

Coastal Chronicles

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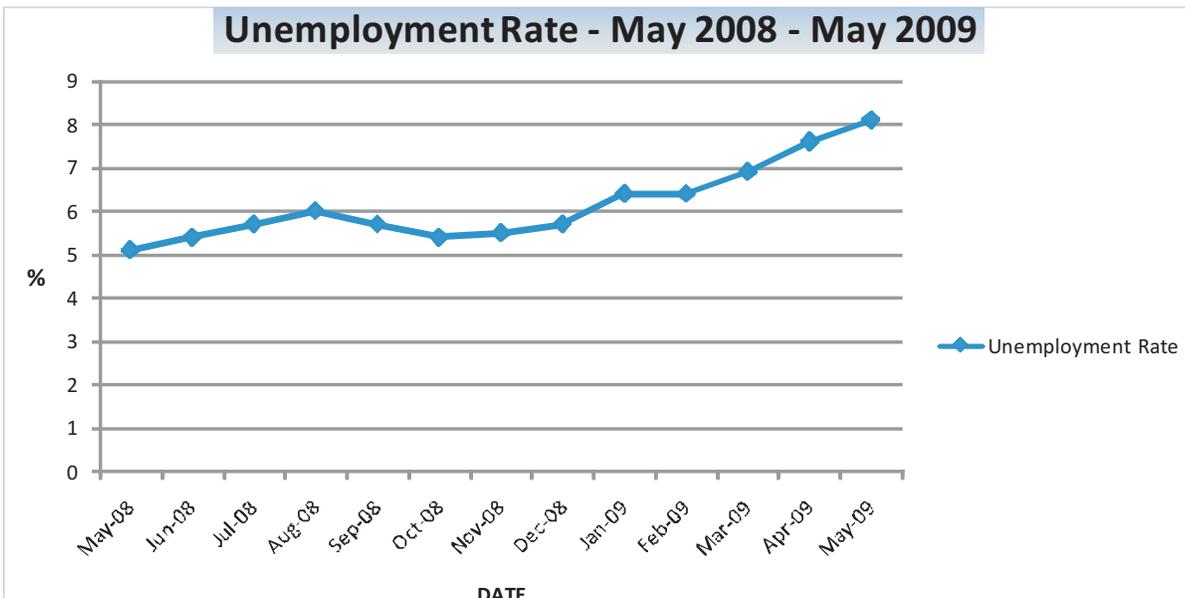
ECONOMY AND LABOUR MARKET CHANGES

Oh, what a difference a year makes! Actually it was less than a year ago, when the Autumn 2008 issue of Coastal Chronicles explored the labour shortages that our communities were experiencing and how some employers were coping with the challenges of recruiting and retaining staff. Now, we have seen a dramatic turnaround in the economy and are in a market where employers have plenty of applicants to choose from. The current economic downturn is having a significant impact in our communities in the short term, but our demographics (in particular, an aging population and a low birth rate) show us that a labour shortage is inevitable. This means that within a few years once the recessionary cycle ends, we will be back to labour shortages.

In the meantime, some sectors are being hit harder than others. Many out-of town workers are returning from Northern BC and Alberta as a result of the slowdown in mining and the oil and gas sector, adding to the ranks of unemployed. The drop in commodities prices has led to a virtual standstill for metals such as copper, zinc and lead but the good news is there are pockets of activity in these sectors. Quinsam Mine, west of Campbell River is continuing to operate at full staff, meeting the on-going demand for thermal coal. Compliance Energy Corporation has applied for an exploratory drilling permit near Union Bay.



The sector experiencing some of the largest job losses has been the long-suffering forestry industry. Already crushed by the Softwood Lumber Agreement, the pine beetle infestation, forest fires, labour unrest and a high Canadian dollar, this recent downturn has been the proverbial straw that broke the camel's back. Weakening of the US markets has ground our logging and pulp and paper production to a near halt. The closure of coastal mills has resulted in the loss of hundreds of well-paid resource jobs. And while the forestry industry reorganizes, likely into fewer, larger mills and smaller value-added product manufacturing, displaced workers are looking to reenter the work force in more stable industries. Communities with more diverse economies may be able to absorb some of the



job losses, while single industry towns are having a harder time.

Construction and real estate have seen steep declines coming off of five years of significant growth. Work is continuing on several major projects in the region, such as the Toba River Hydroelectric Project near Powell River. Other large projects, such as the Qualicum Landing Project in Parksville, the expansion of North Island College and the likely construction of new hospitals in Campbell River and the Comox Valley will create several hundred jobs in the trades. The availability of trades people due to the slowdown in new construction is allowing many home renovation projects to go ahead. As we move into summer, developers who held off on their projects through winter are now starting to show signs of activity.

As the economy continues its slide, spin-off effects of the downturn can be felt in other areas such as tourism, retail and wholesale trade and transportation and warehousing. Stats Canada reported 63,700 people in British Columbia collected employment insurance benefits in February 2009, an 11.6% increase from the previous month, a percentage increase almost double the national average. Regionally, the unemployment rate shifted from just over 5% in May 2008 to 8.1% at the beginning of May this year.

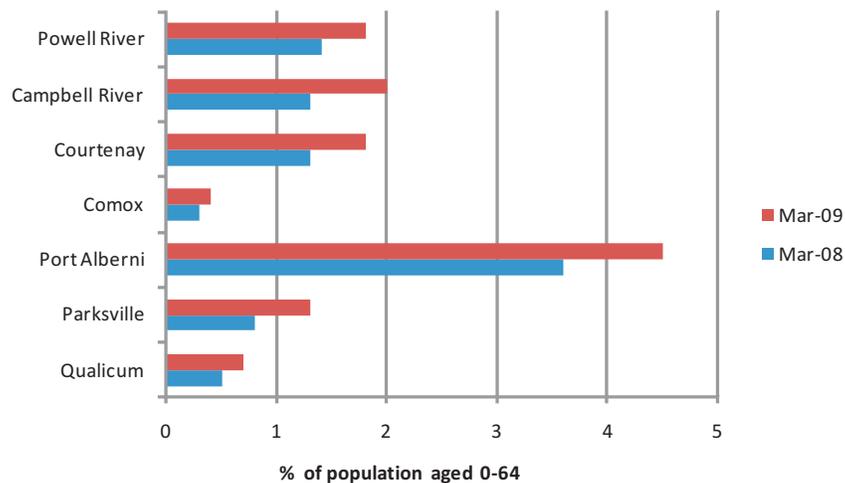
Workers in many industries where busy seasons have been reduced because of the weak economy, such as forestry or winter tourism, do not have enough hours to qualify for employment insurance. This has led to an increase in people accessing other safety nets such as

Income Assistance. Others are living off of savings or relying on family and friends for help.

