



Labour Market Bulletin

Service Canada Centre of Canada

Thunder Bay

~ An Analysis of the Thunder Bay Area Labour Market ~ January - March 2006 ~

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The Thunder Bay SCC Labour Market Bulletin is a quarterly report produced by the area Labour Market Information Analyst. This bulletin and other LMI products can also be found on our Web site. (Aussi disponible en français).

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Note: In preparing this Review, 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 Review 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 Review does not necessarily reflect official policies of Service Canada.

HIGHLIGHTS

The impact of the on-going crisis in the forestry industry continues to be felt in the Thunder Bay and Northwestern Ontario labour markets.

Closures continued throughout the region in the first quarter of 2006. Neenah Papers closed its mill in Terrace Bay due to a strike by its forestry workers. Bowater announced the closure of its “A” kraft mill. Sturgeon Timber in Dorion closed. The latter closure illustrated the domino effect of the forestry crisis: the company provided chips for the Bowater and Neenah Papers mills and their shutdown left the sawmill with little market for its product.

Given the diminishing pulp and paper and forestry industries, the city of Thunder Bay is interested in encouraging new industrial players for the city. In that vein, city council committed funding for a proposed medical research centre. The proposed centre would, according to its supporters, create hundreds of direct and indirect jobs for the city.

Employment Insurance claim load totals increased in the first quarter however, they fell short of the levels of the first quarter of 2005. The full impact of the forestry crisis may not be reflected in the claim load until the second quarter.

The region did see an increase in advertised opportunities this quarter. Totals are significantly higher than the same period last year.

El claim load increases in first quarter

Remains lower year over year

Opportunities rebound in first quarter of 2006

Significantly higher year over year.

In the Labour Force Survey:

- **Weakness continues in Thunder Bay**
Unemployment rate jumps to 8.1%
- **Northwest continues to trend downward**
Second-highest unemployment rate among Ontario Economic Regions

For the purpose of this publication, the **Thunder Bay SCC Area** includes the area ranging from English River in the west up to Marathon and Manitouwadge in the east. It includes all of the Northern Communities up to Webequie



Government of Canada

Gouvernement du Canada



Labour Market News

Forestry, fishing, mining, oil & gas

New forest business association An association intent on representing the interests of Northwestern Ontario loggers and truckers is working to establish itself as an effective lobbying force. The Ontario Forest Business Association (OFBA) was formed two years ago but is just now starting to grow. The Association currently has 120 members but hopes to expand to 4,000 members. Its main focus will be training, including the development of college courses for logging and chip truck drivers.

Exploration news Marathon PGM is optimistic that palladium deposits found near Marathon will soon be developed into a working mine. Drilling will continue on the site to confirm the presence of sufficient ore. The company believes there will be enough ore to support an open pit mine such as the one operating at Lac des Iles. However, the falling price of palladium may ultimately lead to some delay in the development of the mine.

Thunder Bay-based MetalCorp Inc. has had some success in exploration at two locations in the Marathon-Manitouwadge area. Drilling at its Big Lake property near Marathon has produced evidence of copper, zinc, silver and gold. The company will continue its exploration efforts to determine if there is sufficient material to warrant a mining operation. Metalcorp has also had positive results from property located near the Hemlo gold camp near Manitouwadge. Indications of the presence of copper and zinc will lead to further drilling in the coming year. The company thinks the finding could lead to another mine for the area, which is facing the eventual closure of the Hemlo mines.

Resource deal for First Nations and province The Nishnawbe-Aski Nation is negotiating a deal with the Ministry of Natural Resources that will see the 49 NAN communities share in the benefits of mining, forestry and hydro developments in the north. The Northern Table was announced at NAN's annual winter chiefs assembly as a forum for discussion of issues determined by NAN leaders.

The need for this type of forum became evident after eight First Nations communities declared a moratorium on mining and other developments on their lands in order to ensure proper consultation between the developers and the First Nations. While Natural Resources Minister David Ramsay said he did not believe that there was a legal right to the moratoriums, NAN chief Stan Beardy pointed to a Supreme Court decision that mandated consultation with First Nations.

Utilities

Peat harvesting Officials from Peat Resources spoke to Thunder Bay city council about potential job creation if it is allowed to harvest peat in Northwestern Ontario. The company wants to build five peat plants near Upsala, Ignace

The information contained in the Labour Market News section is gathered using a variety of internal and external sources. The primary sources of information include the *Thunder Bay Chronicle-Journal*, the *Thunder Bay Post*, *tbsource.com*, the *Marathon Mercury*, the *Manitouwadge Echo*, the *Nipi gon Red Rock Gazette*, the *Times-Star* (Greenstone) and the *Terrace-Bay Schreiber News*.

and Atikokan. Each plant would employ 40 people. The two main customers for the peat would be the coal-fired power plants in Atikokan and Thunder Bay. The Atikokan plant is scheduled to be closed and the Thunder Bay plant is to be converted to natural gas. An environmental assessment of the plan is underway. The capital cost of the project would be between \$100 million and \$120 million. The company hopes to have a pilot plant built in 2007.

