



Northwest Ontario Labour Market Monitor

~December 2009~

The Labour Market Monitor is an overview of labour market information for the **Northwest Ontario Economic Region** which includes the districts of Thunder Bay, Rainy River and Kenora. This monthly report is produced by the local area Labour Market Information Analyst. For further information contact:

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Labour Force Trends/Survey

The Northwest Ontario economic region recorded a loss in net employment (-2,000) from December 2008 to December 2009, entirely in part-time employment (-2,100). The employment rate fell slightly by 0.5 percentage points to 59%. The labour force in the Northwest economic region continued to contract more rapidly than the drop in employment. Consequently, the number of unemployed fell (-1,200) reducing the unemployment rate from 7.3% in December 2008 to 6.5% in December 2009. This is the second lowest rate for all the economic regions in Ontario. Over the same period, the provincial unemployment rate increased from 6.4% to 8.3%.

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

<http://www40.statcan.gc.ca/l01/cst01/lfss05d-eng.htm>

Labour Market News by Industry

Construction

The St. Joseph's Care Group in Thunder Bay will receive \$6.6 million in funding from the federal and provincial governments to construct 132 supportive housing units for seniors. The project is expected to be completed in 2012, creating about 110 jobs during that time.

Kenora-Patricia Child and Family Services announced plans to construct a new group home in Kenora. Funding for the \$2.2 million

project will be provided by the federal and provincial governments, as well as Child and Family Services. Completion is scheduled for March 2011.

Forestry

The Ontario Ministry of Northern Development, Mines and Forestry launched the second stage of its wood supply competitive process. The process is open to any party interested in using Crown wood supply and investing in Ontario, including existing forest companies with idle processing or manufacturing facilities. The wood will come from 41 forest management units throughout Ontario with majority located in Northern Ontario.

Finance, Insurance Real Estate and Leasing

Chartered accountants Fitzpatrick & Partners LLP in Thunder Bay will merge with Meyers Norris Penny (MNP) LLP in February 2010. MNP is a chartered accountancy and business advisory firm with over 50 locations across Canada. It has four offices in Ontario including Kenora and Red Lake. Fitzpatrick & Partners currently employ about 35 people.

Manufacturing

AbitibiBowater in Thunder Bay announced it will restart its number five paper machine in early February 2010. About 170 mill workers will be recalled. The restart is expected to increase harvesting activities leading to the recall of bush workers. About 360 employees were laid off in August 2009 when the company shut down its number four and five paper machines due to low demand and poor market conditions.

Kenogami Industries Incorporated (KII) announced it has purchased the assets of Longlac Wood Industries (LWI), a division of Montreal-based Kruger Incorporated. LWI shut down in January 2009 affecting about 130



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workers. Kenogami Industries is a partnership between Ginoogaming First Nation, the Municipality of Greenstone and a group of private investors. Details regarding future operations have not yet been released. Longlac is located about 300 kilometres northeast of Thunder Bay.

Mining

North American Palladium (NAP) announced it will resume operations at its Lac des Iles Mine (150 kilometres northwest of Thunder Bay) during the second quarter of 2010. About 350 employees were laid off in October 2008 when the mine was placed on care and maintenance due to depressed metal prices. NAP intends to hire 150 employees as a result of the restart, bringing the total workforce to around 180. Palladium is used in the manufacture of auto catalysts and other electronic applications. Recently, the price of palladium has risen.

Nuinsco Resources Limited announced it has reached an agreement to sell its Cameron Lake gold project south of Kenora to Australian-based Coventry Resources Limited.

Professional, Scientific and Technical Services

Lakehead University's Biorefining Research Initiative in Thunder Bay officially opened in December 2009. The project will focus on developing new technologies for converting forest biomass into chemicals and biofuels.

The laboratory is expected to hire three scientists and up to ten researchers over the next year.

Public Administration

Several First Nations communities in Northwestern Ontario have been approved for funding under the Ontario government's New Relationships Fund. The fund assists Aboriginal communities and organizations to participate in consultations with government and the private sector. Projects are designed to enhance skills training and economic development. Recipients include: Big Grassy, Eagle Lake, Fort William, Big Trout Lake, Lac Seul, Long Lake #58, Naicatchewenin, North Caribou Lake, Ojibways of Onigaming, Ojibways of the Pic River, Pays Plat, Pic Moberg, Pikangikum, Rainy River, Red Rock, Stanjikoming, Wabaseemoong, Wabauskang, Wabigoon Lake, Whitesand, Keewaytinook Okimakanak Tribal Council and Seven Generations Education Institute.

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.