



# Northwest Ontario Labour Market Monitor

~October 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:

[carol.brown@servicecanada.gc.ca](mailto:carol.brown@servicecanada.gc.ca)

[dianne.brothers@servicecanada.gc.ca](mailto:dianne.brothers@servicecanada.gc.ca)

## Labour Force Trends/Survey

The Northwest Ontario economic region recorded a loss in net employment (-5,700) from October 2008 to October 2009, the majority in full-time jobs (-6,300) and partially offset by a small gain in part-time employment (+700). The employment rate has decreased by 2.6 percentage points to 58.1%. The labour market in the Northwest economic region continues to contract as both the labour force and the working age population declines. The number of unemployed grew by 2,000 pushing the unemployment rate up from 6.4% in October 2008 to 8.4% in October 2009. Over the same period, the provincial unemployment rate increased from 6.3% to 8.9%.

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

### Agriculture

The Thunder Bay District Agricultural Economic Impact Study reveals that the number of farms in the Thunder Bay area increased between 2001 and 2006. However, since 1996, there has been an 18% drop in the total number of farms in the district. According to the report, agriculture generated \$32 million in gross revenue in the Thunder Bay District in 2005 and created 605 jobs – a 28% decrease since 1996. The report

also showed that employment on farms is shifting from full-time to part-time as nearly half of all farmers in the district have other employment.

### Construction

Construction began on the new Fort Frances Public Library and Technology Centre. The estimated cost of the project is \$4.7 million and is expected to be completed by the summer of 2010.

Construction began on a new school on Wabaseemoong First Nation. The \$25 million facility will accommodate 460 students from kindergarten to grade 12. The project will create 17 construction jobs for the First Nation. The school is expected to be completed by the fall of 2010.

### Manufacturing

Four pulp and paper mills in Northwestern Ontario are eligible for funding under the federal government's Pulp and Paper Green Transformation program: the AbitibiBowater mills in Fort Frances and Thunder Bay, the Domtar mill in Dryden and the Terrace Bay Pulp mill. The program will provide funding to Canadian pulp and paper producers who invest in improved energy efficiency and environmental performance. The Green Transformation Program will provide funding of \$0.16 per litre of black liquor, up to a maximum program total of \$1 billion. Black liquor is a liquid by-product of the chemical pulping process used to generate renewable heat and power.

Terrace Bay Pulp received an extension for court protection under the Creditors Arrangement Act. The company is attempting to re-finance in order to re-open the mill before winter. The mill shut down in February 2009.

The United Steelworkers Union expressed concern over the upcoming winter and its impact



Service  
Canada

Canada

on the idled Marathon Pulp Incorporated mill. Union officials have called on Tembec, owners of the mill, to heat the facility in order to protect the assets. Consultants were hired to conduct a feasibility study on the future of the mill.

## Mining

Brett Resources and the Fort Frances Chiefs Secretariat have signed a Memorandum of Understanding to develop and implement an Impact Benefits Agreement (IBA). The IBA will cover exploration activities conducted by Brett Resources on its Hammond Reef Gold Project near Atikokan. The IBA will include revenue-sharing, employment, Aboriginal youth training and the establishment of a social economic fund for the use and benefit of the First Nation communities.

Canadian Arrow Mines will spend \$1.8 million towards exploration programs for its nickel-copper properties in Northwestern Ontario. The initial focus will be on the Turtlepond Lake group projects located about 40 kilometres south of Dryden. Additional drilling is also planned on the company's flagship Kenbridge property located 70 kilometres southeast of Kenora.

Laurentian Goldfields has completed a summer exploration program on its Van Horne gold property located 8 kilometres south of Dryden. A drill testing program is planned for the winter/spring of 2010.

## Professional, Scientific and Technical Services

Tornado Medical Systems, a subsidiary of Toronto-based Sentinelle Medical, announced it will be setting up a Thunder Bay facility to research and develop diagnostic imaging equipment. The company will partner with the Thunder Bay Regional Research Institute. Within the first 18 months, the company expects to have 50 employees including engineers, software developers and accounting. By 2013, the company hopes to have a workforce of 200 professionals.

## Public Administration

Job action centres in Nipigon, White River and Thunder Bay are scheduled to close by the end of 2009. The centres provide employment services to individuals affected by industry closures. Job action centres in Terrace Bay, Marathon and Geraldton have funding to stay open into 2010.

## Trade, Wholesale and Retail

Superior Propane announced it will open a training facility in Thunder Bay to be used by employees from across the country. Superior Propane moved its call centre operation to Thunder Bay two years ago and now has 100 employees at the centre. The company expects to employ up to 200 people in Thunder Bay within the next few years.

## Transportation and Warehousing

Greyhound officials and Ontario's Minister of Transportation met to discuss Greyhound's announced plans to cancel service to Northwestern Ontario and Manitoba. Greyhound said it cannot continue to offer service in some areas without government subsidies. The company hopes to work with the province to put together a short-term solution that will keep the company operating in Northwestern Ontario for another 12 months. The company would then work on a longer-term solution to service in Northwestern Ontario.

*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.*