

An overview of the Northeast Ontario Economic Region. It includes the census division of Greater Sudbury and the districts of Nipissing, Parry Sound, Manitoulin, Sudbury, Timiskaming, Cochrane and Algoma. The Labour Market Monitor is a monthly report focusing on labour market information produced by Ontario Region, Service Canada Labour Market and Socio-Economic Information Directorate. For further information contact:

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Labour Force Trends

Employment in the Northeast Ontario economic region increased by 800 from August 2009 to August 2010. All gains in part-time employment (+8,700) were almost totally offset by losses in full-time employment (-7,900). During this period, the labour force and the number of unemployed people both slightly increased, leaving the unemployment rate relatively unchanged at 9.6%. Over the same period, the provincial unemployment rate declined from 9.9% to 9.1%.

For more information, please visit the Statistics Canada website at:

<http://www40.statcan.gc.ca/l01/cst01/lfss05d-eng.htm>

Labour Market News by Industry

Agriculture

North Sun Nurseries received \$100,000 from the Northern Ontario Heritage Fund Corporation (NOHFC) to expand its commercial blueberry operation in Swastika by improving crop yields. At peak production, the business provides 35 seasonal jobs in the community.

Construction

A \$3-million expansion project at the Parry Sound airport began this month following site preparation. The project includes the construction of 21 private hangars and three

commercial hangars. While the federal and provincial governments have each contributed \$495,000, a major portion of the funding is coming from private investment. A large aircraft and a helicopter servicing and refurbishment business are confirmed as tenants along with 18 aircraft owners. This expansion should add about seven more jobs to a total of 110 full-time jobs at the facility, which includes an industrial park.

The construction of a new seniors' community centre started in Hearst this month. Nor Building Enterprises Ltd. of Hearst was awarded the \$2.1-million contract to build the 14,000 square-foot building, targeted for completion by March 2011. The project is funded through federal and provincial stimulus dollars.

Construction of a new Shoppers Drug Mart is underway in Elliot Lake. The 18,000 square-foot building is being constructed on the site of the former Fireside Inn. More retail construction is expected with the development this summer of commercial land for a new Home Hardware store. The water and sewer infrastructure is going in this summer in advance of the construction of the 25,000-square-foot lumber and retail store next year.

A ground-breaking ceremony for the \$6-million Xstrata Nickel Sustainable Energy Centre took place in early August. The 16,400-square-foot research and education facility is located on Cambrian's Sudbury campus. Construction is expected to be complete by the spring of 2011.

Kilganan Group Ltd. of Little Current began construction of 19 residential housing lots in Espanola. The company plans to construct the single dwelling homes on Second Avenue and Amadori Court using steel construction. Kilganan Group also has plans to develop a steel roll form manufacturing company. Twelve jobs will be created at Northern Metal Framing Inc., which will be housed in Espanola's Industrial Park.

Construction began this month on Highway 17 north of Sault Ste Marie. About 30 kilometres of the highway will be upgraded, as well as two kilometres of Harmony Beach Road. Pioneer Construction was awarded the \$5.8-million contract through Ontario's Northern Highways Program, which will create about 40 jobs.

Pioneer Construction was awarded a \$7.1-million contract through Ontario's Northern Highways Program to resurface an 11-kilometre section of Highway 17 near Coniston. About 50 jobs will be created. Work commenced in August and should be complete by the fall of 2011.

Educational services

Northern College in Timmins is partnering with Algoma University in the delivery of two university level courses this fall. The social services courses will be delivered via video conference and compressed programming. The college plans to expand its university affiliations to provide local students with more degree options. Northern College currently offers a Bachelor of Science in Nursing degree through Laurentian University, and courses in the masters education program through Nipissing University.

Forestry, mining, oil and gas

Lake Shore Gold has invested heavily in Timmins this year, spending \$11 million in exploration and \$60.8 million in mine projects through the first six months. Another \$55 million in project spending is expected in the last two quarters, along with an additional \$31 million in exploration spending. The company expects to produce 65,000 ounces of gold in 2010 from its Timmins projects and to have ramped up its Bell Creek Mill to 10,000 ounces per month by year-end. Lake Shore Gold continues to discover more gold resources at high grades.

Detour Gold Corporation expects to move to the construction phase at its gold mine project north of Cochrane in late 2010, pending permitting approvals and support from local First Nations. A 180-kilometre hydro line will need to be built from Fraserdale Power Station north of Smooth Rock Falls to the mine. This work could also begin by the end of 2010. The company has completed almost 90,000 metres of drilling this year.

Liberty Mines announced that its Redstone nickel concentrator is operating at full capacity

or 1,500 tonnes per day. Liberty has applied to the Ministry of Environment to increase the concentrator's permitted capacity to 2,000 tonnes per day.

Health care and social services

Six of Ontario's new Family Health Teams will be located in Northeastern Ontario. These teams are made up of doctors, nurse practitioners, registered nurses and dietitians who work together to provide non-emergency health care for their community. The primary client group are those without family doctors. Sault Ste. Marie, Batchewana First Nation, Blind River, New Liskeard, Sturgeon Falls and Powassan should all be operational within a year. No staffing levels have been announced.

Six jobs were created with the opening of the Sudbury District Nurse Practitioners Clinic in Lively. Servicing patients who do not have a doctor, the facility opened with two doctors, two nurse practitioners, a registered nurse and a pharmacist. A social worker and dietitian will soon be added.

More than 150 employees of the Northern Ontario School of Medicine in Sudbury and Thunder Bay walked off the job on August 16, due to a labour dispute. This is the first contract for the medical school and members of the Ontario Public Service Employees Union, Local 677.

Information, culture and recreation

More than 3,600 athletes, coaches and officials were in Sudbury for the 2010 Ontario Summer Games. Hotels and restaurants were filled to capacity from August 10 to August 13. The economic impact is expected to be more than \$1.5 million.

Manufacturing

Three H Furniture in New Liskeard received \$125,000 in provincial funding from the Enterprise North Job Creation Program. The company plans to expand the plant to add a new milling machine and several cutting saws. The expansion could create 10 new jobs.

St. Marys Paper Corporation announced plans to resume production at its pulp and paper mill in Sault Ste. Marie. Closed since March 2010, more than 350 workers have been laid off. The company produces glossy paper normally used in catalogues and magazines. St. Marys intends

to diversify its product line to include regular paper production. The company hopes to restart production this fall. The number of employees to be recalled was not released.

After losing more than \$143 million in the first quarter of 2009, Essar Steel Algoma Inc. announced a profit of \$39.7 million for the first quarter of 2010. The company signed three-year agreements with more than 3,000 unionized workers at the end of July 2010.

Transportation and warehousing

Huron Central Railway will continue to operate until at least September 30, 2010. Huron Central requires \$30 million for track and rail bed upgrades along its 300 kilometre line in order to continue to operate. The provincial government has guaranteed \$15 million, while the federal government has yet to sign off on verbal commitments for the same amount of funding.

Closure of the line would mean the loss of 45 jobs along with added costs for the two largest customers, Essar Steel Algoma Inc. in the Sault and Domtar Inc. in Espanola. If the rail line closes it will result in an additional 40,000 transports along Highway 17 east.

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.