive industry, has taken up space in South Whitby.
- The start of a major expansion of the Whitby Campus of **Durham College** was announced through a \$9-million grant from the provincial government. The initial construction phase, expected to be complete by 2010, will add 20,000 square feet of the total 40,000 planned to the campus. The expansion will include new outfitting to support a new cluster of programs related to the growing energy sector, including auditing, conservation, renewable energy, technician-technologist and skilled trade programs. Energy efficiency upgrades will also be made to the campus. An extra 1,000 student spaces will also be added through the expansion.
- Development has been approved for a 400,000 square foot, 20-storey **Class A Office Tower** in Whitby, the first such building to be built in Durham Region.
- *Lofthouse Brass announces closure of its Whitby plant with the loss of approximately 68 jobs, citing the rising value of the Canadian dollar, quadrupled price of copper used in production, and the downturn in the U.S. housing market.*
- *Citing strategic reasons, Smurfit MBI, a manufacturer of corrugated containers, announced the closure of its plant in Whitby affecting 123 employees.*
- *Johnson Controls announces lay off of 145 workers at its plant in Whitby effective January 2009 due to the loss of business and decision to move door panel assembly for the 2010 GM Camaro to Mississauga.*
- *Lear Corporation's Whitby plant announces the indefinite layoff of an additional 140 workers due to reduced production at GM.*

Oshawa

- A new 240,000 square foot **Wal-Mart Super Centre** opened in Oshawa, expected to inject \$15-million into the local economy and creating up to 400 in-store jobs.
- Canadian family discount store **Giant Tiger** opened, creating up to 50 jobs.
- Part of GM's Beacon Project, the new **General Motors Automotive Centre of Excellence (ACE)** in Oshawa, a collaborative effort between the automaker, the **University of Ontario Institute of Technology (UOIT)**, other industry partners and the federal and provincial governments, is announced. Once completed in late 2009 at a cost in excess of \$120-million, the Centre will have state-of-the-art research and development facilities including a wind tunnel, which will give students and researchers the opportunity to improve product development and work on future fuels such as hydrogen. GM is contributing \$60-million to the ACE, the provincial government \$58-million, with the federal government contributing towards the \$1-million annual cost of creating a Chair of Innovative Design Engineering.
- **FarmTech Energy Corporation** plans to build a \$185-million plant to convert corn into ethanol for use as a gasoline additive. The proposed location of the new plant, which would be owned by a co-operative and create up to 50 direct and 650 indirect jobs, would be at the Oshawa Harbour.
- The new **Conant Complex** in Oshawa, home to the **Oshawa Senior Citizens Centres** and the **Oshawa Community Health Centre**, opened.

- Construction of the **Four Points by Sheraton Hotel and Oshawa Convention Centre** is scheduled to begin in downtown Oshawa. Further strengthening the City as a tourist destination, the facility will include 141 hotel rooms, a 24,000 square foot two-storey convention space, more than 290 underground parking spaces and a restaurant.
- Joining a host of new businesses that have opened in Oshawa's downtown core, the newly-renovated **Regent Theatre** opened in October.
- **UOIT** expanded to downtown Oshawa, opening a campus for staff and students of the Faculty of Education.
- 2 new **Smart Centre locations** in Oshawa are continuing their impressive development.
- **Avery Dennison Canada** opened a fastener and hand labeling facility.
- The City of Oshawa, in cooperation with leaders from government, education and the private sector, is finalizing a **Community Adjustment and Sustainability Strategy**. The strategy will identify emerging sectors of the local economy, identify concrete actions to target new business, and address manufacturing job losses occurring throughout the region.
- *Pharmacy One Drug and Food announces closure of an Oshawa store affecting 25-30 employees.*
- *5 weeks after announcing plans to cut the second shift at its Truck Plant in Oshawa which would have eliminated 900 jobs, General Motors, citing falling demand for its full-size pick up trucks due to a worsening U.S. economy and consumer's reaction to soaring fuel prices, announces it will be closing its Oshawa Truck Plant with production ceasing in 2009 eliminating up to 2,600 assembly jobs. Reports indicate that every job loss could trigger three more layoffs in the parts industry and another three in the service sector, meaning that the closure could eliminate more than 12,000 other jobs, half of them in Durham Region alone.*
- *Pittsburgh Glass Works announces the closing of its plant in Oshawa during the first quarter of 2009 affecting about 160 workers. The company, which makes windshields, side windows and sunroofs for various cars and trucks, cites weakening sales in the auto sector.*
- *GM announces that it will be cutting the third shift at its Oshawa Car Plant effective February 2009 resulting in temporary layoffs for 700 workers as a result of declining auto sales in the U.S. As announced earlier in the year, production of the Buick Allure/LaCrosse will end in December meaning 400 fewer jobs in the plant.*