Job seekers are facing a much tougher employment market than they have since 2005; the last time unemployment rates for our region were between 8 and 9%. Many people are realizing they need to increase their skills to remain competitive in the job market. The demand for post-secondary education is increasing as many people are taking the opportunity to upgrade or retrain. Skills development opportunities exist through government funded programs such as the Community Development Trust fund, which was created to assist forestry workers to move to other industries, and the Canada-British Columbia Labour Market Development Agreement, for current and former recipients of Employment Insurance.

It's not just job seekers who are having to respond to the economy. Many employers are implementing cost-saving strategies such as the voluntary reduction of hours, accessing Service Canada's Work Sharing program or delaying seasonal hiring to maintain hours for their year-round staff. Other employers are trying to "recession proof" their businesses through advertising, diversification or expansion of their markets. As with any change, there is also opportunity, so in this issue of the Coastal Chronicle each community will take a closer look at the hard hit industries as well as the industries and employers that are holding their own and perhaps even thriving in these uncertain times. No one can predict what's next but the one thing we can say with certainty is: *shift happens*.

Income Assistance Dependency Rates



Source: BC Stats

Note: Rates increase significantly when rural areas are included

POWELL RIVER

SOUTH OF THE CITY TO SALTERY BAY AND NORTH TO LUND, SAVARY ISLAND AND DESOLATION SOUND

Like other BC coastal communities, Powell River is in transition. Located on the upper Sunshine Coast, the isolated community is accessible by ferry from the Sechelt Peninsula and Vancouver Island.

The 2006 Census puts the region's population at 19,599, the majority of which is located in the communities that comprise the City of Powell River: Westview, Townsite, Wildwood and Cranberry. Approximately 30% of the population resides outside the city limits in the Powell River Regional District which stretches south of the city to Saltery Bay and north to Lund, Savary Island and Desolation Sound.

Historically, the region's economy was dependent on a solitary paper mill, owned by Catalyst Paper, as well as on the resource industries of forestry, fishing and quarry mining. More recently, employment has shifted from resource-based industries to the service and public service sectors.

Within the past five years, the region has experienced activity similar to other coastal towns: expansion of tourism marketing and opportunities, a still lively real estate market fuelled by newcomers attracted to the "small town" friendliness, a continual yet slow rise in residential construction and renovation, and increased commercial activity.



Savary Island:
A popular tourist spot.
Photo Courtesy of Powell River
Regional Economic Development
Society (PRREDS)

challenges and opportunities in a changing market

In Powell River, the economic decline has been marked not only by pragmatic layoffs and a small quantity of business closures, but also by some successes. Job seekers and employers alike combat the recession with innovation, insight and brawny determination. The principal accomplishment during this economic downturn has been Powell River's ability to diversify its economy.

Traditionally, the Powell River region's economic fate has been tied to the forest industry. Although the sector has seen hard times in British Columbia, the community is in the process of weathering the storm. Recently, the Ministry of Forests and Range stated that "the future of the Coastal forest sector lies in innovation and more accurately matching the right forest resource to the right end-market," and Powell River is taking this advice to heart.

A wide range of value-added forestry businesses operating in the Powell

River region have felt financial pressures from the uncertain economy. These businesses are not expected to close their doors, though some have had to make adjustments. In May 2009, the region saw 127 mill workers laid off as a result of restructuring plans at Catalyst, the community's founding employer. The layoffs are intended to improve its cost competitiveness in the face of a weaker economy and lower paper demand.

The shellfish farming sector has experienced significant growth in the last few years and is positioned to expand further. Taylor Shellfish (one of North America's leading shellfish producers) has invested more than \$3 million into operations in the Okeover Arm area and is considering a further investment in the near future. The number of people employed in this sector is projected to double in the next five years. Many new career opportunities are available to graduates willing to work in outdoor



Workers on Toba River Project.
Photo Courtesy: PRREDS

conditions, often in remote areas. These include employment opportunities as technologists/technicians, biologists, and managers in the fish and invertebrate culture industry, as well as in federal and provincial government fisheries programs in the areas of enhancement, habitat and fish stock assessment, wild stock management, and research. Such work often includes: field work with wild stocks, including habitat assessment in both fresh and salt water; estimates of wild stock population; habitat restoration; research assistance; and monitoring of harvests.

Plutonic Power's East Toba River Montrose Creek run-of-river project, a partnership with GE Energy Financial Services, has been under construction since July 2007. Once operational in 2010, it will provide 196 megawatts of green energy – enough to power 75,000 BC homes. To date, the project has spent more than \$33 million and has hired about a third of its 300-person workforce from along the Sunshine Coast and Campbell River.

Plutonic Power's second initiative, the proposed Bute Inlet Hydroelectric Project, is in the final stages of the project approval process; project construction is estimated to take more than 3,000 person-years of

employment. Once completed, the project could produce enough energy to meet the electricity needs of 300,000 homes, with the ability to displace more than two million tons of greenhouse gases annually. During operation, the project is expected to create numerous long-term job opportunities for people trained as industrial technologists, electrical technologists and millwrights, in addition to contractors required to maintain the power lines.

Passionate to seize the opportunity that would keep Powell River competitive in the labour market, a newly formed yet veteran group is working with industry leaders and local government to initiate recruiting processes with a priority on local hiring.

In today's market – where intellectual property is replacing physical property as the measure of an organization's strength – knowledge is quickly becoming a key resource. The need to develop a lifelong-learning culture of self-renewal and skills upgrading has never been greater for job seekers, organizations and a rapidly shifting community like Powell River.

Okeover Arm, Lund Photo Courtesy of ¡Carlitos'



PORT ALBERNI AND AREA

ALBERNI-CLAYOQUOT REGIONAL DISTRICT

Port Alberni, population 17,548, is the largest community in the Alberni-Clayoquot Regional District, which stretches from Nitinat Lake north to Nootka Sound and east to the Beaufort Range. The Alberni Valley is composed of the city proper plus the surrounding areas of Beaver Creek, Cherry Creek and Sproat Lake. The Regional District encompasses Ucluelet (pop. 1,487), Tofino (1,655) and smaller settlements such as Bamfield and Ahousaht.

