



# Labour Market Bulletin

## Service Canada Centre of Canada

### Thunder Bay

~ An Analysis of the Thunder Bay Area Labour Market ~ July - September 2005 ~

Volume 2, Issue 3 Third Quarter 2005

#### IN THIS ISSUE:

<b>LABOUR MARKET NEWS</b> .....	2
Forestry, fishing, mining, oil & gas.....	2
Utilities.....	2
Manufacturing.....	2
Trade.....	3
Transportation & warehousing.....	3
Professional, scientific and technical services.....	4
Business, building and other support services.....	4
Educational Services.....	4
Health care & social assistance.....	5
Information, culture & recreation.....	6
Accommodation and food services.....	6
Public administration.....	6
<b>IN THE SPOTLIGHT:</b> .....	7
SERVICE CANADA.....	7
<b>LABOUR FORCE TRENDS</b> .....	8
LABOUR FORCE SURVEY HIGHLIGHTS.....	8
EMPLOYMENT BY INDUSTRY.....	10
<b>LABOUR SUPPLY AND DEMAND</b> .....	12
EMPLOYMENT INSURANCE CLAIM LOAD.....	12
EMPLOYMENT OPPORTUNITIES.....	13

#### HIGHLIGHTS

The labour markets in Thunder Bay and Northwestern Ontario are starting to reflect the impact of the on-going forestry crisis and the continuing uncertainty in the region's traditional employment areas.

Despite the fact that the summer is generally a strong time for the labour market in Thunder Bay, the third quarter of 2005 saw a decline. The participation rate fell sharply as the quarter ended; this was the result of people leaving the labour force. This also resulted in a lower unemployment rate. Employment Insurance (EI) claim load figures were lower this quarter, which may reflect people leaving the area.

Despite the contraction of the labour force, this was another strong quarter with respect to advertised opportunities. A bright spot for the city is growth in employment within health occupations as the new hospital and expansion in biotechnology provide a possible new direction for future employment within the city.

#### In the Labour Force Survey:

- **Very modest weakening in Thunder Bay**  
Surprising labour force decline during summer season
- **Job losses mount in the Northwest**  
However, unemployment rate lower as labour force contracts

#### Employment by Industry:

- **Growth in services year over year in Thunder Bay**  
Greatest gains in health care and social assistance
- **Small declines in services-producing sector in Northwest**  
But employment in the sector higher year over year

#### Third quarter sees lower EI claim load levels

Despite increase in female claimants.

#### Another strong quarter for advertised vacancies

Part-time vacancies drive growth.

The Thunder Bay SCC Labour Market Bulletin is a quarterly report produced by the area Labour Market Information Analyst. (aussi disponible en français)

For further information contact:

**Dianne Brothers**  
Labour Market Information Analyst  
975 Alloy Drive  
Thunder Bay, ON P7B 6N5  
Telephone: 807-346-2045  
807-346-2004

[dianne.brothers@servicecanada.gc.ca](mailto:dianne.brothers@servicecanada.gc.ca)  
[www.labourmarketinformation.ca](http://www.labourmarketinformation.ca)

**Carrie Vescio**  
Northern Ontario Area Economist  
975 Alloy Drive  
Thunder Bay, ON P7B 6N5  
Telephone: 807-346-2046  
[carrie.vescio@servicecanada.gc.ca](mailto:carrie.vescio@servicecanada.gc.ca)

*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*



Government of Canada  
Gouvernement du Canada



## LABOUR MARKET NEWS

*Highlights on industry activities that have an impact on the local labour market, this information is derived from several sources including local newspapers, newsletters and various publications. Please refer to "Notes to Readers" for additional information.*

**Forestry, fishing, mining, oil & gas**

**Contract talks** Loggers with Neenah papers are in negotiations for a new contract. The 270 loggers supply logs to the company's plant in Terrace Bay. They have been without a contract since the end of August. The main issue is the employer's desire to contract out work.

**Gold exploration** Pele Mountain Resources and its partners, Maple Minerals Corporation and East West Resource Corporation, are undertaking an ambitious exploration project in the Shebandowan area, west of Thunder Bay. An electromagnetic airborne survey has located areas for potential new gold discoveries. A number of core samples have been drilled and sent for analysis. The 10,000-acre property has long been known for its gold potential. Northern Ontario's first producing gold mine, the Ardeen mine, is located within the project area.

**Palladium mine expansion** North American Palladium is facing some challenges because of a drop in palladium prices. This comes just as a new underground section of its Lac des Iles mine prepares to start production in the New Year. Over the last year the price of palladium, which is primarily used in the auto industry, fell from \$325 per ounce to \$180 per ounce. The drop was blamed on over supply of the metal in the market. Despite this, North American expects to go ahead with its expansion and hire 40 to 50 new workers for the underground operation. The company expects the mine to operate until 2011.

**Utilities**

**Wind energy** Plans for a wind farm in Shuniah Township are proceeding. An environmental assessment has been started for Ventus Energy's proposed 100-megawatt generation facility. If approved, the wind farm will have 65 wind power turbines set up on a combination of township and private land. Each turbine will generate 1.5-2 megawatts of electricity. The province is providing support for those interested in wind power with the launch of an interactive website – [www.ontariowindatlas.ca](http://www.ontariowindatlas.ca) – that provides information on wind power, including maps and typical wind speeds.

**Peat energy** Advocates for biomass fuel say there is sufficient peat in Northern Ontario to generate power. Peat Resources Ltd. says that peat could be used in the Atikokan and Thunder Bay coal-generating plants without major conversion costs. According to the company, the harvesting of the peat could employ up to 200 people. The company controls 200,000

hectares of peat bog near Upsala under a land-use permit with the Ministry of Natural Resources. It is currently conducting a study into the feasibility and economics of harvesting peat.

**Manufacturing**

**The forestry crisis continues** In August, Cascades Fine Papers announced that it was shutting down one of its machines, eliminating 150 jobs at its Thunder Bay plant. The company cited high energy costs, a stronger Canadian dollar and weak demand for their product as the reasons for their decision. Cascades also announced that the Thunder Bay mill is for sale.

In September, Norampac announced that it was shutting down one of its machines at its Red Rock plant. The decision was effective immediately and 90 employees were informed they no longer had jobs. The company warned that as many as 175 workers could be laid off before the end of the year. Once again, high energy costs and the strong Canadian dollar were given as the reasons for the shut down. Company officials say the Red Rock facility is the most expensive of Norampac's operations and is in need of extensive, and expensive, equipment upgrades. However, the company is not prepared to invest in the plant until it is sure it is viable.