Clarington

- A new \$90-million **wastewater treatment plant**, integral to the servicing of employment lands in Clarington, opens in **Courtice**.
- The Ontario government announced that **Ontario Power Generation's** Darlington nuclear site in Clarington had been chosen as the location for Ontario's next nuclear generating facility. Two new reactor units will be constructed with the anticipated creation of 3,500 direct and indirect construction and engineering jobs plus more than 1,500 highly skilled jobs once the site is commissioned. **OPG** has plans to build a new office facility in the Clarington Energy Park in Courtice.
- Plans are underway that will see openings for **Rona**, an **Algoma Orchards** distribution-retail facility and **Holiday Inn** in Clarington in the Spring of 2009.
- The Clarington Energy Park was announced as the preferred site for construction of a new **energy from waste facility**, with the environmental assessment now underway.
- **H R Welding** relocates its steel fabrication business from Whitby to Bowmanville.
- Construction is underway on a new 9,000 square foot, \$3.3-million **Newcastle Branch Library** with its opening planned for the summer 2009.
- *St. Mary's Cement in Bowmanville announces temporary layoffs affecting 60 employees due to a softening U.S. economy.*

Uxbridge

- In Uxbridge, three new development projects are underway, including the construction of **Vince's Market's** 13,000 square foot flagship grocery store, a new **Shoppers Drug Mart**, and a two-storey mixed-use commercial and residential facility.
- **Stanmore Equipment**, specializing in the manufacturing of rough-terrain forklifts for use in the agricultural, mining and construction industries, announced plans to relocate their head office from Markham to Uxbridge. Stanmore are currently building two facilities, an 11,700 square foot manufacturing site and a 52,000 square foot building that includes office space.
- **TSC**, a country hardware and supplies store, began construction on a new facility.

Scugog

- **J. McCoy Equipment**, who design and manufacture custom concrete batching plants, production machinery and moulds for the precast, cast stone, Ready Mix, and other industries, begin construction on a new facility in Port Perry.
- The 7,000 square foot **Nestleton Waters Inn**, featuring 9 travel-themed guest rooms with conference and meeting rooms, opens to meet a growing market for accommodation.
- **Anchor Self Storage**, a family-run business, opens North Durham's newest self storage units in the Success Industrial Park in Port Perry.

Brock

- The **Brock Community Health Centre**, funded by the Ontario Ministry of Health and Long-Term Care, will locate in Cannington, with satellite services provided to other township locations including Beaverton and Sunderland. The Centre will employ up to 23 health care professionals, including physicians, nurse practitioners, nurses, dietitians, community health workers, counselors and support staff.
- **Northern Mould and Metal Fabricating**, who specialize in rotational and concrete moulds, ornamental railings, custom repairs, steel sales, refurbishing and production fabricating, built a new 10,000 square foot plant facility in Sunderland.
- **Ontario I.C.F. (Insulated Concrete Form) Building Supply** began construction of a new facility in Sunderland opening in 2009.
- *Flex-N-Gate Seeburn in Beaverton announces the relocation of its assembly operation to Tottenham effective January 2009 affecting approximately 80 workers.*