Port Alberni is located at the tip of the Alberni Inlet, 50 kilometres west of Parksville via Highway 4. Like other mid-island communities, Port Alberni attracts numerous new residents annually. Many are retirees drawn by the area's mild climate, recreational opportunities and proximity to hospital services, but there are also a number of low- and fixed-income earners looking to access comparatively low housing and living costs. These trends have fuelled hiring demand in the health care and social service sectors.

The region's heavy dependence on resource industries (primarily forestry, but also fishing), which once gave Port Alberni the highest average income in Canada, has been drastically undermined by poor market conditions and general economic decline. The mill workforce at Catalyst, the city's single largest employer, has shrunk from around 1,500 workers in the early 1980s to just over 500 workers today.

Until recent recessionary conditions took hold, the area's construction industry was strong, with several new commercial and residential projects underway. A major retail development, which includes Staples, Wal-Mart and Extra Foods, boosted hiring in the retail sector. Likewise, new resort developments such as Black Rock in Ucluelet have added fuel to the area's strong, though seasonal, tourism sector, with high demand for employees in accommodation, food services, and miscellaneous service occupations.

forestry flounders, while mining, health, tourism and services offer opportunities

Against the backdrop of a global recession, which is not expected to ease off until late 2009 at the earliest, the overall picture for the Alberni-Clayoquot labour market might look grim. Yet there are still opportunities available across a range of fields for job-seekers with the right skill sets who are willing to think a little bit "outside the box."

The region's greatest challenges are being faced by the embattled forest industry. A pre-Christmas layoff of all workers at the local Catalyst mill was expected to end in early 2009, but instead dragged on indefinitely when market conditions failed to improve. In further response to these crisis conditions, the region's major primary-industry employer has taken aim at what they call the "highest tax rates in the industrialized world." Catalyst has approached the municipal government with a proposal to pay only for services they actually consume, a scheme which would leave city council \$3 million short on the company's annual \$4.5 million tax bill. The municipality has countered that their commitment of a 20% tax rate reduction over five years is more than fair,

while the Province has declined to provide any bridging funds to help the two sides meet. Potentially at stake in the standoff are the roughly 380 jobs remaining at Catalyst's local mill operations, for the forestry giant has hinted they may leave the area altogether if a more cost-effective solution cannot be found.

Employers in the fish-processing industry face challenges of a different sort. Although there is no shortage of seasonal positions available at the local Port Fish plant, they face high turnover and an ongoing shortage of dependable workers.

Management feels that the messy, smelly nature of the work and competition from the retail sector – which



Times are tough in the forest industry. Catalyst Paper plans to withhold \$3 million in taxes owed to the City of Port Alberni.

offers cleaner jobs for comparable pay – are two major factors in their retention woes. It remains to be seen whether potential losses in the retail sector, due to the sluggish economy, will effect hiring fortunes for fish-processing employers.



The shift in emphasis from Resource to Sales and Service jobs in Port Alberni is evident in new commercial developments like the Pacific Rim Shopping Centre.

Curiously, some of the more hopeful signs for future employment come from the mining industry, a sector with a historically negligible role in the regional economy. Flush with healthy returns from their Orca Quarry near Port McNeill, Vancouver-based Polaris Minerals continues to study the feasibility of building a granite rock quarry on the Alberni Inlet. If approved and completed, the “Eagle Rock” project would ship up to 6 million tons of sand and gravel annually to California, for use in construction projects fuelled by the state’s \$85 billion in federal stimulus funding. The construction and production phases of the project offer a combined potential of around 200 job opportunities for the region, primarily highly-skilled positions with specialized training provided by the employer.

Another company, Victoria-based Torch River Resources, is currently awaiting test results on three abandoned copper mines elsewhere on the Inlet. When they were established more than 100 years ago, these mines produced about 2,000 tons of nearly pure copper. Torch River’s current interest is speculative, as there is still no guarantee of enough high-grade material to ensure a profit from revived mining operations. However, if test results are favorable, the company hopes to proceed to a permit application, followed by trenching (clearing brush to expose bedrock) and finally the drilling phase.

While these resource-related projects may be significant for future hiring in the region, Alberni-Clayoquot is following the same trends as other North and Central Island communities by becoming less resource-reliant and more dependent on sales, service and tourism-related occupations. This is particularly true in the West Coast communities of Tofino and Ucluelet, whose economies are primarily based on seasonal employment in the retail, accommodation, and service

sectors. The major challenge for employers in these industries is attracting and housing enough qualified staff to meet seasonal demands. The combination of housing scarcity and high rental costs is prohibitive for workers earning relatively low wages, and has forced employers to look at creative solutions such as providing their own accommodation for workers.

There is general agreement among retail and service employers in the region that the calibre of applicants has decreased over the past number of years. Even among companies who receive a surplus of applications, many state that the vast majority of candidates lack the skills and qualities necessary to succeed in a customer service-oriented environment. In addition, while jobs in these sectors tend to draw a large number of younger workers, employers in this category noted that they prefer to hire workers in the older age group. Several employers expressed their view that, as a group, “Gen-Y” workers lacked maturity and work ethics, and were more committed to social lives than to jobs. One local restaurateur noted that lack of qualifications in this age group was often less of an issue than their lack of a good attitude; in his words, “the problem is mind-set rather than skill set.”

Health care is one industry where job prospects are relatively abundant. With the notable exception of resident care aides, where graduation numbers have substantially exceeded hiring demand, there are numerous opportunities for workers with appropriately high levels of skills and training. The continent-wide shortage of physicians and pharmacists is no less evident in Alberni-Clayoquot; the same is true for trained nurses, with ten unfilled job postings at the Vancouver Island Health Authority (VIHA) as of this writing. Other specialized positions in physiotherapy and occupational therapy also remain unfilled after several months (and in one case, an entire year) on the Alberni Valley Employment Centre job board. For those already qualified or willing to undertake extensive training, health care will continue to hold a wealth of opportunities in the Alberni Valley for the foreseeable future.



West Coast General Hospital is the hub of health care jobs in Alberni-Clayoquot.

PARKSVILLE, QUALICUM BEACH AND AREA

INCLUDING NANOOSE, COOMBS, ERRINGTON, WHISKEY CREEK & BOWSER

Parksville is the hub for business in School District 69, the area of Vancouver Island commonly referred to as Oceanside. Located 73 kilometres south of Courtenay, Parksville (pop. 26,513) is the largest centre in the district. Surrounding communities are Qualicum Beach (pop. 8,502), Lighthouse Country (Bowser, North Qualicum), French Creek, Coombs, Errington, and Nanoose Bay with a total area population of 42,134.