At the end of September, Minister of Natural Resources David Ramsay announced a government aid package designed to save the forestry industry. Northern area politicians and forestry officials felt that the assistance did not do enough, especially as it did not address high energy and transportation costs.

The package included:

- \$150 million in grants over the next three years through the Forestry Sector Prosperity Fund for investment in energy conservation and co-generation, improved wood fibre efficiency and environmental upgrades
- \$140 million over five years for the building and maintenance of logging roads
- \$37.5 million over four years for forest resource planning
- \$4 million for promotion of value-added wood manufacturing

Just prior to the government's announcement, the Pulp and Paper Technical Association of Canada held its annual meeting in Thunder Bay. During a panel discussion on the crisis in Northern Ontario, there was discussion on the high



energy costs that are having such a negative impact on Northern Ontario pulp mills. According to figures provided by NDP Leader Howard Hampton, an Ontario mill pays \$2.2-million a month for hydro compared to \$948,000 a month for a mill in Manitoba.

Marathon Pulp Inc., while acknowledging that energy costs are a problem, says its number one issue is wood supply. Softwood chips are in such short supply in the area that the mill has had to import their fibre from Alberta and B.C. As a result, the mill is looking into converting the mill to use some hardwood chips. The mill will need \$1.4-million for the conversion. The mill expects to lay off about 20 people in the fall, although there have been some proposals put forward that might save those jobs, including having SynFuel take over management of the company's wood chip yard. SynFuel performs a similar service at Bowater's Thunder Bay sawmill.

Northern Ontario politicians asked municipal, union and native leaders to continue to lobby the government for assistance in bringing down the costs related to wood delivery. Area lumber and paper mills pay more for delivered wood (\$55 per cubic metre) than anywhere else in North America. The global average for wood delivery is \$35 per cubic metre.

**Sawmill launched** While its pulp mill struggles, Bowater's new sawmill celebrated its official grand opening after two years of operation. The sawmill produced more than 200 million board feet in the past year by running two shifts a day. The sawmill illustrates the interconnection between operations in the forestry industry in Northwestern Ontario. The Bowater sawmill produces wood chips that are used at its pulp and paper mill; other waste is used to fuel the boilers at the paper mill. Shavings are burned as part of the sawmill's lumber drying process. Sawdust is sent to the Fibratex particle board mill in Atikokan or to Norampac in Red Rock. The sawmill was a cooperative effort between Bowater and Fort William First Nation. Bowater committed to hire 30% of its sawmill staff from the First Nation, where it is located.

**Ratified agreements** Workers at various Northern Ontario forest operations have ratified contracts.

- Workers at Sturgeon Timber and Dorion Fibre Tech have ratified a two-year contract. They had been without a contract since June of 2004.
- The 140 workers at Nakina Forest Products ratified a new three-year contract after being without a contract for more than a year.
- On a national level, workers at Canada's five Bowater mills approved a new contract. The five-year agreement affects 800 workers in Thunder Bay.

**Good news for Bombardier** The company announced it had won a \$29 million contract to build 12 bi-level commuter rail cars for the Utah Transit Authority. Because of this contract, the plant will be able to maintain its current workforce until the middle of 2006. There was speculation that three-quarters

of the plant's workforce would have been laid off at the end of the year if the company did not win a new contract. Those workers that have already been laid off will not be called back.

A group of Thunder Bay business people are attempting to make a deal with the provincial government to assist Bombardier. They want the government to extend the memorandum of understanding between the company and the province that would see Bombardier remain the "sole supplier" for public rail contracts in the province. The original memorandum of understanding was signed in 1992. Bombardier contends that the agreement was perpetual; however, the province said it was only for 10 years. The issue came to light when the City of Ottawa asked for permission to open bidding to all interested manufacturers for its rail contract. In exchange for extending the memorandum, the coalition is proposing to set up a centre of excellence. The centre will offer "hands-on" training for workers and students and would be similar to the centre of excellence set up at the Honda plant in southern Ontario.

**Another business closure** Erco Worldwide announced that it would be closing its sodium chloride plant in Thunder Bay by the end of April next year. It cited high energy costs as the reason. The closure affects 30 full-time employees. The company is offering relocation, severance packages and other incentives to their workers.

## Trade

### Closings

- The Next Stop ice cream shop located in the old CN station on the waterfront will be closing. The owners say they could not afford the operating costs and rent on the space.
- After nearly 40 years of business in Thunder Bay, King's Stereo is closing.
- Another long-term establishment, Julien's Men's Wear in Manitowadge, has closed after 37 years.
- The Regal Greetings & Gifts store in Thunder Bay has closed due to the bankruptcy of the company.

## Transportation & warehousing

**Train support** There is support for a study to determine if passenger rail service could return to Northwestern Ontario. Cities and towns in Northwestern Ontario, including Thunder Bay, Sault Ste. Marie and Sudbury, have committed to funding a study to be done by the Superior North Community Futures Development Corporation. The study will determine the impact and feasibility of the proposed route and service. The proposed service would use the CP Rail line between Sudbury and Winnipeg. A website has been set up to provide information on the project: [www.superiortrain.com](http://www.superiortrain.com).



**Airport closing** Terrace Bay has decided to close the Terrace Bay airport as it can no longer afford the maintenance costs. The airport, which is not a certified aerodrome, has maintained a helipad that is used by the town's hospital. The town has asked for funding from the province to maintain the helipad, however, it will also be closed if there is no assistance. It is estimated that it costs the town \$45,000 to \$55,000 a year to operate the airport. The airport currently has one employee and a weather station. The airport is located on land owned by Neenah Papers and leased by the town.

**Charter takes off** North American Charters 2000 is expanding service to Norway House, Manitoba. This is the 15th community serviced by the airline that started with three communities in 2000. The airline, which is owned by First Nations communities, now has a fleet of seven nine-seater planes and provides service between larger centres like Thunder Bay, Winnipeg and Sioux Lookout and remote northern communities. NAC is also looking into constructing a hangar at the Thunder Bay airport.

### Professional, scientific and technical services

**Biotechnology** In September, Thunder Bay celebrated National Biotechnology Week as it looked to a promising future for the industry in the city. Lakehead University has established an interdisciplinary biotechnology research program. The goal is to establish a biotechnology centre at the university. Two local biotech companies have been expanding over the past few years. Molecular World specializes in DNA profiling. It is the only private company to achieve accreditation from the Standards Council of Canada for using all three DNA technologies on both modern and ancient samples. The company currently employs four people but expects to expand to 25 within three years. Genesis Genomics opened in 2001 and has already grown from three employees to 15. The company recently opened a new laboratory in the basement of its Balmoral Street facility in order to make room for new research. The two companies have formed a partnership with Lakehead, the new medical school and the Thunder Bay Regional Health Sciences Centre to create a research network to help the industry thrive in Thunder Bay.