Manufacturing

Woodlands strike closes mill The 250 loggers and truckers with Neenah Papers went on strike after the company imposed a new contract in December that required wage cuts and made other changes to the old collective agreement. The matter was heard by the Labour Relations Board but no decision had been released at the end of the quarter. The workers went on strike at the end of January.

Despite mediated contract talks and what the union called "major contract concessions", the two sides were unable to reach a deal. Subsequently, Neenah Papers announced that the Terrace Bay mill would be shut down due to a lack of wood fibre caused by the loggers' strike. The closure impacts 350 of the 400 workers at the mill. While the shut down is categorized as "temporary" many in the town believe it could become permanent. Under their collective agreement, the laid off mill workers would be entitled to a severance package totalling \$8 million if the mill is closed for six weeks. Another \$20 million in severance would have to be paid if the mill remains closed for the remainder of the year. Town officials are concerned that the company will decide not to re-open once the severance has been paid out.

Five weeks into the strike, company officials suggested the mill could be sold as the company considers changing its focus to technical papers.

The major issue leading to the labour dispute is the company's demand for a reduction in the workers' compensation package by 10%. The company claims that the combined wages and benefits of their woodlands workers have been higher than other companies in the region. The Steelworkers Union, which represents the loggers, disputes this, saying there are few significant differences in contracts at companies across the region. The union said it offered concessions and proposals for operational efficiencies that would have saved the company millions. The union maintains that Neenah wants to close the mill and is using the labour dispute as an excuse for the shutdown. It says the company is not interested in negotiating



and wants to shut down the mill without looking for another source of wood fibre.

The job action centre set up in Terrace Bay to assist workers laid off from Neenah Papers reports that it saw a sharp increase in workers accessing its services after the mill shut down in February. As a result, the centre has asked for extended funding to remain open until October. According to the centre's records, roughly one-third of the laid off employees has either found work in Alberta or other parts of Ontario, or become self employed. However, most of these workers have indicated they would return to Terrace Bay if the mill re-opened.

Cascades closes amid sale talk Negotiations continued with potential buyers as the final 65 employees with Cascades Fine Paper were laid off. In total, 375 jobs were lost as a result of the closure. Despite reports of positive progress in negotiations, many connected to the mill were sceptical about the possibility of the mill re-opening. The company's decision to turn off the heat in most parts of the mill led many to believe that the operation will not be re-opened any time soon. Union officials are also concerned that the company may transfer equipment out of the facility to another one of its mills, leaving an empty shell for any possible buyer.

Kraft mill shutdown Bowater announced that it would be closing its "A" kraft mill in Thunder Bay by the beginning of May leaving between 260 and 280 workers without jobs. The company shut down its No. 3 paper machine in 2003. This most recent closure will leave the local operation with just one pulp mill and two paper machines. Management called for a reduction of energy and wood fibre costs in Northern Ontario in order to help the industry. The Communications, Energy and Paperworkers Union, which represents the affected workers, said that a number of the workers would qualify for early retirement, however, the company isn't offering any packages. The "A" kraft mill has been in operation since 1966.

Another closure Sturgeon Timber in Dorion has closed, putting 70 employees out of work. In 2001, the 20-year-old company was named one of the top medium-sized businesses in Canada. The company sold wood chips to area mills including Bowater and Neenah Papers and, with the closures and downsizing in the industry, it found its market declining. The company is now in receivership.

New GO contract Bombardier's Thunder Bay plant has been awarded a contract to build 20 new bi-level railway cars for GO Transit. The contract, valued at \$56 million, means the 300 employees of the plant will not be laid off in April as was expected.

Bombardier continues to negotiate with the TTC for a contract to build 232 subway cars for its system. Last year, the TTC agreed to "sole-source" the contract to Bombardier's Thunder Bay plant provided the factory can provide a good product at a reasonable cost. In March, the Ontario budget provided funds

for the expansion of the Toronto subway system to Vaughn. If Bombardier is successful in obtaining the original TTC contract, it is likely to also get the contract for the additional cars required for the Vaughn expansion.

Plant closing Erco Worldwide is in the process of closing its Thunder Bay plant. Once all of the raw material used in the operation has been exhausted, the plant will close up shop. The company produces sodium chlorate, which is used in pulp and paper manufacturing. Erco announced the closure last fall, citing energy costs and a shrinking market. Thirty jobs are impacted by the closure. The company has offered relocation to other plants, severance packages and other incentives. Equipment from the plant will be decommissioned and shipped to other facilities. Erco's major customer in the city, Bowater, will be supplied with sodium chlorate by the company's other plants.

More forestry aid The provincial government announced additional aid for the struggling forestry industry. The announcement followed the admission that the original aid packages released in June and September had not helped the industry. The latest \$220 million package includes funding allocated for bush road construction and a one-time stumpage fee rebate. These initiatives will reduce the wood costs slightly for Northwestern Ontario mills. But, critics pointed out that there is nothing in the package to assist with high energy costs which have been the major source of problems for the region's mills. Comments from Premier McGuinty indicate that he is prepared to look into the idea of a regional hydro system.

Some Ontario-based forestry advocates are wondering if the U.S. may consider elements of the latest forestry aid package another "subsidy". In the past, the U.S. has labelled government compensation for building and maintaining roads an "unfair advantage".