The mild climate, small town lifestyle, relatively low real estate prices (compared to major centres), world-class beaches and access to abundant outdoor activities attract many new residents every month. Tourism, hospitality and small business form a large sector of the local labour market. The Parksville Civic and Technology Centre has attracted new businesses in the technology sector. For more information on the Parksville area, see the City of Parksville 2007 Community Profile at www.city.parksville.bc.ca.

employment opportunities found in a diverse economy

Oceanside is also experiencing labour market changes. In the first six months of 2009, there was a 45% increase in the number of individuals using The Career Centre's services compared to 2008. The number of job postings in the first half of 2009 decreased by 50% compared to 2008. However, there are new and exciting projects anticipated to start-up 2009, and business is steady in service-producing sectors.

The Oceanside area may be somewhat buffered from the economic downturn, as it has a more diversified job market, and the community's employment is not based on natural resources. Tourism, healthcare, small business, and technology are some of the leading industries in this region. A high proportion of jobs are from small or self-employment opportunities, which

further diversifies the labour market. In a report released by the Canadian Federation of Independent Business on October 18, 2008, the City of Parksville placed second nationally for top places to do business in Canada. Visit www.parksville.ca for more information.

Several Career Centre clients have been laid off from high paying jobs in industries impacted by downsizing or closures, including forestry, construction and manufacturing. Many of these clients reside in Oceanside but worked out of town in forestry or oil and gas and are now looking for employment in a different field. Local employers report they are receiving more resumes. One landscaping company owner remarked this year has been a record for the number of resumes received, which allowed him to be more selective when hiring.

REAL ESTATE

Prior to April 2009, the Parksville real estate industry was not experiencing the decreasing prices that impacted other housing markets on Vancouver Island. The stability in the housing market may be due to Oceanside being desirable for both retirement and active living. The second quarter of 2009 is showing some radically different figures, and is demonstrating the impact of local economic uncertainty. Home unit sales have declined by 31% and prices by 15%, compared to last year's figures.

DEVELOPMENT AND CONSTRUCTION

Parksville building permits have also declined 66% in total value for the first three months in 2009 compared

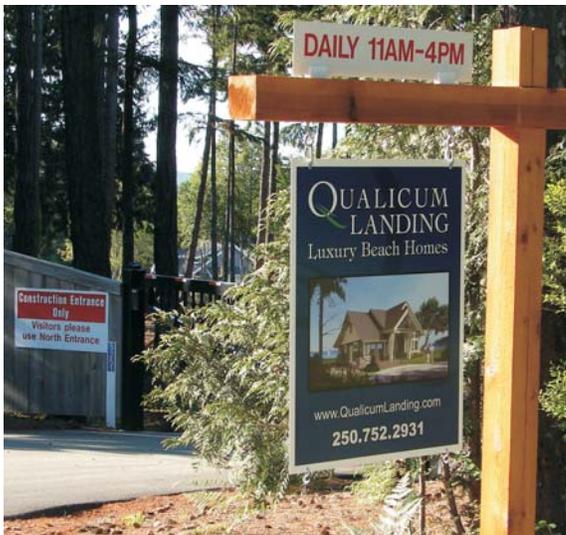


The Beach Club
photo by Derek Miller

to last year. A local construction company that specializes in new home construction indicated business is slow, and they have not hired back some of the staff they had laid off in the winter.

Nevertheless, local development continues with exciting new projects. On April 27th there was an official ground breaking for the new Qualicum Landing project, north of Qualicum Beach. An article in the April 29th Times Colonist indicated developers of this 35 million dollar resort property "remain optimistic about plans to build and sell 62 beach homes on their new Qualicum Landing project.....We are just going to carry on as if there is no recession." The builder designated for this project is Palladian Developments Incorporated. Mike Hamilton, Housing Manager for Palladian, stated they've decided they are not going to participate in the recession. "Although we had some bumps, things are starting to move again." Mike also mentioned that his company was able to rehire staff who were temporarily laid off during the winter.

Construction starts in June on the Vancouver Island University (VIU) Deep Bay Field Station, Centre for Shellfish Research, a large project north of Qualicum Bay. Brian Kingzett, VIU Project Manager, indicated this project has been estimated to provide 60 person-years of employment. Once the station is fully built in approximately three years, it will provide 14 full time jobs in aquaculture research and education. Summer work will involve excavation, foundation and forming. Management of construction for this project is Heatherbrae Construction, which has also entered into an agreement with Qualicum School District to do seismic upgrading on Parksville Elementary. Work on this project began in mid-May and will continue into 2010.



Home renovation work appears to be steady in our area. The owner of one local home renovation company indicated steady interest and activity from clients. This may be due to a combination of factors such as the 2009 Home Renovation tax credit and people opting to maintain or improve their current residence, rather than making a move during the recession.

SERVICE SECTOR

Recently a Serious Coffee franchise opened in Parksville, and other small businesses are establishing themselves in our area. An article in the February 2009 issue of Business Vancouver Island, written by Mike Boucier, Executive Director, Parksville and District Chamber of Commerce, spotlighted the success of Pacific Brimm Coffee and Tea Co. The owners of this Parksville coffee house recently opened a second café in Errington and a drive-thru kiosk near Coombs which they have plans to franchise. Renate Child, co-owner of the Brimm is "...hopeful that things won't be as bad as the media says." She indicated, "Things were quiet in March but have picked up again since April." Boucier's article went on to mention Dave Willie and Ian Livingston, owners of Parksville-based Black & White Party Rentals. They have recently invested \$750,000 in a new state-of-the-art facility where half-million dollar equipment and set-up displays are housed and demonstrated. With the many events, parties and weddings that Black & White caters to, additional seasonal staff is often required.

SEASONAL EMPLOYMENT HEATS UP

The availability of seasonal employment is evident on the Career Centre's online job postings: www.careercentre.org/Services/Postings.asp. Recently our Labour Market Information Specialists spoke with local employers about their summer hiring needs, and the consensus was hiring needs are similar to last year. One employer in the golf industry stated, "If you don't read the newspapers or watch the news you wouldn't know that anything has changed." Types of businesses surveyed were local resorts, motels, campgrounds, restaurants, golf courses, grocery stores, chambers of commerce and garden centres. Most of these businesses are currently or will be hiring for summer help. In demand are housekeepers, cashiers, servers, front desk staff, amusement attendants, estheticians and massage therapists.