### Business, building and other support services

**Job search help** A new service is now available to people re-entering the workforce. Career Essentials offers unemployed, disabled and injured adults assistance with business writing, computer training, tutoring and job search techniques.

**Northern business website** A new website is being developed that will allow Northern Ontario businesses to promote themselves. The site, [www.ournorth.com](http://www.ournorth.com), will provide links to Marathon, Manitouwadge, Dryden and Thunder Bay as well as to pages dedicated to economic development, health, travel and tourism. The website will be developed and managed by Bell Canada and is expected to be up and running by late fall.

**Call centre expands** MCCI, which opened its inbound call centre this summer, has won a number of contracts that will result in an expansion of its services. The centre will now operate 24 hours a day, seven days a week. The original 200 employees have completed their training and it is expected that staffing numbers will now increase to 300 or 350.

### Educational services

**Medical school opens** The Northern Ontario School of Medicine officially opened in September. It is expected that the medical school will help with the doctor shortage in Northern Ontario over the long term, as the school has attracted students who are more likely to stay and practice in northern communities. This is the first medical school to open in Canada since 1969.

In addition to providing future doctors for the area, the medical school could also have an impact on the local economy. The Lakehead campus has hired 57 full- and part-time staff, with many coming from out-of-town. The school also will provide long-term business opportunities in research and technology.

The President of the Ontario Medical Association hailed the opening of the new medical school as an important development in terms of increasing physician numbers for the north over the long term. The Association predicts that the shortage of doctors will continue for another five years. By then, the number of doctors should approach the same level as 1992, the year spaces in medical schools were reduced.

**School closure issues** The Lakehead Public School Board is making plans for the new school year now that the immediate issues surrounding its school closings have been settled. An independent review called on the Board to keep Gorham and Ware School and Fort William Collegiate Institute (FWCI) open. However, following a meeting with the Minister of Education, it was announced that only Gorham and Ware School would be saved. The Board believed that it could not keep FWCI open as the closure arrangements had gone too far. As it is, Gorham and Ware will stay open as a satellite to Five Mile School. The two schools will share a principal and a part-time secretary. Following the school year, the school will be reviewed again, this time using the ministry's new guidelines.

With the closure of schools, the Board may be faced with a surplus of teachers. The Board was waiting to determine how many teachers would retire over the summer. It is possible that teachers without seniority will be laid off.

The Lakehead Public School Board has put its plans for a new high school on hold. The Board had planned to build a new high school on land purchased from the Thunder Bay Curling Club to replace Port Arthur Collegiate Institute and Hillcrest High School, both of which are scheduled for closure in 2007. The Board has agreed to work with the Ministry of Education to develop school valuation procedures for the seven schools slated for closure in 2007.





**Catholic Board growing** The Thunder Bay Catholic School Board is one of the few school boards in Northern Ontario to report that it is growing. Enrolment figures have been growing steadily since 2000 and this year saw an increase that was higher than their projections. Elementary schools are filled to capacity and its secondary schools are at 110%. Because of its rising enrolment, the board will see an increase in its budget and will hire nearly 50 more teachers. The board is also looking at the possibility of buying one of the schools closed by the public board. The board is in the process of analysing its enrolment figures in order to determine how many of its new students have come over from the public board due to the school closings. However, much of the growth in enrolment is in kindergarten and primary grades which would mean that the students are new to the school system. Notwithstanding the current increase in enrolment, the board is also looking at a strategy for dealing with the predicted future decline in numbers.

#### New deals

- Early childhood educators with the Lakehead District School Board reached an agreement with a three-year deal that will see them get a 6.5% increase over the course of the contract.
- A deal was reached between educational support staff and the Superior Greenstone District School Board. The deal averts a strike by the 140 support staff including teachers' aids and secretaries.
- A strike by 270 Confederation College support staff was also averted when a three-year deal was reached prior to the start of classes.

**Summer projects** There were a number of summer projects in Northwestern Ontario designed to assist area youth prepare for future employment.

- Confederation College and the Rural Economic Development Program provided educational camps where aboriginal youth received training in forestry, computer software and other work skills for jobs in the forestry sector.
- Skills Canada Ontario held skills camps at Confederation College and Fort William First Nation for kids aged 11 to 13 years. Participants had hands-on experience with vehicle maintenance, building with wood and aluminium, and floristry. There were seven of these skills camps held across Ontario.
- The Ontario Trillium Fund provided money for aboriginal literacy camps in five remote First Nations communities in Northern Ontario. The program hired 40 aboriginal students and 20 Southern Ontario students to run the program that will be offered to 325 youths in Muskrat Dam, Neskantaga, North Caribou Lake, Kingfisher Lake and Fort Albany. While the literacy camp programs will focus on

reading and writing, they will also include sports and leadership.

**College priorities** Confederation College president, Pat Lang, met with North Shore leaders to discuss training priorities for the region. The college is in the process of completing a new strategic plan and wants to be in a position to meet the needs of the area. With employment in traditional areas such as forestry and mining becoming less reliable, many would like to see the college focus on programs that will keep people in the region after graduation. Among the areas discussed were tourism, energy, health care services and trades training.

#### Health care & social assistance

**Closson Report** The Ontario Ministry of Health released a report by special advisor Tom Closson designed to change health service delivery in Northwestern Ontario. Closson believes that the new Northwestern Ontario LHIN will be able to use the report in making its decisions. Among the recommendations was a call for the development of district hospitals including Wilson Memorial Hospital in Marathon. The report also called for the addition of 242 long-term care beds in NWO health facilities. Fifty-seven of those beds have been designated for the area between Thunder Bay and Marathon however no details were given as to how they would be distributed or funded. Terrace Bay has already made it known that it would like 22 of the beds for its hospital.

The report also recommended setting up a stand-alone angioplasty service in Thunder Bay. Currently, beds are being used by people waiting to go to southern Ontario for the service.

Among other recommendations:

- using nurse practitioners and nurses as primary caregivers in isolated and remote communities;
- ensuring 24-hour telemedicine links for all isolated communities;
- establishing a joint medical advisory committee to move patients through the system;
- allowing mental health providers to determine the funding needs for each area of care;
- establishing alternate payment plans for neurosurgeons and other specialists

**Doctors coming north** The incentive programs designed to attract doctors to Northern Ontario are apparently working. A report from the Institute for Clinical Evaluative Sciences says that communities in the north now have more physicians per capita than many southern Ontario cities. According to the report the north is the only area to see an increase in the number of family doctors per capita. Most Northern communities hired recruitment officers and offered incentives to doctors to open a practice in an under-serviced area. In fact, so many communities have hired recruiters that they have formed an association.



