

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. The Labour Market Monitor is a monthly report focusing on labour market information produced by Ontario Region, Service Canada Labour Market and Socio-Economic Information Directorate. For further information contact us at: lmi-imt@servicecanada.gc.ca

Labour Force Trends

Employment in the Northwest Ontario economic region increased by 2,500 from June 2009 to June 2010 with all job gains in full-time employment (+2,600). This employment growth combined with a decline in the population aged 15 and over (-1,800) caused the employment rate to increase by 2.0 percentage points to 58.7%. A decrease in the number of people unemployed (-4,400) caused the unemployment rate to drop by 3.8 percentage points from 11.2% in June 2009 to 7.4% in June 2010, one of the lowest rates among all Ontario economic regions. Over the same period, the provincial unemployment rate declined from 9.4% to 8.8%.

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

Arts, Entertainment & Recreation

The Movie Gallery stores in Fort Frances, Kenora and Dryden are closing in July. The closure is part of a massive liquidation of all 181 Movie Gallery locations across Canada. The company filed for bankruptcy in February, citing overwhelming competitive pressure.

Business, Building and Support Services

A proposed \$8 million sale of part of the Innovation Business Park in Thunder Bay has

fallen through. First Gulf Thunder Bay Developments Incorporated decided not to purchase the parcel of 52 acres of land from the city, which was earmarked for a retail centre. The company cites global economic conditions and an inability to secure tenants for the decision.

Construction

Several construction projects have been awarded in June as part of the Open Ontario Plan.

- Teranorth Construction & Engineering Limited has been awarded a \$12 million contract to construct two bridges across the Mackenzie River in the Municipality of Shuniah. The project is expected to create over 80 jobs.
- Miller Northwest Limited has been awarded a \$7.5 million contract to improve 30 kilometres of Highways 11 and 662 near Atikokan. Approximately 50 construction jobs will be created as a result. The project is expected to be completed in October 2010.
- Concreate USL Limited has been awarded an \$8.8 million contract to install concrete decking on the Noden Causeway east of Fort Frances. The project is expected to create an estimated 60 jobs.
- Pioneer Construction Incorporated has been awarded a \$3.2 million contract for upgrades of a section of Highway 11/17 east of Thunder Bay. The project, slated for completion in October, is expected to create approximately 20 jobs.

Construction began this month on the 40,000 square foot expansion for Thunder Bay's Wal-Mart. The expansion, which will feature wider shopping aisles and a grocery section, is expected to be completed in summer 2011.

The Canada Mortgage and Housing Corporation (CMHC) announced 24 housing starts in Thunder Bay for May 2010 compared to 18 in May 2009, an increase of 33%. www.cmhc-schl.gc.ca

Building permits in Thunder Bay totalled \$7.1 million for April 2010, a decrease of 11.2% over April 2009.

Construction on the Terrace Bay Cultural Centre continues on schedule and is expected to be completed in August 2010. Renovations on the building include an expansion for the public library in the north wing and enhancements to the Superior Seniors Activity Centre and the Michael King Hall. The \$2 million facility received funding from the Building Canada Fund, Northern Ontario Heritage Fund Corporation and the Ontario Trillium Foundation.

Education Services

Confederation College signed a Memorandum of Understanding with the City of Thunder Bay, the Ontario Association of Fire Chiefs and the Ontario Fire Marshall to accredit a new program at the college for students wishing to become fire fighters. The one year Pre-Service Fire Fighter Education and Training Program will provide prospective fire fighters with the knowledge and skills to enter a competitive labour market. The program begins in September. www.confederationc.on.ca

The Wahsa Distance Education Centre in Sioux Lookout will remain open for another school year. Indian and Northern Affairs Canada (INAC) confirmed that the centre will receive \$20.7 million in funding. The centre provides secondary school educational services to remote northern locations.

Contact North is upgrading its network and audio-conference, video-conference and e-learning technologies to meet a growing number of course registrations. The distance education network, which has access centres in over 90 communities in Northern Ontario, experienced a 60% increase in registrations this past fall.

Finance, Insurance & Real Estate & Leasing

The Copperfin Credit Union branch in Balmertown will be closing August 27, 2010. The bank cites an inability to generate profit and capital as reasons for closure. Branches in Kenora, Sioux Narrows, Ear Falls, and Nestor Falls will remain open.

Manufacturing

Bombardier Transportation signed a contract with Metrolinx to manufacture 182 light rail

transit vehicles at its Thunder Bay facility. Over 200 jobs will be created as a result. Under the \$770 million contract, an additional 118 vehicles can also be ordered at a later date. The vehicles are expected to be ready for delivery in staggered lots between 2013 to 2020.

The McKenzie Forest Products sawmill in Hudson opened on May 31, resulting in 65 employees returning to work. The company anticipates a second shift by September 2010 depending on market conditions.

Terrace Bay Pulp lost its major lender, resulting in a loss of \$40 million in outside investment. The company remains optimistic that the mill will re-open as an alternative creditor has been found and is under review by the province. Over 400 workers were laid off when the facility closed in 2009.

Mining

Osisko Mining Corporation acquired Brett Resources Incorporated at the end of May. Brett Resources' major project has been the Hammond Reef gold deposit outside of Atikokan. The company expects to pursue development of the Hammond Reef project by completing feasibility studies and environmental assessments this year.

Puget Ventures Incorporated announced that a secondary drilling program has produced high-grade cobalt deposits at its Werner Lake property near Kenora. The company plans a surface exploration program during the summer.

Noront Resources Limited signed a historical exploration agreement with the Webequie First Nation in June. The agreement sets out protocols for exploration activities conducted on reserve land and outlines a future impact benefit agreement. Noront Resources is a dominant land holder for the Ring of Fire mineral deposit in the James Bay Lowlands.

Noront Resources also announced high-grade assay results from its Eagle's Nest copper, nickel, platinum and palladium deposit in the Ring of Fire site. The company plans on continuing with exploration activities in the area and has commenced drilling in the Eagle's Nest area.

Professional, Scientific & Technical Services

Thunder Bay Regional Health Services Centre announced it will construct a second coronary

catheterization laboratory. The project is partially funded through the Ministry of Health and Long-Term Care, which is providing \$8.4 million for the project that is estimated to cost \$12 million. The remainder of the cost will be funded by Thunder Bay Regional Health Sciences Foundation.

Activation Laboratories Limited (Act Labs) announced it is opening a new facility in Thunder Bay. The 38,000 square foot building, formerly the Brick Furniture store, will contain an administrative office and new mineral detection technologies. Approximately 30 to 40 new positions will be created. The company cites an increase in demand for assay services as a result of the Ring of Fire mineral deposit.

Public Administration

The Fort Frances Public Library and Technology Centre opened in June after being under construction since last year. The new \$4 million facility was partially funded by a grant through the Building Canada Fund.

Several Northwestern Ontario initiatives are receiving federal funding aimed at strengthening the economy. FedNor pledged \$1.1 million towards 10 separate community projects, including \$250,000 to the Nishnawbe-Aski Development Fund, for loans to small and

medium-sized businesses, and \$165,000 to create internships for graduates in the Thunder Bay area.

FedNor is also assisting the city of Dryden with infrastructure costs for the Canadian Masters Windsurfing Championships. The Government of Canada is investing \$135,511 for the championship, which runs this summer from August 6-8.

The Dryden Literacy Association will stay open this summer due to additional funding from the Ministry of Training, Colleges and Universities. The centre offers a variety of services to adults looking to upgrade their computer and literacy skills.

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.