

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 decreased by 800 from July 2009 to July 2010 with all job losses in part-time employment (-1,800) partially offset by full-time employment gains (+800). A decline in the size of the labour force combined with a decrease in the number of unemployed people caused the unemployment rate to drop by 1.5 percentage points from 8.9% in July 2009 to 7.4% in July 2010. This is one of the lowest rates among Ontario's economic regions. Over the same period, the provincial unemployment rate declined from 9.8% to 9.0%.

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

Bruno's Contracting Inc. has been awarded a \$9.9 million contract to improve a section of Highway 61 and Highway 11/17 in the Thunder Bay region. Part of the Open Ontario Plan, the projects will create about 70 jobs. Completion is scheduled in 2011.

Construction to improve two sections of Highway 17 near Kenora is underway. Pioneer Construction has been awarded the \$2.1 million contract which is expected to be completed by

the fall of 2010 and create approximately 15 jobs.

LTL Contracting Ltd. has been awarded the contract for construction of the Norwill Industrial Park Expansion in Dryden. Once complete, the subdivision will have seven lots of approximately two hectares each for industrial use. Aspenware Inc. has an agreement with the City of Dryden to purchase one of the lots to manufacture forestry products, which is expected to result in approximately 50 positions at the facility. The project is being funded by the Community Adjustment Fund under FedNor.

Construction began this month on the Mary J. L. Black Library in Thunder Bay. The 9,400 square foot facility will cost \$4.11 million, which will be paid equally by the City of Thunder Bay and the provincial and federal governments. The public library is expected to be completed by March 2011.

Building permits in Thunder Bay totalled \$22.3 million for May 2010, an increase of 114.0% over May 2009.

The Canada Mortgage and Housing Corporation (CMHC) announced 35 housing starts in Thunder Bay for June 2010 compared to 27 in June 2009. www.cmhc-schl.gc.ca

Manufacturing

EACOM Timber Corp. announced it has no immediate plans to restart the Ear Falls sawmill. The company cites high operating costs as a reason for the delay in reopening. The company acquired the idle sawmill as part of a definitive purchase agreement from Domtar Corp. in March 2010.

Domtar Corp. signed a protocol for cooperation with Lac Seul First Nation on July 29. The agreement outlines mutual economic interests between the First Nation and Domtar's forestry management areas within the Band's traditional territory near Dryden. As part of the protocol, the two parties will also work together to form a

long-term forestry agreement and explore the economic viability of a factory in the community.

Mining

Cliffs Natural Resources Inc. increased ownership over Spider Resources Inc. to 85%, gaining control of the 'Big Daddy' chromite deposit in The Ring of Fire site. The American company now owns over 50% of the deposit after acquiring an additional 22.2 million Spider Resources shares in late July.

The Ontario government signed a Memorandum of Understanding with India's Ministry of Mines on July 9. The agreement outlines the potential for opportunities in mineral exploration and development and secures a working relationship between the two jurisdictions.

Treasury Metals Inc. announced that an initial assessment of its Goliath Gold Project east of Dryden suggests the potential of future mining operations. The company plans to further evaluate and develop the site.

Rainy River Resources Ltd. began a drilling program at the Rainy River Gold Project near Fort Frances in July. The company also recently announced plans for a feasibility study and the development of an advanced exploration program for 2011.

Public Administration

An investment of \$5.5 million from the federal and provincial governments will allow several rural Northwestern Ontario communities to receive broadband Internet services. Approximately 720 households in the Oliver-Paipoonge, Fort William First Nation, Neebing, and Shuniah townships and 560 households on the Whitedog First Nation and Grassy Narrow First Nation will be eligible to receive broadband Internet by December 2011. Three internet services providers have been approved for funding: Galaxy Broadband Communications, Spectrum Telecom Group Ltd./Blue Sky Economic Growth Corp. and TBayTel/Northwestern Ontario Innovation Centre.

FedNor announced it is investing \$1,160,000 for three separate initiatives in Northwestern Ontario communities through the Community Futures Program:

- Greenstone Economic Development Corporation will receive over \$410,000;

- Atikokan Economic Development Corporation will receive \$375,000;
- Lake of the Woods Business Incentive Corporation in Kenora will receive \$375,000.

The funds will be used for business support services for small and medium sized businesses and to support local economic activities within the communities.

FedNor also announced the investment of \$75,000 towards marketing for the Thunder Bay International Baseball Association's 2010 AAA World Junior Baseball Championships held at the end of July.

The Ontario Government launched the Northern Training Partnership Fund in July. The program is directed towards Aboriginal people and Northern Ontario residents to acquire skills and training opportunities, particularly in the mining, energy and forestry industries. The fund is part of the Open Ontario Plan.

The Labour Adjustment Centre in Kenora is closing at the end of July. The centre was originally established in May 2008 to help workers of the Kenora Forest Products Sawmill. The Lake of the Woods Employment Action Project (LEAP) will now be in charge of offering services for unemployed workers affected by the shutdown.

The Landsdowne House Airport near the Neskantaga First Nation and the Webequie Airport outside of the First Nations community of Webequie are receiving federal funding for infrastructure upgrades. Funded under the Airport Capital Assistance Program (ACAP), the Landsdowne House Airport will receive \$1,298,000 and the Webequie Airport will receive \$1,914,000 to maintain the runways. ACAP provides financing capital projects related to safety, asset protection and operating cost reduction.

Utilities

The Township of Ignace announced a new water treatment plant has opened in July. The \$17.1 million facility was partially funded by the Canada-Ontario Infrastructure Program (COIP).

The City of Dryden will begin construction on the new sewage treatment plant in August. Penn-Co Construction Ltd. was awarded the contract for phase one, which includes excavating and

laying the foundation. The total project is valued at \$30 million of which one third is funded through the federal government's Building Canada Fund. The plant is expected to be operational by late 2011.

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.

Prepared by: Labour Market and Socio-economic Information Directorate, Ontario Region