However, there continues to be a shortage of heart specialists in Northwestern Ontario meaning that those that are here have a very heavy workload. The current demand levels call for eight cardiologists however there are only four in the region. The number of specialists across the country is diminishing and the North with its reduced service capacity and remote location is not seen as an attractive option. The Ministry of Health has recommended that some specialists be put on salary. It is hoped that this may increase the chances of cardiologists moving to remote areas.

**Nursing retention program** The Thunder Bay Regional Health Sciences Centre will benefit from the province's \$28 million nurse retention program that will encourage nurses over 55 years old to stay on the job and mentor younger nurses. Nearly 250 nurses with TBRHSC are over 55 years old. It is estimated that the province will have to hire 5,000 nurses over the next several years to eliminate shortages caused by retirement.

**Advanced care paramedics** Superior North EMS paramedics are training to become advanced care paramedics, which will allow them to perform intubations, cardiac and narcotic therapy and intravenous therapy. The training will also involve advanced assessment skills and critical thinking. The training will include classroom, equipment training and on-the-road experience.

**Bone and tissue bank** The Lake Superior Centre for Regenerative Medicine will open this fall as a bank and storage facility for bone and other human tissue. The centre hopes to become a state-of-the-art facility for research in regenerative medicine. Currently, central Canada has the largest shortage of bone tissue in the country. The centre will give preference for distribution of its donated tissue to local and regional doctors. As the centre becomes established, it will increase its staff numbers from three or four to 20 or more.

### Information, culture & recreation

**Changes for TBayTel** There are changes ahead for TBayTel. The telephone company has applied for a broadcast distribution undertaking licence (BDU) to broadcast television programs. It hopes to be in a position to compete with Shaw, BellExpressVu and StarChoice by the middle of 2006. As part of this process, the company has signed a letter of intent to form an alliance with Telus, Canada's second largest telecommunications company. This alliance is part of the company's plan to strengthen its position when, as is expected, the CRTC opens up the telecommunication market over the next year, ending the monopoly that TBayTel has held in the area. Company officials have assured workers that the company is not for sale and that any partner in an alliance will have no say over contracts or management of the company.

**Bingo closed** The Intercity Bingo Palace has closed after 15 years of operation. The owners blamed the casino and the no-smoking by-law. The hall once hosted 300 people a night. After the casino opened, numbers dropped to about 200 people a night. The numbers were halved again after the no-smoking by-law came into affect. More than 50 charities have worked with the bingo hall over the years; however, many have pulled out recently because they were not making money.

**Slot revenues down** Casino slot machine revenues continue to fall. Revenues from the first quarter of 2005 were 17% lower compared to the same time last year.

**Other casino issues** Thunder Bay city council is pressing the provincial government to release its report on the social and economic impact of the charity casino. In January, council received an 18-page report commissioned by the Ministry of Health which concluded that there wasn't a significant increase in the number of problem gamblers between 2000 and 2003. Council asked for more information and were promised that a more complete report would be coming in March. The second report has not arrived. There is much discussion among councillors as to the future of the casino. It has been suggested that a question should be placed on the municipal ballot as to whether or not the casino should be closed, however, others are concerned about the jobs that would be lost if the casino closed. The councillors would also like to see more of the casino money come to the city.

**Ready for ski season** Superior Slopes in Marathon is gearing up for the coming ski season. Major work has been done on the ski lift equipment and the facility planned to hire temporary staff to maintain the lift over the winter.

### Accommodation and food services

#### Restaurant news

- The McDonalds on Red River Road has been demolished. A new state-of-the-art McDonalds will be constructed on the same site.
- The local ownership of East Side Mario's has declared bankruptcy. Operation of the restaurant has been taken over by the corporation. As a direct result of the new management, the restaurant now has a new menu and plans are underway for renovations.

### Public administration

**Declining population** Another Lakehead University professor has presented a report indicating that, without economic intervention, the population of the city could decline over the next ten years. Earlier this year, LU professor David Smith released a report that said the city's population could see a massive decline by the end of the decade. This most recent report, by LU economics professor Bakhtiar Moazzami, predicts a more gradual decline in population, from 109,000 reported in the 2001 Census to 99,000 in 2010 and 94,000 by



2015. The average age will also rise. While Thunder Bay has lost many young adults aged 25 to 32 to out-migration to larger centres such as Toronto and Calgary, the city has also seen people in the 17 to 23 and 60 to 80 age groups move to the city from smaller communities in Northwestern Ontario. The report recognized the potential of the city to become an education centre and retirement community.

**Emergency training facility** The City of Thunder Bay is working with the Chamber of Commerce to develop plans for an emergency training facility in the city. The complex, which would be located on three sites including Confederation College, would feature a fire tower, crime lab and crime scene simulation, law library, cell block, driver training, firing ranges and other training aides. The Chamber estimates that the city spends \$3.5 million each year sending its emergency staff to southern Ontario for training.

**First impressions** Marathon is joining with other communities along the north shore to assist in determining the strengths and weaknesses of each community. The First Impressions Community Exchange project will see volunteers visit each community and provide an outsider's view on the town and its assets. There will be two visits to each community, both unannounced, one in November and another during the summer months. Following the visits, the volunteers will present a final report to the town council of the visited community. Marathon has been paired with Wawa.

**More police** The Thunder Bay police chief recommended that the city apply for eight fully-funded new police officers under the Officer Partnership Program being offered by the province. The police department would like additional resources applied to young offenders and street gangs as well as computer crime and community response. The Thunder Bay Police Association has stated it would like to see more of a community presence by the police in the city. Community Safety and Correctional Services announced that it would fund 1,000 new officers across the province with Northern Ontario and First Nations getting 60 of those officers. The full base salary of the new Northern officers will be paid under the provincial plan.

**Greenstone prepares** Greenstone has received a FedNor grant to develop an economic recovery plan in advance of the expected closure of the two Kruger mills in the area. The money will be used to hire three staff members at the Greenstone Economic Development Corporation to develop tourism initiatives and work with the existing committee that focuses on retaining professionals such as doctors.

**New OPP building** OPP officers in Northwestern Ontario are scheduled to get a new "state-of-the-art" building in the next year. The 26 officers working out of detachments in Greenstone and Longlac will be amalgamated into one building on Highway 11. The relocation of the officers is not expected to have any affect on response time as officers are often already on the road when dispatched.

#### *IN THE SPOTLIGHT:*

#### *SERVICE CANADA*

Labour Market Information is now being delivered by **Service Canada** – the Government of Canada's new service delivery network that brings a range of federal services and benefits together to meet your individual needs.