Other News

- *"Workers for Workers"*, a joint Lear Ajax-Automodular Assemblies action centre serving the needs of some 240 displaced workers, opened at the Whitby Mall. Action centres were also established in Oshawa at AGS Automotive Systems and the Steelworker's Hall (for Sklar-Peppler) to serve the needs of laid-off workers.
- **General Motors** announces that it will not produce rear-wheel drive Impalas at its Zeta flex manufacturing facility due to new American fuel regulations and emission control guidelines. A 12-week strike at American Axle and Manufacturing in the U.S. crippled production of GMC's pick up trucks and large sport utility vehicles. It caused thousands of layoffs at GM and other auto parts suppliers.
- As promised in the Spring Budget, the provincial government announced a three-year, \$355-million **"Second Career" retraining program** aimed at workers laid off within the past year as part of its overall \$1.5-billion Skills to Jobs Action Plan. "Second Career" will help 28,000 unemployed workers make the transition to new careers in growing areas of the economy, providing tuition and income support while courses are taken.
- **AUTO21**, a national automotive research initiative supported by the Government of Canada and more than 240 industry, government and industrial partners, announces that a **UOIT**-led research team will receive \$300,000 in funding for a hybrid electric vehicle research project. **Veridian Connections** and **Siemens Canada** will also be collaborating in the research.
- Regional officials predict that the number of **Ontario Works** cases in Durham will continue to rise due to the slumping manufacturing sector. Among those who qualify for Employment Insurance, the number of people receiving benefits jumped by 32 per cent in June over the previous year in the Oshawa Census Metropolitan Area, the highest increase in Canada.
- Transmission system giant **Hydro One** expects 30% of its workforce to retire within the next few years. **Ontario Power Generation** expects 25% of its workforce to require replacement by 2012. **Toronto Hydro** will lose about a third of its 1,600 workers in 5 years. According to the National Electricity Sector Council, Canada's electricity sector needs to hire 25,000 engineers and skilled tradespeople within the next 6 years. (*"Laid Off at G.M.? Hydro's Hiring"*, *Toronto Star*, November 26th, 2008)
- **Atomic Energy Commission Limited (AECL)**, a nuclear technology and services company which provides expertise to utilities worldwide and one of the vendors expected to bid on construction of the new Darlington reactors in Clarington, estimates it will need to hire about 2,000 new employees in various positions, from engineers to administration, over the next 3 years just to maintain current staffing levels.

- *Canadian Manufacturers and Exporters (CME)* announced its *SMART Program* to help small and medium-sized manufacturers improve their productivity and maintain their competitiveness. With provincial government funding, CME will fund 50 per cent (up to \$50,000) of productivity improvement projects such as lean design and manufacturing, quality improvement, energy efficiency, environmental impact reduction and IT best practices.
- In partnership with the provincial government, the *Yves Landry Foundation* announced its *Achieving Innovation and Manufacturing Excellence (AIME) Program* to support companies with 15 to 1,500 employees that invest in employee training through grants available up to \$50,000.
- Preliminary reports indicate that *North American auto sales* ended 2008 down 16.2 per cent, with auto production down 16.1 per cent. Production is forecast to decline by 21.2 per cent in 2009. *GM, Ford* and *Chrysler* have all lost about half their market position in the entry level vehicle sales market in Canada over the last two decades. Since 1990, GM has declined from 30.4 per cent to 16.7 per cent, Ford from 17.3 per cent to 9.6 per cent, and Chrysler 16.6 per cent to 7.7 per cent. The Japanese have increased from 28.7 per cent to 51.4 per cent, and the Koreans 2.5 per cent to 10.1 per cent. The Europeans remain fairly constant at around a 4.5 per cent share.
- About \$800,000 was invested with the province and private sector in a *broadband infrastructure* initiative to provide high-speed Internet access to residents and businesses in the 3 northern townships of Brock, Scugog and Uxbridge. This investment will support industrial and business attraction and growth in the rural communities. In Uxbridge, high-speed fibre optic service was extended into the Uxville Industrial Park.