There is still employment available in the Parksville/Qualicum area. At this time the majority may be in sectors and fields outside of the primary industries and manufacturing, but do your research to keep tabs on the hidden job market – opportunities are there to be found.

COMOX VALLEY

BOUNDED BY STRATHCONA PARK IN THE WEST, MUD BAY IN THE SOUTH, OYSTER RIVER IN THE NORTH AND INCLUDES DENMAN AND HORNBY ISLANDS

The Comox Valley is located on the east coast of Vancouver Island and covers 1725.6 square kilometres.

The region was settled in the late 1800s through farming, mining and forestry. Today, the mainstays of the local economy are retail and wholesale trade, health and social services, accommodation and food service, agriculture, forestry and fishing, and educational services.

The recent expansion of the Comox Valley Airport, relatively inexpensive real estate, attraction to a healthy lifestyle and retirement of baby boomers contribute to

steady population growth. Between 2001 and 2006, the Valley grew by 1.8% compared to the BC average of 1.2%. Westjet has also made recreational properties easily accessible for vacationers, especially Albertans. Many people who choose to relocate here have high level skills and are still in the work force, creating stiff competition for well-paid jobs. The influx of new people has also brought an increase in new businesses. Technology and easy access to transportation has enabled many to keep their client bases elsewhere while developing new markets here.

Until recently these trends fueled strong growth in construction, real estate and services supporting these industries. Areas that continue to see considerable activity are personal services such as alternative healthcare, wellness, the beauty industry and pet care. Business support services ranging from janitorial to security and tech-support are still in demand. There is steady growth in agriculture, particularly in organic and specialty crops, value-added products and agri-tourism.

Comox Valley Population Census 2006		
Total	62,934	100%
Courtenay	21,940	35%
Comox	12,136	19%
Cumberland	2,762	4%
Rest of Area	26,096	42%

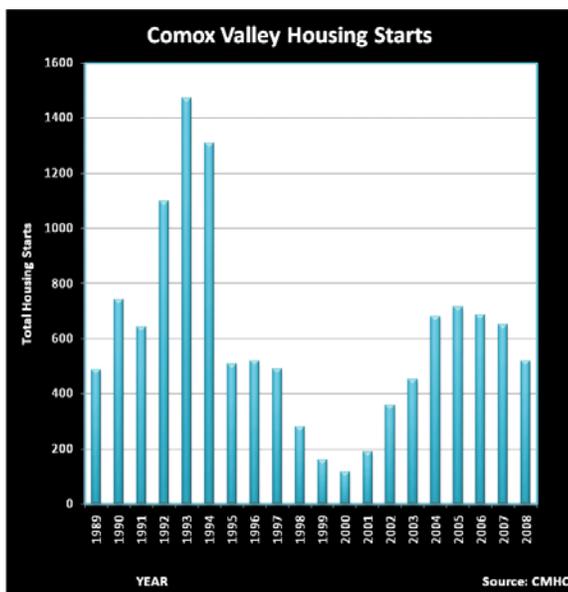
riding the wave

The Comox Valley has taken its share of job losses in this economic downturn but the diversity of the economic base and large employers such as the School District, St. Joseph's Hospital, North Island College and local government provide a lot of stability to the community. We are also fortunate to have 19 Wing-CFB Comox located here, providing 1000 military and 300 civilian employees with well-paid and steady work. These healthcare, education and public sector

employers help the Comox Valley ride the waves caused by economic shift.

After reaching peak levels in 2005 (see chart), construction has suffered serious job losses. According to the Canadian Housing and Mortgage Corporation, 2008 housing starts dropped 20% (650 to 517 starts), but remained above the 15-year average (507 starts). The first quarter of 2009 recorded only 27 starts, down from the 148 starts recorded in the first quarter of 2008. There are currently 279 homes under construction in the Comox Valley, which is down from the 487 homes under construction at the end of March 2008. On a positive note, many small contractors have managed to stay steady during this slow down with home renovations and business improvements. The main difference between this year and last according to one local contractor is, he is booking jobs 2 weeks in advance instead of four or five months.

There are also signs of major developments stirring. A new 94 unit hotel, under the Days Inn banner, is in the approval process with construction expected to start soon. North Island College has received \$8.2 million to build a new Skills Development and Trades Training Centre. CFB Comox is building 70 new apartments, a new retail CANEX building, and a new 2-storey health care facility. These projects, along with several infrastructure projects (sewer, street and facility



improvements) throughout the City and the Regional District should create a much needed increase in construction jobs as well as support services such as engineering, surveying, and environmental monitoring.

Retail sales are down, but many local retailers say that business is “not bad.” A small specialty clothing store reports people are coming in looking for something specific, buying that item and not looking at any extras, like accessories or impulse purchases. Building supply stores, such as flooring, window coverings and home décor are also reporting that trade, while slower than last year, is holding steady. The owner of a home outfitting store said if he didn't read the papers or watch the news, he wouldn't have noticed anything going on in the economy. The change for him was a shift in customer base from larger contractors to home owners and small contractors doing renovations.



The new Holiday Inn Express.

Many retailers who are noticing slowdowns in trade have held off on bringing in their seasonal workers, waiting till the volume of business picks up enough to warrant the extra staff. Other employers are asking for a voluntary reduction of hours from existing staff or accessing Service Canada's WorkSharing Program, where Employment Insurance tops up wages. Still other companies are keeping key staff busy working on business development projects, marketing or improvements that they didn't have time to get to when the boom was on. Karen McKinnon, owner of McKinnon Photography, 2008 Small Business of the Year says, "...this economy is an opportunity to flex your creative marketing muscles and to diversify if needed." Business for her is doing well and her advice for other businesses is "...appreciate your current clients in a tangible way and encourage and empower your staff to do what is needed to ride out the economy."

Hospitality and tourism industries have seen reduced

numbers of travelers from the United States, but the popularity of “staycations” has increased. People who might not be able to afford to go somewhere for holidays are choosing to stay at home and enjoy the amenities the area has to offer. A 91-unit Holiday Inn Express opened in May, the Best Western Westerly has just completed a 36-unit expansion and construction of a Days Inn is slated to begin this summer. Heading into summer, food service establishments have mixed reports about sales volumes. There are fewer people stopping to pick up pizza or take-out for dinner, and those who are eating out seem to be choosing less pricey options. Well-established, affordable eateries are still doing a fair trade.