**Service Canada offers easy-to-access, one stop, personalized service.**

For more information about Service Canada or to find the Service Canada Centre nearest you visit us at:

[www.servicecanada.gc.ca](http://www.servicecanada.gc.ca)

or call 1 800 O-Canada



LABOUR FORCE TRENDS

LABOUR FORCE SURVEY HIGHLIGHTS

**Very modest weakening in Thunder Bay**

Conditions in the Thunder Bay labour market weakened slightly in the third quarter of 2005. While employment was almost unchanged, the labour force contracted – an unexpected trend during the summer months, when job seekers and employment generally hit their respective peaks. Because there were fewer job seekers, Thunder Bay's unemployment rate fell from 7.9% in the second quarter to 6.5%. This was the lowest quarterly unemployment rate seen in the CMA since the end of 2003.

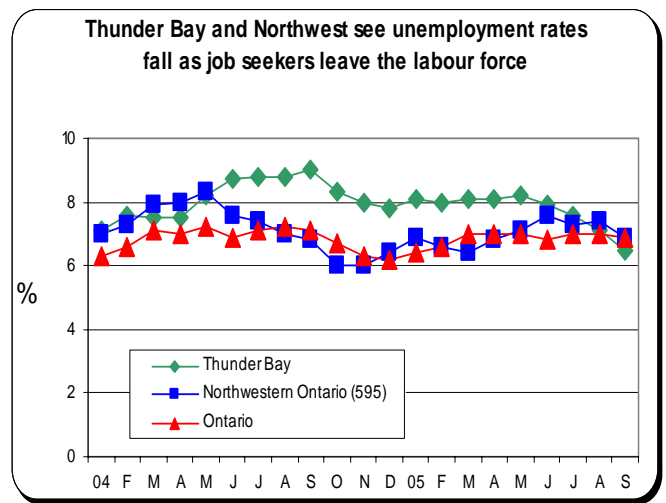
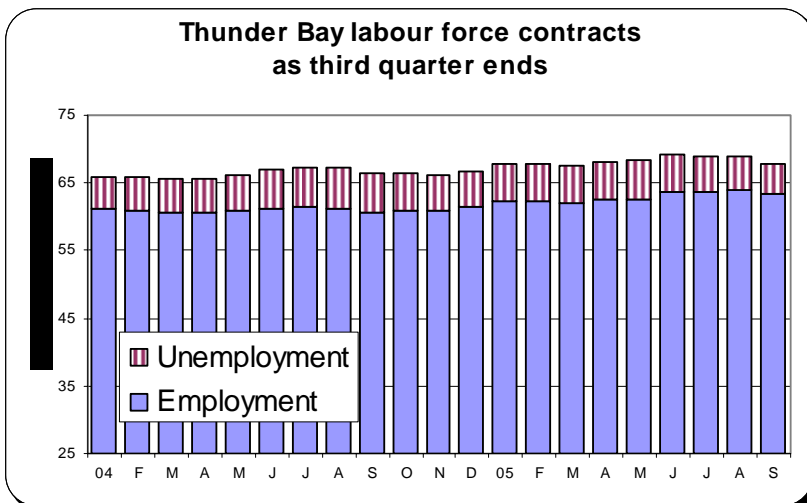
These conditions were slightly stronger than those posted in Thunder Bay in the third quarter of 2004. Year-over-year employment growth of three percent, coupled with a stable labour force, resulted in lower unemployment. Consequently, Thunder Bay's unemployment rate fell from 8.6% in the third quarter of 2004 to 6.5%

**Thunder Bay Census Metropolitan Area Labour Force Trends**

	July to September 2005	April to June 2005	July to September 2004	Change		Change	
				Quarter/Quarter Absolute	%	Year/Year Absolute	%
<b>Population 15 +</b>	<b>102,200</b>	101,100	101,200	1,100	1.1	1,000	1.0
<b>Labour Force</b>	<b>67,800</b>	69,200	67,400	-1,400	-2.0	400	0.6
<b>Employed</b>	<b>63,400</b>	63,700	61,500	-300	-0.5	1,900	3.1
<b>Full-time</b>	<b>49,500</b>	47,700	48,800	1,800	3.8	700	1.4
<b>Part-time</b>	<b>13,900</b>	15,900	12,800	-2,000	-12.6	1,100	8.6
<b>Unemployed</b>	<b>4,400</b>	5,500	5,800	-1,100	-20.0	-1,400	-24.1
<b>Not in Labour Force</b>	<b>34,400</b>	31,900	33,800	2,500	7.8	600	1.8
<b>Participation Rate</b>	<b>66.3%</b>	68.4%	66.6%	-2.1		-0.3	
<b>Unemployment Rate</b>	<b>6.5%</b>	7.9%	8.6%	-1.4		-2.1	
<b>Employment Rate</b>	<b>62.0%</b>	63.0%	60.8%	-1.0		1.2	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.





**Job losses mount in the Northwest**

Labour market conditions in Northwestern Ontario continued to deteriorate in the third quarter of 2005. Employment declined for the third consecutive quarter, bringing the total year-to-date job loss up to 7,700. This was a drop of nearly seven percent from the employment level posted at the end of 2004. Job losses this year have been evenly split between full- and part-time. The labour force also contracted during the third quarter (-4,000). Since these labour force withdrawals outnumbered the job loss, unemployment declined.

Consequently, Northwestern Ontario's unemployment rate fell from 7.6% in the second quarter to 6.9%.

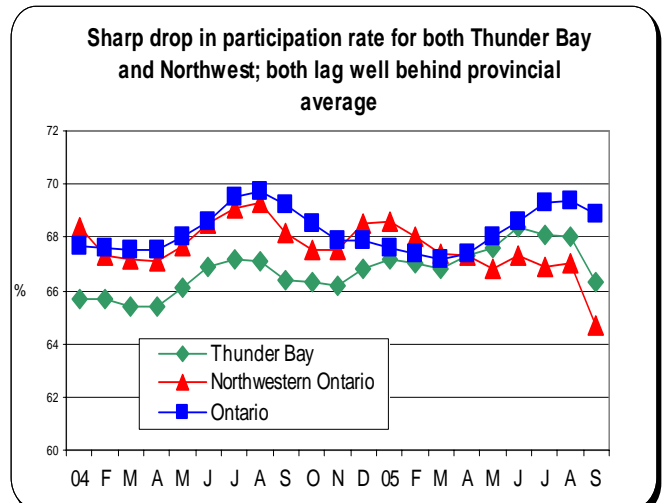
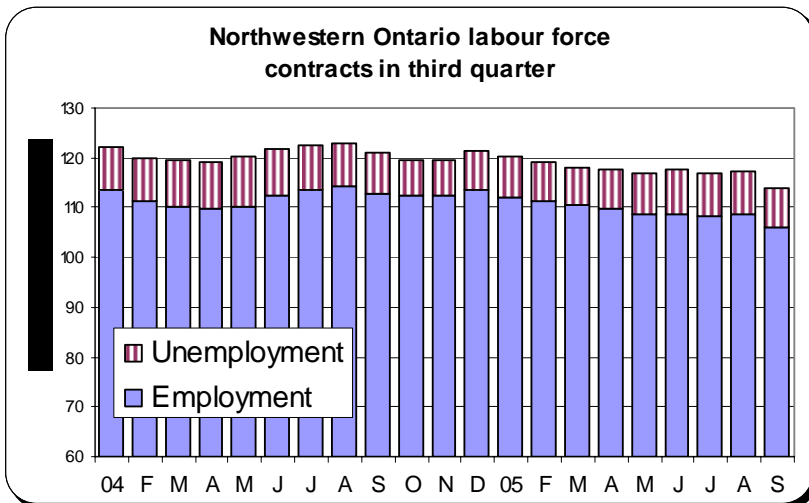
These conditions were markedly weaker than those recorded in the region one year ago. The labour force contracted nearly five percent since the third quarter of 2004. However, because employment fell by a similar amount, there was no change to the level of unemployment. Therefore, the unemployment rate was stable at 6.9%.