More layoffs Buchanan Forest Products announced an additional 50 workers were laid off from its Great West Timber operation. These were the final layoffs connected to the shutdown of the plant's 16-foot line last fall.

Trade

Co-Op closing After 85 years in operation, the Workers Co-Op is closing. At its heights, the store had 4,000 shareholders making a one time payment of \$10 to join the co-op. Now, however, it is in receivership, saying it cannot compete with the many stores that sell groceries.

Watson's stays open Watson's Home Centre in Marathon, built in 1977, found a new owner who was able to keep it from closing after the store went into bankruptcy. A dozen full- and part-time jobs were saved. Watson's is one of three hardware stores in Marathon.

Tire expansion Kal-Tire is expanding its operation to include eight additional bays. It will now offer mechanical work as



well as sell and service tires. The expansion is expected to add five to seven new jobs to the workforce of 28.

Transportation & warehousing

Terminal closing Canadian Pacific Railway is closing its freight container terminal at Keefer Terminal. While no CPR jobs will be eliminated by the closure, five jobs with independent contractors will be affected. Terminal activity has been declining over the years. With 75% of the terminal's shipments involving pulp and paper products, the closure of Cascades and mill shutdown at Bowater is expected to mean even less activity.

Shipping season begins Another shipping season has begun for the Port of Thunder Bay with the arrival of the *MV Algoville*. Port officials are optimistic that this season will be busier than last year. According to officials, the prairies had record crops of durum and lentils. In addition to these harvests, there should be a large carry-over from last year as farmers were hesitant to sell their crops due to low prices. Much depends on the availability of vessels to take on shipments as the Port found that it was limited by the number of ships that were available in 2005. The Port has seen a decrease in coal shipments due to a drop in demand. However, the Port is marketing itself to Alberta as a facility capable of handling large pieces of equipment.

Business, building and other support services

New call centre StarTek announced that it is opening a call centre in the Victoriaville Mall. The city will spend \$3 million to improve the space for the centre. StarTek will hire up to 450 people, most as customer service representatives dealing with incoming calls only.

Business website A new website, www.ournorth.com, has been created to provide a means for Northern Ontario businesses to reach global markets. Thunder Bay, Marathon, Manitouwadge and Dryden are currently represented on the site. All interested businesses can register for inclusion on the website free of charge.

Educational services

School closures continue The Lakehead Public School Board trustees approved changes to their school closure plan. Under the new plan, three schools – Balsam Street, Forest Park and Sir John A. Macdonald – will be closed in 2007. Sherbrooke School will see its closure delayed until June of 2009. The decision was made to keep C.D. Howe School open as a junior kindergarten to Grade 6 school due to federal funding available through the Best Start program. Hillcrest High School and Port Arthur Collegiate Institute (PACI) were also approved for closure. However, both will remain in operation for at least one more school year as the board looks for an appropriate location for construction of a new high school.

Because of the changes, the board decided not to proceed with additions to a number of schools, saving the board \$8 million in construction costs.

Catholic Board plans The Thunder Bay Catholic District School Board unveiled its \$15.5 million capital plan. The board needs to find another 15 classrooms to meet the government's cap on classroom size; the board is currently running at 105% capacity. Under the plan, the board will renovate or construct additions to replace portables at a number of schools to create the needed space.

Deal for EAs Education Assistants with the Lakehead District School Board agreed to a new four-year contract that will see them get a 12.62% wage increase over the course of the agreement. The EAs will also get improvements to benefits, and layoff and recall rights.

Training for mining Confederation College is teaming with five other Northern Ontario schools to train potential employees for the mining industry. The six schools - Cambrian College (Sudbury), Northern College (Timmins), Confederation College (Thunder Bay), Canadore College (North Bay), College Boreal and Laurentian University (Sudbury) – have established the Federated School of Mines. It was deemed more effective for the colleges to work as a team rather than have each college create and run its own program.

Union for NOSM faculty The Northern Ontario School of Medicine Faculty Association voted to unionize. The 23 members of the first certified bargaining unit include faculty, professional librarians, curriculum instructional designers and student affairs officers. Preparations are underway to negotiate the association's first collective agreement.

Post-secondary funding Both Confederation College and Lakehead University announced they would be using post-secondary funding to hire faculty, student services employees and improve technology.

Assistance in Terrace Bay The Adult Learning Centre opened a new site in Terrace Bay to help those affected by the shutdown of Neenah Papers. A temporary classroom was set up in the lower level of the Union Hall to assist interested parties with GED preparation, basic Math and English.

Health care & social assistance

Proposed research centre The City of Thunder Bay may soon be home to a new research centre that could result in hundreds of new jobs for the city. The Molecular Medicine Research Centre of Excellence would conduct cardiac and cancer research. The site selected for the Centre is the former Northwestern Ontario Regional Cancer Centre, which has been vacant since the operation moved to the new hospital. The Centre would form a partnership with Sunnybrook, the



Women's College Research Institute and Siemens Medical Canada.

In a report presented to city council, proponents said the project would ultimately create 120 research jobs and 600 spin-off jobs in the next five years.