Jobs in healthcare are always in demand, but as in any industry there are some occupations that are in higher demand than others. The new Seniors' Village at Casa Loma opened in March and created a large demand for Resident Care Aides (RCAs); however there seems to be a current oversupply of RCAs due to the number of graduates from the 6-month certificate program. More experienced RCAs are often able to secure regular work, but recent graduates report that hours are casual, on-call and sporadic at best. As a retirement and pre-retirement town and with the upcoming construction of a new hospital in the area, we can expect to see a continued demand for nurses, licensed practical nurses and other health care professionals.

Alternative care is also flourishing in the Valley. Chiropractors, massage therapists, physiotherapists and naturopathic doctors all report that business is remaining steady. One practitioner commented that some of her clients put a very high value on their health and will cut back in other areas in order to continue treatments. And it seems people not only want to feel good, they want to look good too. Hairdressers, estheticians and spa services are experiencing steady trade after a slow January. One salon owner says, clients will try and stretch the time between their cuts and colours a week or two longer but are still coming. Feeling and looking good can often help people through the stress of uncertainty.

Agriculture, which contributes over \$30 million to the local economy, is being actively promoted through our economic development society. The industry is expanding in scope, with value-added products being created by emerging companies such as Surgenor Brewery, Shelter Point Distillery and Beaufort Winery. Other products such as shellfish, cheese, produce and dairy continue to be in demand.

With tough economic times evident in our community and throughout the country, dairy farming is experiencing less

turmoil than many other industries. One of the reasons for this is that food – especially a staple food like milk – is a relatively recession-proof item. This year the Conference Board of Canada predicts that real sales of dairy products will decline, but only slightly, and this decline is mainly because consumers will opt for the lower-priced dairy products. As a farmer, this small decline is offset by the real gain made by the lower fuel, fertilizer and interest costs that we are benefiting from in comparison to a year ago. I believe there is optimism that we can continue to provide a steady level of employment and maintain the quality of product required to continue to be successful in our business.

~Dave Taylor, Viewfield Farms



Being a very environmentally-minded community, residents support suppliers and retailers who carry local, organic produce. The Comox Valley Farmers' Market, which operates Wednesdays and Saturdays from spring to fall, has a record number of vendors and a steady stream of visitors, fueled in part by ads on A-Channel, the Grower's Guide and their website, www.agrifoodcomoxvalley.com. Confirming the demand for local produce, Carmen Wakeling, co owner of Eatmore Sprouts states, "We are finding that food production, especially certified organic and local, seems to be ok. When the economy softens people tend eat at home a bit more..." An unexpected impact for Wakeling was reduced turnover in staff, which was one of her biggest challenges the previous two years. Agriculture and production jobs can often be difficult to fill, and the increase in unemployment has meant less turnover and lower staffing costs for their business. The Comox Valley Job Bank is seeing normal activity for job

postings for farm help such as milkers, pickers, shellfish harvesters, market helpers and general labourers.

Another business finding relief from the staffing problems of last year is My Tech Guys. Co-owner Bob Wells says, "Six months ago we had 5 responses to an ad we posted in the newspaper. This time we posted our openings at The Job Shop and had approximately 35 applicants, 25 of whom were well qualified." Good thing too, as the company is so busy they just hired three more staff. Four other computer service and repair shops in town advertised for staff in the last two months, and several large employers have posted positions for computer specialists. Business services such as marketing and advertising, packaging suppliers, web developers, custodial services, window-washing, and security report steady activity.



Brambles Market recently opened, with a focus on local and specialty foods.

The challenge for job seekers in a changing economy is being adaptable. The downturn of one industry means that workers from those industries may have to reassess their skills, and look for work in places they hadn't previously considered. More than 85% of employers in the Valley have fewer than 10 staff, they often don't advertise, and they are looking for people who can fill multiple roles. When the "right" person comes along, these employers will work hard to recruit and retain them. Larger employers also have their challenges; Gaya Laflamme, Human Resource Director for the Regional District, often has trouble recruiting for highly skilled occupations, but has many candidates to choose from for lower skilled positions. She advises people to continue to upgrade their skills while they are working so when the positions requiring higher skills come open, they are ready. While we wait for the next shift in the economy, there are many opportunities in the Comox Valley for those willing to adapt to the conditions and ride the current wave.

CAMPBELL RIVER

AND THE NORTH ISLAND REGION

The North Island region stretches from Campbell River to Port Hardy and from the east side of the island to the West Coast, including the communities of Gold River, Tahsis and Zeballos. It encompasses all the adjacent islands and parts of the mainland coast north to Bella Bella. The population of this area is 56,925 according to BCStats and accounts for 7% of the Vancouver Island/Central Coast's population.

Within this region Campbell River is a service hub for the North Island and is a growing community that is transitioning from its traditional forest, fishing and mining based economy to a diversified economy with growth being driven by new technologies, new energy sources, new relationships with First Nations, and an increased focus on services to support a growing and an aging population.

Development across the North Island is reflective of the restructuring of traditional resource-based industries and the emergence of new economic drivers for community and regional development. Mining is providing stability while emerging industries grow.



Examples of economic development indicative of our future include:

- ▶ Neucel Specialty Cellulose in Port Alice focusing on non-traditional forest products serving growing and new markets.
- ▶ Polaris Minerals and their Orca Bay Quarry near Port McNeill exporting sand and gravel to California and Hawaii through a new business development partnership with First Nations Communities.
- ▶ Canoe Pass Tidal Energy Corporation's tidal power energy generation project located just north of Campbell River which has been developed in partnership with the local Economic Development Corporation.
- ▶ The development of the Wei Wai Kum (Campbell River Band) Cruise Ship facility and marina and the building of a Home Depot and a Wal-Mart Super Store on band lands supporting increased tourism and retail sales
- ▶ The expansion of the Campbell River Airport runway and industrial lands supporting continued development of Campbell River as a North Island aerospace service hub.
- ▶ The building of a new Campbell River hospital to support population growth and an aging population with needed medical services and specialty services.

it pays to learn when shift happens

In times of rapid change those who are most adaptive thrive. Communities, industries, small businesses, governments, policy-makers, and workers face significant yet similar challenges. Change is being driven by economic restructuring, globalization of production and supply chains, emerging technologies, changing consumer priorities, and a rapidly aging population. Within this change, adaptation is driven by learning. It pays to learn when shift happens.

In October 2008, the global economic shift and the resulting labour market impacts happened at a speed that was truly unprecedented. Almost overnight, Campbell River's labour market switched from being demand driven (not enough people with the right skills) to supply driven (too many people with good skills chasing too few jobs.)

WHAT HAPPENED? SHIFT HAPPENED.