**Northwestern Ontario Labour Force Trends**

	July to September 2005	April to June 2005	July to September 2004	Change		Change	
				Quarter/Quarter Absolute	%	Year/Year Absolute	%
Population 15 +	175,800	174,900	175,400	900	0.5	400	0.2
Labour Force	113,700	117,700	119,300	-4,000	-3.4	-5,600	-4.7
Employed	105,900	108,800	111,100	-2,900	-2.7	-5,200	-4.7
Full-time	84,900	81,800	91,900	3,100	3.8	-7,000	-7.6
Part-time	21,000	27,000	19,100	-6,000	-22.2	1,900	9.9
Unemployed	7,900	8,900	8,200	-1,000	-11.2	-300	-3.7
Not in Labour Force	62,000	57,100	56,100	4,900	8.6	5,900	10.5
Participation Rate	64.7%	67.3%	68.0%	-2.6		-3.3	
Unemployment Rate	6.9%	7.6%	6.9%	-0.7		0.0	
Employment Rate	60.2%	62.2%	63.3%	-2.0		-3.1	

Note: Totals may not add due to rounding.

Source: Statistics Canada, Labour Force Survey.



## Employment by Industry

**Growth in services year over year in Thunder Bay**

There were no significant changes to the distribution of employment by industry in the Thunder Bay CMA in the third quarter of 2005.

Thunder Bay's year-over-year job growth was centred in the services-producing sector. Employment in the sector rose 6%, led by gains in **health care and social assistance**.

Service sector gains were more than enough to offset losses in the goods-producing sector. Employment was more than 8% lower year over year, with losses in **manufacturing and construction**.

**Thunder Bay Area Employment by Industry**

Industry	July to September 2005	April to June 2005	July to September 2004	Change		Year/Year Absolute	%
				Quarter/Quarter Absolute	%		
<b>Total</b>	<b>63,400</b>	63,700	61,500	<b>-300</b>	<b>-0.5</b>	1,900	3.1
<b>Goods-Producing Sector</b>	<b>10,800</b>	11,300	11,800	<b>-500</b>	<b>-4.4</b>	<b>-1,000</b>	<b>-8.5</b>
Agriculture	...	...	...	...	...	...	...
Forestry, fishing, mining, oil and gas	<b>1,900</b>	2,200	...	<b>-300</b>	<b>-13.6</b>	...	...
Utilities	...	...	...	<b>-200</b>	<b>-20.0</b>	...	...
Construction	<b>3,100</b>	2,700	3,900	<b>400</b>	<b>14.8</b>	<b>-800</b>	<b>-20.5</b>
Manufacturing	<b>4,300</b>	4,800	5,600	<b>-500</b>	<b>-10.4</b>	<b>-1,300</b>	<b>-23.2</b>
<b>Services-Producing Sector</b>	<b>52,600</b>	52,400	49,700	<b>200</b>	<b>0.4</b>	2,900	5.8
Trade	<b>10,800</b>	11,300	10,600	<b>-500</b>	<b>-4.4</b>	200	1.9
Transportation and warehousing	<b>4,300</b>	4,100	4,100	<b>200</b>	<b>4.9</b>	200	4.9
Finance, insurance, real estate and leasing	<b>1,800</b>	1,600	2,600	<b>200</b>	<b>12.5</b>	<b>-800</b>	<b>-30.8</b>
Professional, scientific and technical services	<b>1,900</b>	2,000	3,000	<b>-100</b>	<b>-5.0</b>	<b>-1,100</b>	<b>-36.7</b>
Business, building and other support services	<b>2,800</b>	2,300	2,300	<b>500</b>	<b>21.7</b>	500	21.7
Educational services	<b>4,400</b>	5,400	2,900	<b>-1,000</b>	<b>-18.5</b>	1,500	51.7
Health care and social assistance	<b>11,200</b>	10,900	7,800	<b>300</b>	<b>2.8</b>	3,400	43.6
Information, culture and recreation	<b>3,300</b>	3,600	2,800	<b>-300</b>	<b>-8.3</b>	500	17.9
Accommodation and food services	<b>6,100</b>	5,400	6,300	<b>700</b>	<b>13.0</b>	<b>-200</b>	<b>-3.2</b>
Other services	<b>2,000</b>	2,100	2,400	<b>-100</b>	<b>-4.8</b>	<b>-400</b>	<b>-16.7</b>
Public administration	<b>4,000</b>	3,600	4,900	<b>400</b>	<b>11.1</b>	<b>-900</b>	<b>-18.4</b>

Note: "..." indicates that data are too small to be expressed and are not appropriate for release. Totals may not add due to rounding.

Source: Statistics Canada. Labour Force Survey



### Small declines in services-producing sector in Northwest

Job losses continue to mount in Northwestern Ontario's services-producing sector. With the third quarter decline of 2,800, the year-to-date total job loss stands at 4,300. **Trade** employment recorded the greatest decline during the quarter, falling more than 16% (-3,100). There was no change to the level of employment in the goods-producing sector.

These trends are reversed in the comparison of year-over-year data. Employment in the services sector was on par with the

level recorded in the third quarter of 2004. While employment in **health care and social assistance** climbed more than 33% year over year, these gains were offset by losses in other industry groups within the sector. On the goods-producing side of the labour market, employment decreased nearly 18% year over year. Both **manufacturing** and **construction** recorded large declines from the levels posted one year ago.