In order to proceed, the centre requested funding from all three levels of government. The Research Centre asked the city for \$1 million annually for a five-year period. It also requires \$2.4 million a year from the federal and provincial governments for the same period. The city agreed to set aside the \$5 million.

Marathon Family Health Team Plans were unveiled for a modern, full-service medical clinic in Marathon to house the newly-formed Marathon Family Health Team. The team will include physicians, registered nurses, social workers and nurse practitioners. The two-storey building adjacent to Wilson Memorial Hospital was intended to be used as a clinic when it was built 20 years ago. The town library is currently situated in the building and, following renovations, will be moved to the main floor. Hospital officials hope that the clinic will help the town attract new doctors, and will be a model for other smaller municipalities.

Nursing homes shuffle beds The opening of a new nursing home and the creation of 10 new long term care beds has resulted in the movement of patients and health care workers in the city. Residents from the old Pinewood Court nursing home on James Street were moved to the new Pinewood Court on Walsh Street. The new 128-bed facility provides sufficient space for residents of the previous nursing home plus 10 new beds the province awarded to Versa Care Centre, which runs the new nursing home. The 65 beds that were located at the former McKellar Hospital since February 2004 were moved to the old Pinewood Court (renamed the Thunder Bay Interim Long Term Care Centre). These beds are now administered by Central Care Corporation. The move out of the McKellar property was prompted by a potential sale of the hospital property. Although the sale ultimately fell through, it was decided to continue with the move to the new location in order to facilitate any future sale. The 80 health care workers employed at the McKellar site were required to re-apply for 65 jobs at the Thunder Bay Interim Long Term Care Centre.

Geraldton's medical clinic A year after all but one of its doctors announced they were leaving, Geraldton's medical clinic continues to operate with temporary physicians. The clinic has funding for seven salaried doctors but currently has only two permanent doctors and 10 locums who come in on a rotational basis. According to clinic officials, at least one of the locums is considering becoming a permanent doctor at the clinic.

TBRHSC news and notes The Thunder Bay Regional Health Sciences Centre (TBRHSC) is putting together a new strategic plan that will see the institution move from being a regional community hospital to an academic health sciences centre.

With the arrival of the Northern Ontario School of Medicine and the earlier release of the Closson report on health service delivery in Northwestern Ontario, the TBRHSC will be reviewing its role in the community.

The TBRHSC has set up a new mental health unit to address the needs of youth between the ages of 12 and 17. Previously, youth with serious mental health disorders had to leave the region to access treatment. The program will be staffed by two full-time nurses, a psychiatrist, social workers, a psychologist, child and youth workers, medical consultants and a cultural liaison to work with First Nation youth.

A number of provincial funding announcements will allow the TBRHSC to train and retain hospital staff:

- The TBRHSC will receive funding from the provincial government to set up critical care response teams. The \$1.04 million will be used to train intensive-care doctors, nurses and respiratory therapists to be part of these teams, which will be available around the clock. The teams will be made up of workers already employed at the hospital. It is hoped that this will relieve backlogs in hospital intensive care units.
- The government is also investing money in nursing care. Registered nurses and registered practical nurses will be able to apply for funding to cover the cost of training in order to work in other clinical areas or in other nursing roles where there are vacancies. The \$40 million investment will be administered by a management committee representing a number of provincial nursing associations.

Contract agreements Workers at a number of Thunder Bay centres reached contract settlements:

- Workers at Dilico have their first collective agreement. The agreement will provide unique grievance and arbitration rights that will involve aboriginal elders and First Nations arbiters in resolving disputes. The three-year deal will see workers receive a 2% pay raise in each of the first two years of the contract on top of the standard annual 3% raise. The contract applies to social workers, community mental health workers, nurses and personal support workers.
- Employees with the Community Care Access Centre have ratified a three-year contract. The 40 workers, who are primarily secretaries co-ordinating information between health care agencies and the community, will receive a wage increase of 3% in each of the first two years of the contract and 3.08% in the final year. There will also be improvements to pregnancy leave, vacation entitlement and benefits.



- Employees of the Fort William Family Network (formerly Fort William Clinic) ratified a new collective agreement. The 20 employees, including physician assistants, lab technicians and accounting clerks, will receive an 11% wage increase over the three years of the contract. They will also share 5% of the physicians' annual preventative care and access bonuses, estimated to be about \$200,000.

Strike mandate The 170 workers at Options Northwest have given their union a strike mandate. The workers provide support for developmentally challenged individuals in group homes and apartments. They are seeking a wage increase similar to those of other health care employees. A conciliator is scheduled to meet with both sides in April. The workers will be in a legal strike position 30 days after that meeting.

Information, culture & recreation

Tourism website The launch of a new website, www.lakesuperioroutdoors.com, will allow tourists from around the world to book a Northwestern Ontario adventure online. The website aims to bring together local hotel and motel operators and tourism suppliers, such as fishing charters, guides and ski hills, in one place. Interested travellers are able to make reservations through the website, which also offers assistance in planning a convention or sporting event.