The economic shift in October was sudden and massive, but it was not the first notice of our changing



economy. Nor was it the first indication that all of us would need to learn and adapt to a changing world.

Over the past twenty years, the economy in Campbell

River and on the North Island has steadily shifted from a goods-producing economy driven by forestry, fishing, mining and construction to a more balanced economy with an ever-increasing service sector focus. Between 1996 and 2006, the Vancouver Island/Central Coast Development Region saw employment increase by 20% while the population for the Vancouver Island Development Region grew by only 10%.

WELCOME TO THE WORLD OF SKILL AND LABOUR SHORTAGES.

In that same period, total employment in those goods-producing industries remained static with job losses in forest and fishing based occupations being off-set by job increases in construction. Mining was relatively stable. Total employment in service-producing industries increased by 60,800 people (25%). Employment increases in service sector industries were primarily in: wholesale/retail, health care and social services, professional and technical services, accommodation and food services, business/building/support services, and information/cultural/recreation. The only service sector experiencing employment loss was public administration which decreased by 2,600 (9%).



Line-up of displaced workers attending a hiring fair for the opening of the New Horizons senior's facility.

Even before the major downturn last October, challenges were deepening in the local economy. This past year was a rough one for Campbell River's resource-based companies and workers. In February 2008, TimberWest announced the closure of its sawmill with the permanent loss of 257 jobs. In March 2008, Breakwater Resources announced restructuring measures at Myra Falls Mine, reducing its workforce by 187 positions. Then in July, Catalyst announced it would lay off 440 workers with the permanent closure of its sawdust pulp and containerboard operation effective November 30th, 2008. At the end of February 2009, 350 additional Catalyst workers were laid off indefinitely.

By the last quarter of 2008, Campbell River began to experience the secondary effects of the restructuring

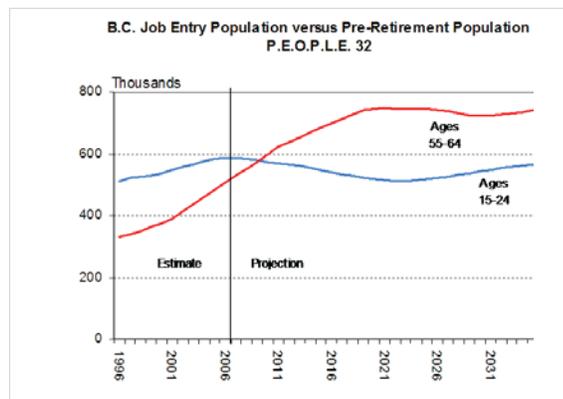
and the closures. Supply and service industries experienced slowdowns and lay-offs.

Following this second wave of downsizing, a third layer of impact is inevitable. Core community infrastructure (municipal government, school districts) is negatively impacted by declining industry-based municipal tax revenues and declining school populations. Small and medium sized businesses (e.g. grocery and retail stores, car dealerships, restaurants) are negatively impacted when the wages of displaced workers are no longer circulating in the community.

Throughout these phases of economic downsizing and job loss, more people use federal employment insurance benefits and provincial employment assistance programs. Associated with this is a corresponding jump in the need for, and use of, volunteers and social service agencies to support increased usage of food banks, housing support, employee assistance programs, and addiction and counselling services. At the same time, many of the volunteer-based organizations see investment revenues and grants decline as a result of falling return on investments.

The impact of all these losses can seem insurmountable to a community. Yet there is reason for optimism and hope for our community and region.

Even without economic growth, the skill and labour shortages that we saw up to October 2008 are still with us. These shortages are only masked temporarily by this economic recession and the unemployment rates that in the Campbell River area have almost doubled in the past year (BCStats). Ultimately, skill and labour shortages are unavoidable because of the demographic shifts occurring due to a rapidly aging population, declining birth rates and declining youth populations.



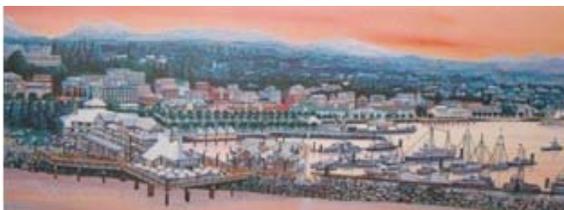
An implication of the changing demographic situation is that the population leaving the labour force (age 55-64) will soon begin to exceed new labour force entrants.

Economic recovery lies ahead – yet another shift. Skill and labour shortages will rapidly re-emerge as economic recession recedes and economic growth returns. We have a relatively short time to learn from these shifts and prepare for the growth, development and opportunities that will come next.

Our forestry sector will recover when American markets, access to credit, and housing starts begin to return to pre-October 2008 levels. But this recovery will not mean a return of mills that have closed or a return to pre-October 2008 employments levels in forest-based harvesting, transportation and manufacturing. It will mean there will be an intensive re-visioning of how forests will be used and how this renewable resource will be stewarded and developed (see: Moving Toward a High Value, Globally Competitive, Sustainable Forest Industry, The Report On The Working Roundtable on Forestry, March 2009).

The re-visioning will take place across all aspects of the local economy. Other examples of economic transitions and areas for development in Campbell River include:

- ▶ mining
- ▶ fish farming
- ▶ construction and infrastructure projects such as new hospital, seniors facilities, residential development projects, Spirit Square and downtown development, airport development, cruise ship terminal and marina development
- ▶ new energy projects
- ▶ local food production and community markets expansion
- ▶ arts and culture
- ▶ theme-based tourism initiatives focusing on sports, First Nations, elder-, eco- and adventure-tourism
- ▶ expansion of international student programs
- ▶ retail expansion including a 165,000 square foot Wal-Mart Super Centre



An artist's concept of downtown Campbell River, showing how it may evolve in the future, reshaped by development – part of a study commissioned by the City of Campbell River.

As one part of its learning during this economic shift, Campbell River is building upon greening technologies and new energy production. The Seymour Narrows Project at Maude Island will be the first commercial-scale tidal current electrical turbine in North America. Canoe Pass Tidal Energy Corporation will build this project with the support of a consortium that includes RiverCorp (Campbell River's Economic Development Corporation). Two million dollars in funding will come from the province's Innovative Clean Energy (ICE) Fund. This will be an economic boost for Campbell River as goods and services in support of the construction will be accessed locally. This may also help to establish Campbell River as a service centre for other tidal power generation projects in the region.