### Northwestern Ontario Area Employment by Industry

Industry	July to September 2005	April to June 2005	July to September 2004	Change		Year/Year	
				Quarter/Quarter Absolute	%	Absolute	%
<b>Total</b>	<b>105,900</b>	108,800	111,100	<b>-2,900</b>	<b>-2.7</b>	<b>-5,200</b>	<b>-4.7</b>
<b>Goods-Producing Sector</b>	<b>25,000</b>	25,200	30,400	<b>-2,000</b>	<b>-0.8</b>	<b>-5,400</b>	<b>-17.8</b>
Agriculture	...	...	...	...	...	...	...
Forestry, fishing, mining, oil and gas	<b>6,000</b>	5,300	4,700	700	13.2	1,300	27.7
Utilities	<b>2,400</b>	1,700	...	700	41.2	...	...
Construction	<b>4,300</b>	5,100	8,800	<b>-800</b>	<b>-15.7</b>	<b>-4,500</b>	<b>-51.1</b>
Manufacturing	<b>11,300</b>	12,500	15,300	<b>-1,200</b>	<b>-9.6</b>	<b>-4,000</b>	<b>-26.1</b>
<b>Services-Producing Sector</b>	<b>80,900</b>	83,700	80,600	<b>-2,800</b>	<b>-3.3</b>	300	0.4
Trade	<b>15,600</b>	18,700	15,800	<b>-3,100</b>	<b>-16.6</b>	<b>-200</b>	<b>-1.3</b>
Transportation and warehousing	<b>7,200</b>	7,200	6,900	0	0.0	300	4.3
Finance, insurance, real estate and leasing	<b>3,100</b>	4,000	5,200	<b>-900</b>	<b>-22.5</b>	<b>-2,100</b>	<b>-40.4</b>
Professional, scientific and technical services	<b>2,800</b>	2,800	4,100	0	0.0	<b>-1,300</b>	<b>-31.7</b>
Business, building and other support services	<b>3,100</b>	3,100	3,200	0	0.0	<b>-100</b>	<b>-3.1</b>
Educational services	<b>7,400</b>	8,400	6,600	<b>-1,000</b>	<b>-11.9</b>	800	12.1
Health care and social assistance	<b>17,700</b>	16,400	13,300	1,300	7.9	4,400	33.1
Information, culture and recreation	<b>5,100</b>	4,900	4,600	200	4.1	500	10.9
Accommodation and food services	<b>7,900</b>	8,200	9,900	<b>-300</b>	<b>-3.7</b>	<b>-2,000</b>	<b>-20.2</b>
Other services	<b>3,600</b>	3,700	2,900	<b>-100</b>	<b>-2.7</b>	700	24.1
Public administration	<b>7,500</b>	6,200	8,200	1,300	21.0	<b>-700</b>	<b>-8.5</b>

Note: "..." indicates that data are too small to be expressed and are not appropriate for release. Totals may not add due to rounding.

Source: Statistics Canada. Labour Force Survey



LABOUR SUPPLY AND DEMAND

EMPLOYMENT INSURANCE CLAIM LOAD

**Third quarter sees lower EI Claim Load**

The decrease in the Employment Insurance claim load in the Thunder Bay SCC area continued in the third quarter as claimload levels reached the lowest level this year at the end of the quarter.

The number of male claimants fell significantly this quarter as summer hiring geared up. Just as predictably, female claimants increased significantly during the summer months. In most areas, the drop in male claimants was large enough to offset the increase in female claimants and result in an overall decrease. Only Marathon, which traditionally sees its female claimants out-number its male over the summer, did not have a drop in claim load this quarter

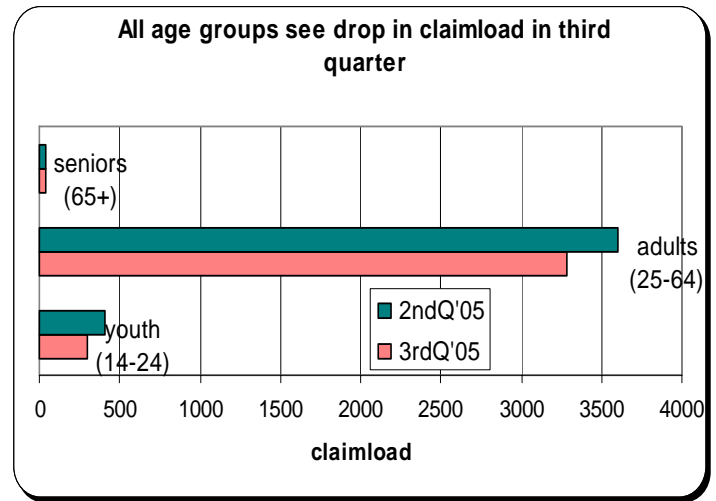
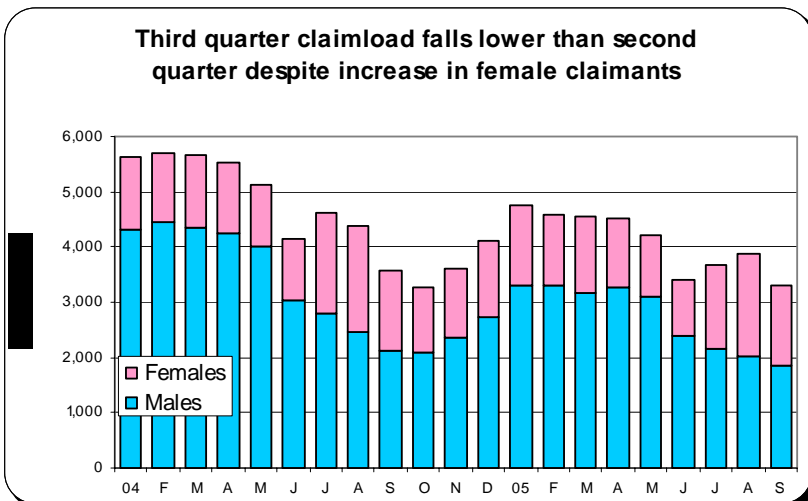
Once again, the youngest group, 14 to 19, was the only major age group to register an increase this quarter.

The claim load for the Thunder Bay SCC Area remains considerably lower compared to the same period last year. As previously noted, the early months of 2004 saw an unusually high level of claims; the third quarter of 2005 had claim load totals in line with other years. Marathon was once again the only area without a decrease year over year. This was due to a very minor growth in male claimants.