"Fortitude in Distress" The Ministry of Natural Resources called in an amphibious excavator to save Old Fort William Historical Park from flood damage that could have seriously impacted the coming tourist season. The Fort, located on the Kaministiquia River, was surrounded by 10 to 20 centimetres of ice and slush that was threatening to cause irreparable damage to the buildings on the site. The MNR hired the excavator to dredge the river and improve water flow before the spring thaw. The job was made more difficult due to slush under the ice, but with the assistance of a tugboat, progress was made and the water started to recede. The Old Fort and the MNR will be looking for long-term solutions to the water flow problem. During the crisis, Fort officials adopted the motto "Fortitude in Distress" which was used as the original North West Company motto more than 200 years ago.

New breakwater The Northern Ontario Heritage Fund has committed \$400,000 to build a new breakwater for the High Hill Harbour Marina in Beardmore. The new 600 square-metre breakwater will protect the existing shoreline and marina, which is considered an integral part of the community's tourism sector. The marina will be expanded to 100 berths from 38 in order to meet demand.

Community portal A new website provides all Northwestern Ontario communities with access to tourism, economic development and community health information. The Northern Genesis Community Portal launched www.OurNorth.com to help address many of the problems communities in Northwestern Ontario are facing. There is a nominal fee for partnership in the portal, however, a multi-tiered costing plan is in place to assist organizations and communities of different sizes and means to participate.

Accommodation and food services

Hotel surcharge considered Major hotel owners in Thunder Bay expressed their opposition to a hotel room surcharge proposed by city council. The tax is being considered as a means of raising funds to be applied to local tourism development projects. Fast Forward Thunder Bay studied room fee systems in place in other Canadian cities and came to the conclusion that as a rule the surcharge is a nominal fee that travellers don't notice. However the hotels believe the city already receives sufficient funds through municipal taxes to promote the city and would prefer to see city administration create a marketing plan that would be comprehensive enough that local businesses will support it.

Public administration

High police ratio A Statistics Canada report indicates that Thunder Bay has the highest ratio of police officers to population in Canada. According to the report, the Thunder Bay metropolitan area has 199 officers per 100,000 people. The second highest ratio was found in Regina which has 180 officers per 100,000. Police chief Bob Herman says this reflects labour intensive programs such as community policing. The numbers include city police and OPP officers.



Labour Supply and Demand

Employment Insurance Claim Load

EI claim load increases in first quarter

Note: At this time, claim load data is only available for the broad geographic area served by the Thunder Bay Service Canada Centre. This area includes Thunder Bay, Marathon, Geraldton and the Surrounding Area.

The Thunder Bay SCC area saw its claim load increase steadily over the course of the first quarter of 2006. The claim load reached its highest levels since the first quarter of 2005.

While both male and female claimants increased this quarter, the increase in male claimants was much more significant at 56 percent. In contrast, female claimants increased by only 9.4 percent.

Employment Insurance claimload: The number of individuals with an active claim for regular Employment Insurance benefits. Data on Employment Insurance claimants is not an accurate measure of the absolute level of unemployment. The data does not include unemployed individuals who: (1) - have not met the program's eligibility requirements or (2) - have exhausted their benefit entitlement.

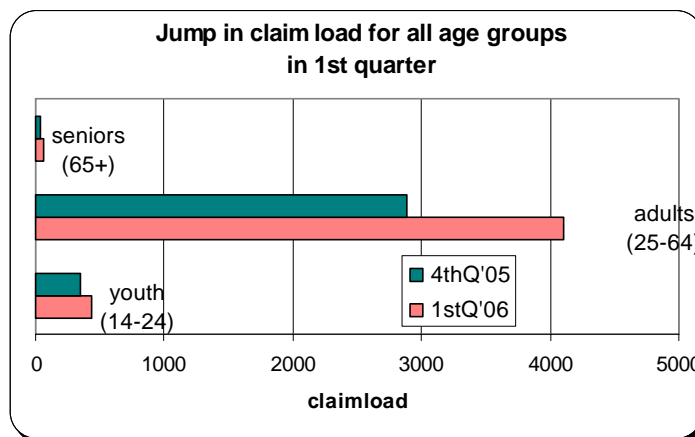
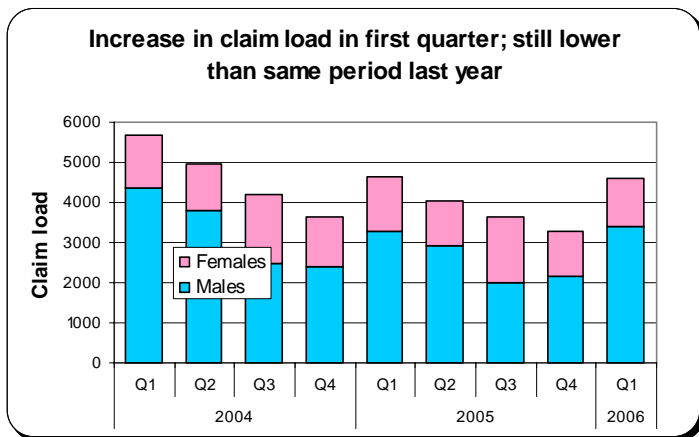
Among the major age groups, the youngest group (14 to 19) was the only one with a decrease. All other groups showed significant increases from the last quarter.