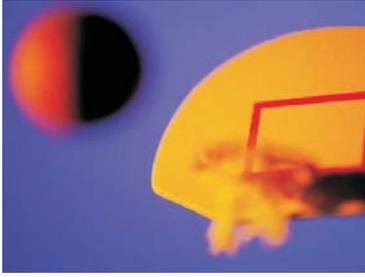
SO, IT PAYS TO LEARN WHEN SHIFT HAPPENS.

Why? Two years from now, the number of people leaving the workforce will be greater than the number of new entrants into the workforce. To deal with that shift, employment and training organizations, sector councils, unions, and companies in Campbell River are currently in the process of re-skilling, re-tooling and training people. The challenges are to address current skills shortages and also to prepare the workforce for the opportunities to come. Those opportunities will be created both by the pending retirement of our existing workforce and by the new employment we will see in new sectors, industries and occupations.

IT PAYS TO LEARN.

For those in the workforce, ongoing skill development is essential. Only 9.3% of all jobs between 2006 and 2011 will require less than high school graduation (Canadian Occupation Projection System, Nov. 2006). It pays to learn because the strongest indicator of a person's future labour market attachment and income is their level of educational attainment (Indicators of Well-Being, HRSDC, Jan. 2007). It pays to learn because the higher the level of training and education, the higher the level of income (HRSDC, Jan. 2007). It pays to learn because skill development is directly linked to the productivity increases needed to be competitive in a global marketplace.

For those who plan, need, and create workforce development, it pays to learn because community, economic, business, social, and workforce well-being are intrinsically tied together by our ability to learn as a tool for managing change. And times have never been changing more quickly.



If at first you don't succeed,
you're running about average.
~M.H. Anderson

tips for coping when shift happens

- 1. Read *Who Moved My Cheese* by Spencer Johnson, MD.** This is a great little book about coping with change. This story of four mice looking for their cheese offers helpful insights for reducing stress and enjoying success. There are many other great resources available in your local library, online or at your local Employment Assistance Centre.
- 2. Focus on things you can control.**
Spending time worrying about things that are out of your control is not productive. Instead focus on things that are in your control, such as your job search or your attitude.
- 3. Make a list of the positives in your life.**
We can spend a lot of time thinking about all the things that aren't working for us. Redirect that energy toward the things that are working for you. Think about family, friends, health, hobbies or other blessings in your life.
- 5. Look after your health.**
Eat well, get plenty of sleep, and exercise. Stress can develop into physical problems if it is not dealt with.
- 6. Laugh often.**
Find something fun to do. Take a funny book or movie out of the library. Hang out with friends. Play with a child.
- 7. Have a plan.**
Start small. Your plan might be for the day. It might consist of one step such as making an appointment with a Career Advisor at your local Employment Assistance Centre. Action will lead to more action. No action will lead to no action.
- 8. Reevaluate your needs and wants.**
Make sure your budget reflects those things you can't do without and put those items you can live without on hold for now. Restructuring your lifestyle for the short or the long term can be hard, but is far less stressful than digging a hole you can't get out of.
- 9. Create a support system.**
There are many people and services that can help you through this time. Talk to friends, family, counsellors, or clergy. Your Employment Assistance Centre will have a listing of free services available in your community or check the blue pages of your local phone book.
- 10. Increase your visibility.**
It is natural to want to bury your head in the sand when things are going wrong. When you are job searching, it is more important than ever to stay in touch with your job search network. Attend events. Call people. Volunteer. Remember, it's not who you know; it's who knows you.

It's not that I'm so smart,
it's just that I stay with problems longer.
~Albert Einstein



INCREASE your L-factor book review

How important is it to have a high likeability factor? The research in *The LikeAbility Factor*, a short and to-the-point book by Tim Sanders, indicates being highly liked can help you get a job, keep a job and generally be more successful in your life. One research survey found “popular workers were seen as trustworthy, motivated, serious, decisive and hardworking and were recommended for fast-track promotion and generous pay increases.” Another study concluded “the decision regarding who stays and who goes in a downsizing boils down to the L-factor: how well people are liked by their supervisor.”

Increasing your likeability is a 4 step process:

01 Be friendly

02 Be relevant to the person

03 Be empathetic

04 Be real

Sanders gives great tips on how you can increase your friendliness, relevance, empathy and realness with others to up your L-factor. **The LikeAbility Factor by Tim Sanders can be found at your local Vancouver Island Library.**



Change has a considerable psychological impact on the human mind. To the fearful it is threatening because it means that things may get worse, to the hopeful it is encouraging because things may get better. To the confident it is inspiring because the challenge exists to make things better.
~ King Whitney Jr.

local employment assistance services in your area

- ▶ provides personalized job search
- ▶ all services are free of charge
- ▶ has internet, fax machines, long distance calling, message service and photocopying for job search
- ▶ hosts workshops to provide individuals with career decision making and job search skills
- ▶ collects, analyses and distributes information about the local labour market
- ▶ provides individualized career development assistance and counselling
- ▶ provides resume and cover letter assistance
- ▶ hosts employer forums and hiring fairs
- ▶ connects employers with job seekers
- ▶ provides free job posting services for local employers
- ▶ offers online job postings, and many other resources through their websites (listed on the back of this publication)
- ▶ welcomes EVERYONE! Employment services are for the community – both job seekers and employers.



These regional Employment Assistance Services are located in the mid and north Vancouver Island area, as well as the Sunshine Coast. Contact information is on the back of the publication.



CUSTOM SOLUTIONS TO CONNECT EMPLOYERS WITH JOB SEEKERS

Resources at the multi-service agencies contributing to this newsletter are working to assist residents with their job search and career development needs.



ONLINE LOCAL JOB POSTINGS

- www.avemployment.ca
- www.careercentre.org
- www.careerlinkbc.com
- www.thejobshop.ca
- www.niefs.net



OTHER ONLINE JOB POSTINGS

- www.indeed.ca
- www.monster.ca
- www.jobbank.gc.ca
- www.workopolis.com



The Best Place on Earth

Coastal Community Labour Market Report Summer 2009

This newsletter is a cooperative effort by:

Alberni Valley Employment Centre

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250-724-4560



The Career Centre

110-198 East Island Hwy, Parksville
250-248-3205



Career Link

103-4511 Marine Avenue, Powell River
604-485-7958



The Job Shop

103-555 4th Street, Comox Valley
250-334-3119



North Island Employment Foundations Society

870C - 13th Avenue, Campbell River
250-286-3441



The labour market specialists in each of these regional Employment Assistance Centres strive to offer job seekers and businesses a local perspective on the unique economies and business trends of their communities.

front cover photo: Evan Leeson