**Regular Employment Insurance Claimants - Thunder Bay Area**

	July - September '05			April - June '05			July - September '04		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
<b>Thunder Bay</b>	<b>2,691</b>	<b>1,516</b>	<b>1,175</b>	<b>3,047</b>	<b>2,257</b>	<b>791</b>	<b>3,165</b>	<b>1,922</b>	<b>1,244</b>
<b>Geraldton Area</b>	<b>321</b>	<b>182</b>	<b>139</b>	<b>330</b>	<b>231</b>	<b>99</b>	<b>365</b>	<b>208</b>	<b>157</b>
<b>Marathon Area</b>	<b>175</b>	<b>76</b>	<b>98</b>	<b>173</b>	<b>100</b>	<b>73</b>	<b>173</b>	<b>72</b>	<b>101</b>
<b>Surrounding Area</b>	<b>435</b>	<b>236</b>	<b>199</b>	<b>501</b>	<b>336</b>	<b>165</b>	<b>479</b>	<b>264</b>	<b>216</b>
<b>Thunder Bay SCC Area</b>	<b>3,622</b>	<b>2,010</b>	<b>1,612</b>	<b>4,052</b>	<b>2,924</b>	<b>1,127</b>	<b>4,182</b>	<b>2,465</b>	<b>1,717</b>

Source: SCC administrative data C-356





EMPLOYMENT OPPORTUNITIES

**Another strong quarter for advertised opportunities**

The third quarter of 2005 was another strong period of growth for advertised opportunities in the Thunder Bay SCC Area.

All areas had significant increases in part-time vacancies in the third quarter. Geraldton and the Surrounding Area, which includes Terrace Bay, Schreiber, Armstrong and Nipigon, had decreases in full-time vacancies compared to last quarter,

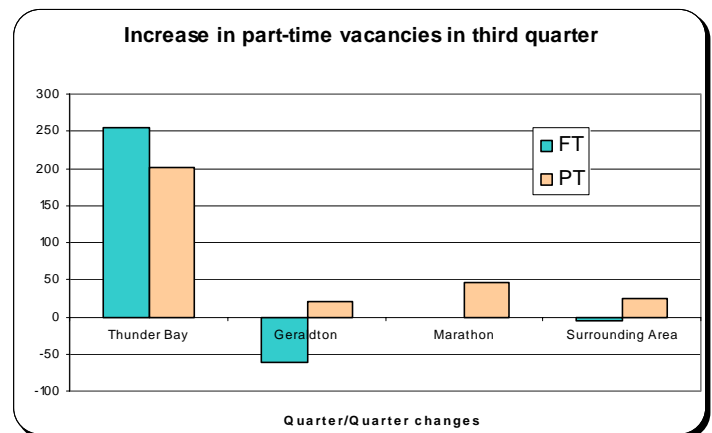
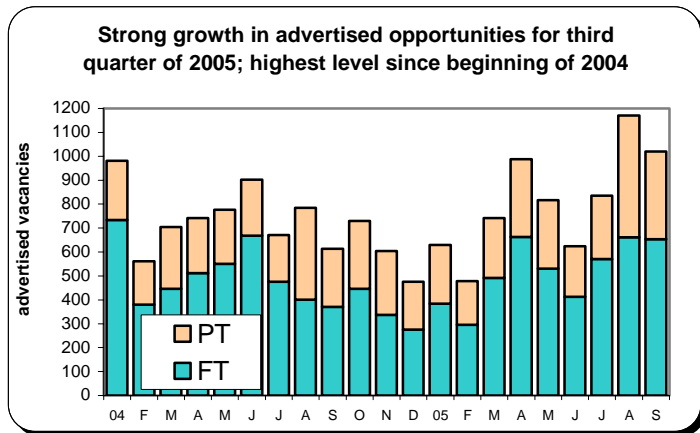
however, only Geraldton saw this drop result in an overall decrease in advertised positions for the quarter.

Compared to the third quarter of 2004, Geraldton was the only area to have a decrease in advertised vacancies. This was the result of a drop of over 50% in the number of full-time vacancies for the area. All areas had strong growth in part-time vacancies year over year.

**Employment Opportunities - Thunder Bay Area**

	July - September '05			April - June '05			July - September '04		
	Total	F/T	P/T	Total	F/T	P/T	Total	F/T	P/T
<b>Thunder Bay</b>	<b>2,637</b>	<b>1,666</b>	<b>971</b>	<b>2,181</b>	<b>1,411</b>	<b>770</b>	<b>1,717</b>	<b>1,007</b>	<b>710</b>
<b>Geraldton Area</b>	<b>117</b>	<b>69</b>	<b>48</b>	<b>158</b>	<b>131</b>	<b>27</b>	<b>185</b>	<b>150</b>	<b>35</b>
<b>Marathon Area</b>	<b>167</b>	<b>90</b>	<b>77</b>	<b>120</b>	<b>90</b>	<b>30</b>	<b>93</b>	<b>45</b>	<b>48</b>
<b>Surrounding Area</b>	<b>105</b>	<b>59</b>	<b>46</b>	<b>86</b>	<b>64</b>	<b>22</b>	<b>73</b>	<b>45</b>	<b>28</b>
<b>Thunder Bay SCC Area</b>	<b>3,026</b>	<b>1,884</b>	<b>1,142</b>	<b>2,545</b>	<b>1,696</b>	<b>849</b>	<b>2,068</b>	<b>1,247</b>	<b>821</b>

Source: SCC vacancies and newspaper want ads



**Notes to Readers:**

1. 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. **Northwestern Ontario** (Economic Region 595) is comprised of three Census Divisions: the Districts of Thunder Bay, Rainy River and Kenora.
2. 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 *Nipigon Red Rock Gazette*, the *Times-Star* (Greenstone) and the *Terrace-Bay Schreiber News*.
3. **Definitions – Labour Force Survey data**  
**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** consists of people employed or unemployed and searching for work. Those who are neither employed nor unemployed and are not willing or able to supply labour services are considered **Not in the Labour Force**. The **Participation Rate** is the percentage of the working age population (15+) who are seeking work or are employed. The **Unemployment Rate** is the number of people who are unemployed and looking for work as a percentage of the number of people in the Labour Force. The **Employment Rate** is the number of people employed as a percentage of the working age population.
4. **Definitions – Service Canada Corporate Data**  
**Employment Insurance claim load:** 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.  
**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 and casual.
5. This review uses data from **Statistics Canada's Labour Force Survey (LFS)**. In any survey there is a chance of variation due to sampling size. **Three-month moving averages** are used for selected labour force characteristics in an attempt to improve the reliability of this data. For further information on the Labour Force Survey, visit Statistics Canada's website at: <http://www.statcan.ca/english/sdds/3701.htm>
6. For more information on Industrial and Occupational categories used in this review, visit **Statistics Canada's website** at: <http://www.statcan.ca/english/concepts/index.htm>