Despite the increases, the claim load for the first quarter of 2006 still fell below the totals registered for the same time period last year.

Regular Employment Insurance Claimants – Thunder Bay Area

	January to March 2006			October to December 2005			January to March 2005		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Thunder Bay SCC Area	4,598	3,383	1,215	3,279	2,169	1,110	4,637	3,262	1,374

Source: SCC administrative data C-356



Employment Opportunities

Opportunities rebound in first quarter of 2006

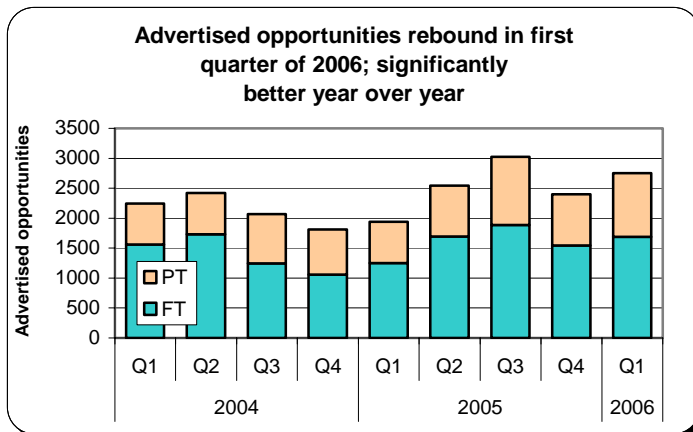
The Thunder Bay SCC area saw advertised opportunities rebound in the first quarter of 2006. Both full- and part-time vacancies increased compared to last quarter. Vacancy totals were significantly higher year-over-year.

Marathon was the only area without an increase in vacancies in the first quarter as both full- and part-time opportunities remained stable. All other areas had significant increases in both types of positions. For the most part, growth in part-time vacancies out-paced the rise in full-time positions.

The total number of vacancies advertised in the Thunder Bay SCC area this year was significantly higher than in the first quarter of 2005. While Geraldton saw a decrease in full-time vacancies of 20.7 percent year over year, part-time opportunities more than doubled, giving the area an overall increase compared to the same period in 2005.

The majority of advertised opportunities in the first quarter were found in **sales and service**, the major occupational group that routinely carries over 40 percent of all vacancies for the area. **Trades & transport** and **primary industry** positions both fell in terms of vacancy totals this quarter. Vacancies for jobs in **primary industry** made up less than two percent of all

Employment Opportunities: Advertised employment opportunities are comprised of vacancies notified to the SCC offices in our area and newspaper want ads. This data is not a count of all labour market activity; in practical terms, such a count is not feasible. This data is useful to track short and long-term changes in the demand for individual occupations. The total number of opportunities is equal to full-time plus part-time.



advertised opportunities in the first quarter, compared to nearly nine percent during the same period last year.

Employment Opportunities – Thunder Bay Area

	January to March 2006			October to December 2005			January to March 2005		
	Total	F/T	P/T	Total	F/T	P/T	Total	F/T	P/T
Thunder Bay	2,392	1,480	912	2,107	1,372	735	1,664	1,061	603
Geraldton Area	126	65	61	90	46	44	110	82	28
Marathon Area	107	61	46	108	60	48	88	47	41
Surrounding Area	126	80	46	93	68	25	79	59	20
Thunder Bay SCC Area	2,751	1,686	1,065	2,407	1,555	852	1,941	1,249	692

Source: SCC vacancies and newspaper want ads

Employment Opportunities by Major Occupation Group Thunder Bay SCC Area

	January to March 2006	October to December 2005	January to March 2005
0 Management	152	125	70
1 Business administration	454	368	244
2 Natural & applied sciences	106	72	71
3 Health	155	87	71
4 Social science and education	184	182	168
5 Culture & recreation	46	19	34
6 Sales & service	1,217	986	795
7 Trades & transport	367	491	299
8 Primary industry	45	52	167
9 Manufacturing & utilities	25	16	22

Source: SCC vacancies and newspaper want ads



Labour Force Trends

Labour force survey highlights

Weakness continues in Thunder Bay

Conditions in the Thunder Bay labour market continued to deteriorate in the first quarter of 2006. Employment fell nearly three percent (-1,700), pushing the employment rate down from 59.7% in the previous quarter to a four-year low of 58.1%. Losses were evenly split between full- and part-time work. Since this job loss did not prompt a corresponding labour force contraction, unemployment increased by more than 40 percent (+1,600). As a result, Thunder Bay's unemployment rate jumped from 5.6% in the last quarter of 2005 to 8.1%, the same rate recorded in the first quarter of 2005. Among Ontario's 11 CMAs, only Windsor (10.2%) and Greater Sudbury (8.2%) posted higher unemployment rates in the first quarter of 2006.

