



Northwest Ontario Labour Market Monitor

~July 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 (-1,100) from July 2008 to July 2009. All losses were in full-time employment (-2,500), while part-time employment partially offset these losses (+1,600). The working-age population declined by 2,000, and the labour force contracted by 1,400. Although employment declined, the population and the labour force declined by an even greater amount, leaving the employment and participation rates unchanged from July 2008, and causing unemployment to fall by 400. As a result, the unemployment rate declined slightly from 9.2 % to 8.9%. Over the same period, the provincial unemployment rate rose from 6.8% to 9.8%.

For more information, visit the Statistics Canada website at:

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

Labour Market News by Industry

Accommodation and Food Services

Thunder Bay's East Side Mario's closed after 16 years of operation. The restaurant employed 50 people.

Arts, Entertainment and Recreation

The Ontario government is providing \$8 million to build a permanent berm around Fort William Historical Park in Thunder Bay. The berm will protect the area from flooding and allow management to look into expanding the park and further developing the local tourism industry.

Construction

The Township of Ear Falls began construction of a new Community Health Care Centre. Funding for the project was provided by the provincial government's Municipal Infrastructure Investment Initiative.

Cat Lake and Lac Seul First Nations received funding from the Government of Canada to construct two new schools. Construction of the Lac Seul school is expected to be completed by September 2011 and the Cat Lake school by September 2012. Cat Lake First Nation is located 180 kilometres north of Sioux Lookout. Lac Seul First Nation is located 15 kilometres west of Sioux Lookout.

The City of Thunder Bay signed an agreement with a group of private developers as part of the City's waterfront project. The four companies will purchase two parcels of land at the waterfront to build a hotel and two condominiums. In addition, the developers will be responsible for maintenance of the CN Station, a heritage building, which will be used for commercial space. The city estimates that the construction will create 250 jobs a year. The completed waterfront development is expected to create 350 permanent jobs.

Construction on the first phase of the project is scheduled for September 2009. In anticipation of this, the City has put out tenders for site preparation and infrastructure improvements for the area. The Northern Ontario Heritage Fund has given the City over \$5 million for this infrastructure work.



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The Canada Mortgage and Housing Corporation (CMHC) reports that housing starts in Thunder Bay are up 17 percent over 2008 because of more semi-detached and apartment starts. During the same time period, the number of single-detached homes under construction fell by almost 10 percent. According to the CMHC, the city has a low vacancy rate because few apartments or semi-detached homes have been built over the last 10 to 15 years.

Health Care and Social Services

Red Lake Holistic Services recently opened in Red Lake. The business will provide holistic health services, such as Tai massage and energy medicine to the public.

Manufacturing

Wabaseemoong Independent Nations and Moncrief Construction of Kenora have entered into a joint partnership to produce modular homes. The new company, Wincrief Forestry Products, currently employs 20 people. The company expects to manufacture about 25 homes during its first year of operation. Wabaseemoong is located about 120 kilometres northwest of Kenora.

The former Fibratech particleboard mill in Atikokan has been sold to Atikokan Renewable Fuels. The company plans to convert the mill into a wood pellet manufacturing plant. Production is expected to begin in early 2010. The plant will employ about 40 people. The company also plans to set up an assembly plant in Thunder Bay to manufacture wood pellet machinery and equipment for export. The proposed plant could create up to 60 jobs. An estimated 140 people were laid off when the Fibratech mill went into receivership in 2007. Atikokan Renewable Resources is also the principal owner of Automation Now, MGM Electric and Mahon Electric in Thunder Bay.

The Township of Schreiber is exploring the potential of establishing a waste pellet plant. The proposed plant would employ about 50 people.

The AbitibiBowater mill in Fort Frances was idled for one week in July. The scheduled downtime affected two paper machines. A third paper machine has been idle since March. The company cited poor market conditions as the primary reason for closure. About 650 people are employed at the mill.

Mining

The Ontario Ministry of Northern Development, Mines and Forestry reported mining activity in the Kenora/Rainy River district is at its highest level since the mid-1980s. There are currently 65 companies involved in mining exploration in the area.

Other Services

Custom Drilling recently opened in Kenora. The company will provide drilling services for the mining industry, as well as install commercial and residential steel supported docks and floats.

Public Administration

On July 17, 2009, the Ontario Provincial Police (OPP) replaced the Kenora Police Service in the city of Kenora. Thirty-three officers and seven civilians transferred to the new service. The OPP employs about 135 people throughout the Kenora area.

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.