

## **Electronic Arts cuts 1,500 jobs due to decline in sales, shift to digital content**

Vancouver Sun  
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Section: Westcoast News  
Byline: Doug Ward  
Source: Vancouver Sun; with files from Bloomberg

Video game publisher Electronic Arts Inc. is cutting 1,500 jobs across its operations, including a "significant" number of positions at its Burnaby campus.

The cuts announced Monday amount to 16 per cent of the company's global workforce, EA communications director Colin Macrae said.

The job losses stem from an industry-wide decline in packaged-goods sales because of the economic slump and a shift by consumers to digital gaming content, Macrae said.

EA provided company-wide layoff numbers but declined to detail the number of layoffs at its various studios and publishing locations.

EA employed 1,500 people at its Burnaby campus and 1,200 in Montreal and Edmonton.

The maker of video games Skate 2, Madden NFL 10 and The Beatles: Rock Band reported a fiscal second-quarter loss of \$391 million, or \$1.21 a share, compared to a loss of \$310 million, or 97 cents, a year earlier, according to a media statement.

EA said the job reductions will result in annual costs savings of at least \$100 million.

The layoffs came on the same day that EA announced it has acquired Playfish Ltd., a maker of games for the social-networking site Facebook Inc., MySpace and the iPhone, for at least \$275 million.

"We are making tough calls to cut cost in targeted areas and investing more in our biggest games and digital businesses," said EA chief executive officer John Riccitiello.

The layoffs are further proof that EA hasn't been recession-proof. The video-game giant cut 11 per cent of its workforce (1,100 people) in January of this year, citing poor Christmas holiday sales, and reduced the number of projects in development.

Riccitiello has pushed to restore profitability by cutting jobs, closing development studios and focusing on fewer titles with greater revenue potential. Industry sales are down 13 per cent this year, according to researcher NPD Group Inc.

"EA is still a company in transition," said Colin Sebastian, an analyst with Lazard Capital Markets LLC in San Francisco.

## Lost jobs 'reality check'; B.C.'s bad news partly due to recent over-hiring

The Province  
Sun Nov 8 2009  
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Section: Money  
Source: Staff Reporter, with files from CNS

B.C. posted Canada's second largest job loss last month, sending the province's jobless rate to 8.3 per cent from 7.4 per cent in September.

More than 12,000 of the 13,000 jobs B.C. lost in October were part-time, Statistics Canada said.

"Over the past 12 months, employment in the province has fallen by 2.2 per cent [52,000]," StatsCan said.

The province's goods-producing sector took the biggest hit, losing 9,300 positions, the federal agency's latest labor force survey shows. Manufacturing's loss of 12,200 positions was partly offset by gains in agriculture, the agency's data shows.

In Vancouver, the jobless rate rose to 7.3 per cent from 7.1 per cent, based on a three-month moving average. Victoria's increased to 6.4 per cent from 6.1 per cent.

The country as a whole unexpectedly lost 43,200 jobs in October, the agency said.

The surprise decline came after two straight months of gains. The national unemployment rate rose to 8.6 per cent in October from 8.4 per cent in September.

Most of last month's job losses were in the retail and wholesale trade sectors, StatsCan said.

"Part-time work dropped by 60,000 in October, the second consecutive month of large declines," the federal agency said. "At the same time, full-time employment increased slightly, adding to the large full-time gain from the previous month."

Many economists had expected 10,000 jobs would be added in October, but forecast the unemployment rate would rise to between 8.5 and 8.6 per cent. CIBC chief economist Avery Shenfeld said the report "was a reality check" for a labour market that had little production to show for all the hiring it had been doing.

"The trend shows very small net hiring on average, a result that is much more consistent with the limited growth we've thus far seen in economic output," Shenfeld said.

In addition to B.C., Alberta and Newfoundland saw "notable" job losses last month, while the other provinces had little change, the agency said. Alberta had a nation-leading loss of 15,000 jobs. The employment report follows an unexpected downturn in the Canadian economy. Gross domestic product shrank 0.1 per cent in August, when most analysts had forecast slight growth.

"The subtext to this report is simply that the Canadian economy had been adding labour at a much faster pace than could be sustained, and as a natural consequence, employment declined in October," said Ian Pollick, economics strategist at TD Securities.