The first quarter estimates for Thunder Bay are weaker than those seen in the first quarter of 2005. Both the labour force and employment decreased more than four percent year over

Definitions: *Population 15+* (the working age population) consists of all persons 15 years of age and over residing in Canada with the exception of residents of the territories, persons living on Indian Reserves, inmates of institutions and full-time members of the Canadian Armed forces. The *labour force* is that portion of the working age population who, during the Labour Force Survey reference week, were either employed or unemployed. The portion of the working age population that is neither employed nor unemployed is *not in the labour force*. The *participation rate* is the percentage of the working age population that is in the labour force. The *unemployment rate* is the percentage of the labour force that is unemployed. The *employment rate* is the percentage of the working age population that is employed.

year. However, because these estimates fell in tandem, there was no impact on unemployment. Consequently, there was no change to the unemployment rate year over year.

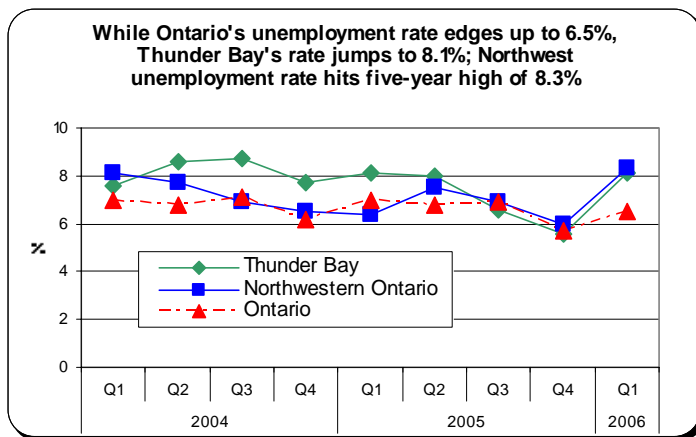
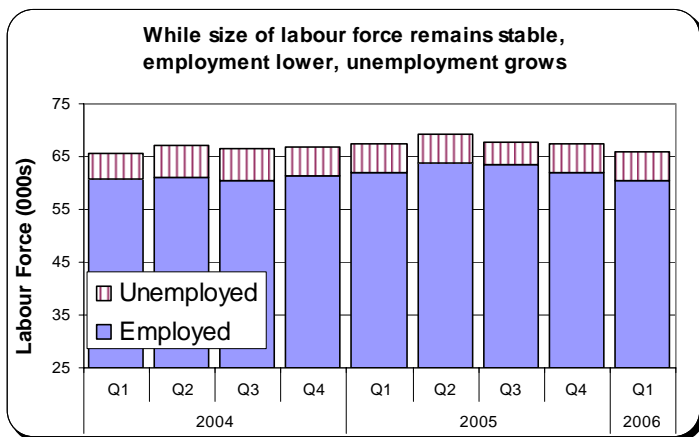
The **Thunder Bay CMA** is comprised of the City of Thunder Bay, and the Townships of Conmee, Gillies, Neebing, O'Connor, Oliver, Paipoonage and Shuniah. The Fort William 52 Reserve is excluded from this definition because Statistics Canada does not include residents of Reserves in the Labour Force Survey.

Thunder Bay Census Metropolitan Area Labour Force Trends

	January to March 2006	October to December 2005	January to March 2005	Change Quarter/Quarter		Change Year/Year	
				Absolute	%	Absolute	%
Population 15 +	104,200	104,200	103,500	0	0.0	700	0.7
Labour Force	65,700	65,900	68,800	-200	-0.3	-3,100	-4.5
Employed	60,500	62,200	63,300	-1,700	-2.7	-2,800	-4.4
Full-time	46,100	46,900	45,600	-800	-1.7	500	1.1
Part-time	14,400	15,200	17,700	-800	-5.3	-3,300	-18.6
Unemployed	5,300	3,700	5,600	1,600	43.2	-300	-5.4
Not in Labour Force	38,500	38,300	34,700	200	0.5	3,800	11.0
Participation Rate	63.1%	63.2%	66.5%	-0.1		-3.4	
Unemployment Rate	8.1%	5.6%	8.1%	2.5		0.0	
Employment Rate	58.1%	59.7%	61.2%	-1.6		-3.1	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.



Northwest continues to trend downwards

The labour market of Northwestern Ontario continued to trend downwards in the first quarter of 2006. While labour force participation was up very slightly, there was a two-percent employment decline. Two-thirds of the 2,200 jobs lost were full-time. The combination of lower unemployment and a minimally larger labour force resulted in a 38-percent increase in unemployment (+2,500). This caused the unemployment rate to climb from 6.0% in the fourth quarter of 2005 to a five-year high of 8.3%. This was the second-highest unemployment recorded among Ontario's 11 Economic Regions. Only Windsor-Sarnia, at 8.6%, posted a higher rate in the first quarter of 2006.

Though Northwestern Ontario's unemployment rate trended downwards over the second half of 2005 - largely due to a shrinking labour force - conditions in the Region have deteriorated over the past four quarters. Employment in the first quarter of 2006 was almost 10 percent lower than in the

Statistics Canada's **Labour Force Survey (LFS)** is the major source of data for this Review. As relatively small sample sizes are utilized in compiling sub-provincial estimates for the survey, there is a chance of variation due to sampling error. Therefore, the reader is cautioned that small changes in some timeseries could be wholly or partially due to these statistical sampling errors, and may not necessarily reflect actual events in the labour force. Data are three-month moving averages.

For further information on the Labour Force Survey, visit Statistics Canada's website at: <http://www.statcan.ca/english/sdds/3701.htm>

first quarter of 2005 (-10,800). Because the year over year labour force contraction was slightly smaller (-9,400), unemployment increased. Consequently, Northwestern Ontario's unemployment rate jumped from 6.5% in the first quarter of 2005 to 8.3%.

Northwestern Ontario (Economic Region 595) is comprised of three Census Divisions: the Districts of Thunder Bay, Rainy River and Kenora.

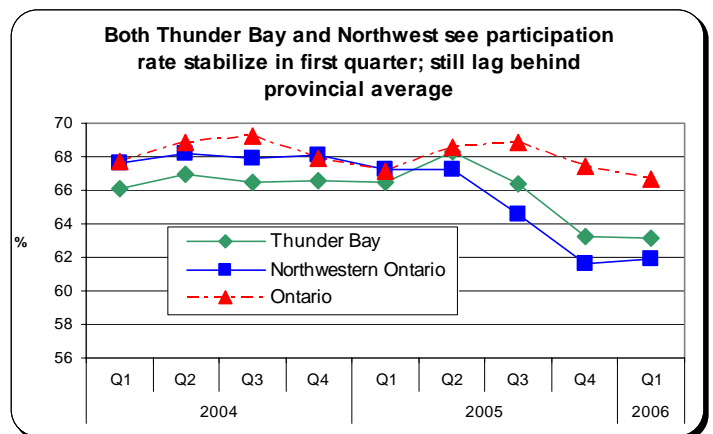
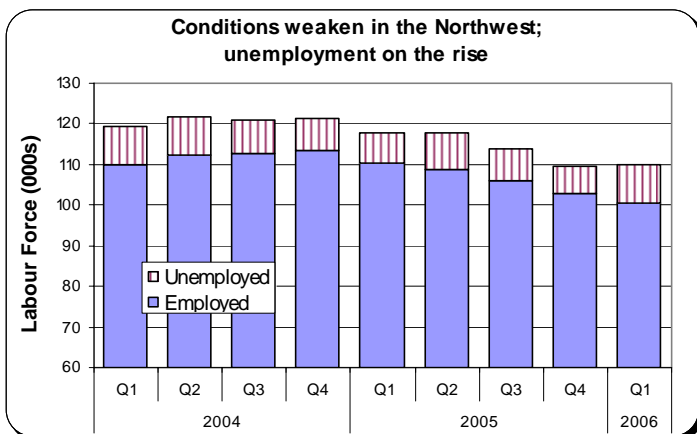
Source: Economic Analysis & Information Directorate, Northern Ontario Region, Service Canada

Northwestern Ontario Labour Force Trends

	January to March 2006	October to December 2005	January to March 2005	Change			
				Quarter/Quarter Absolute	%	Year/Year Absolute	%
Population 15 +	177,400	177,600	177,300	-200	-0.1	100	0.1
Labour Force	109,800	109,500	119,200	300	0.3	-9,400	-7.9
Employed	100,700	102,900	111,500	-2,200	-2.1	-10,800	-9.7
Full-time	79,400	80,800	83,000	-1,400	-1.7	-3,600	-4.3
Part-time	21,300	22,000	28,500	-700	-3.2	-7,200	-25.3
Unemployed	9,100	6,600	7,700	2,500	37.9	1,400	18.2
Not in Labour Force	67,600	68,200	58,200	-600	-0.9	9,400	16.2
Participation Rate	61.9%	61.7%	67.2%	0.2		-5.3	
Unemployment Rate	8.3%	6.0%	6.5%	2.3		1.8	
Employment Rate	56.8%	57.9%	62.9%	-1.1		-6.1	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.



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Note to readers:***Revisions to the LFS***

Labour Force Survey (LFS) estimates for the January 1987 to December 2005 period have undergone revisions. There are three reasons for the revision. First, the revision enables the use of improved population benchmarks in the LFS estimation process. These improved benchmarks provide better information on the number of non-permanent residents. There are also changes to the data for the public and private sectors from 1987 to 1999. In the past, the data on the public and private sectors for this period were based on an old definition of the public sector. The revised data better reflects the current public sector definition, and therefore result in a longer time series for analysis. Finally, the geographic coding of several small Census Agglomerations (CA) has been updated historically from 1996 urban centre boundaries to 2001 CA boundaries. This affects data from January 1987 to December 2004.

It is important to note that the changes to almost all estimates are very minor, with the exception of the public sector series and some associated industries from 1987 to 1999. Rates of unemployment, employment and participation are essentially unchanged, as are all key labour market trends. Users are cautioned that any comparisons of historical data should be done using these revised estimates.

The article "Improvements in 2006 to the LFS" ([71F0031XIE](#), free) provides further explanation for the revisions and an overview of the effect of these changes on the estimates.

Source: Statistics Canada, The Daily, February 10, 2005

Employment by Industry Analysis

Readers of this quarterly labour market review may note that we have discontinued the tables and commentary on employment by industry sector as of the First Quarter, 2006. We have discontinued this content element because recent analysis indicates that the sampling error is too large to provide meaningful observation of changes in sector employment at the sub-provincial level over the short term.