Meanwhile in the U.S., the Labor Department said Friday that 190,000 jobs were lost in October, pushing the unemployment rate to its highest in 26 years.

## **B.C. sheds 13,000 jobs in October; Decline means province has recorded 52,000 job losses over the past year**

Vancouver Sun  
Sat Nov 7 2009  
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Section: Businessbc  
Source: Canwest News Service

British Columbia unexpectedly lost nearly 13,000 jobs last month and saw its unemployment rate jump nearly a full point to 8.3 per cent.

The sharp decline means the province has recorded 52,000 job losses in the past year.

The provincial employment numbers released by Statistics Canada on Friday showed B.C. lost the most jobs in the country except for Alberta (15,000), and saw its unemployment rate rise the fastest outside of Newfoundland.

Nationally, StatsCan reported 43,200 job losses as the economy struggled to exit the first recession since the early 1990s.

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Many economists had expected 10,000 jobs would be added in October, but forecast the unemployment rate would rise to between 8.5 and 8.6 per cent.

CIBC chief economist Avery Shenfeld said the report "was a reality check for a Canadian labour market that had been seeing a lot of hiring without much to show for it in terms of production."

"Put the last three months together, and the trend shows very small net hiring on average, a result that is much more consistent with the limited growth we've thus far seen in economic output."

Statistics Canada said employment is now down 400,000 across the country, or 2.3 per cent, from the peak labour force in October 2008.

It said Alberta, B.C., Manitoba and Newfoundland and Labrador all posted "notable" job losses last month, while the other provinces saw little change.

"Since October 2008, Alberta, Ontario and Newfoundland and Labrador were the only provinces with faster rates of employment decline than the national average."

The employment report follows an unexpected downturn in the Canadian economy. Gross domestic product shrank 0.1 per cent in August, when most analysts had forecast slight growth.

"The subtext to this report is simply that the Canadian economy had been adding labour at a much faster pace than could be sustained, and as a natural consequence, employment declined in October," said Ian Pollick, economics strategist at TD Securities. "We had expected the recent pace of improvement in the labour market to be unsustainable, and we were proven correct."

#### UNEMPLOYMENT RATE

British Columbia 8.3%

Alberta 7.5%

Saskatchewan 5.3%

Manitoba 5.8%

Ontario 9.3%

Quebec 8.5%

New Brunswick 8.5%

Nova Scotia 9.3%

P.E.I. 12.0%

NFLD. 17.0%

Source: Statistics Canada

## **Call centre closure cuts nearly 700 jobs; Surrey-based Chase Card Services says it will shut down next year**

Vancouver Sun  
Thu Nov 5 2009  
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Byline: Brian Morton  
Source: Vancouver Sun

Nearly 700 local call centre workers will lose their jobs after U.S.-based Chase Card Services, the credit card division of JPMorgan Chase, announced Wednesday that it will close its Surrey facility by late next year.

The closure is being called a major blow to B.C.'s call-centre industry, which has seen two other call centres close in recent months.

"It's obviously sad news for the industry," Jim Moore, spokesman for the B.C. Contact Industry Association, said in an interview. "It's disappointing to have a closure like that. This is a sizable operation, and it's negative for the industry."

According to a Chase Card Services statement, the decision to close the Central City Surrey facility -- which opened in 2004 to provide call centre support for credit card companies -- was based on the company's decision to increase efficiencies by consolidating work into other facilities.

Martyn Yarwood, manager of the Chase Card Services centre in Surrey, refused to comment on the closure, referring calls to Chase Card's head office.

Tanya Madison, a vice-president at Chase Card in Delaware, said in an interview that Chase Card Services will increase the number of employees at its Ottawa facility by approximately 200 during the second half of 2010.

She said that while the company understands the change will be difficult for the 675 affected Surrey employees, management teams will work closely with each employee during the transition.

"It's important for us to increase efficiencies across our operations," Madison said. "The Surrey site is being closed but the positions will be absorbed by different facilities. We'll be increasing the number of employees in Ottawa."

She said employees will receive severance, although no details were available.

Madison said impacted employees are eligible to apply for new positions within the organization, adding that "they could be eligible for relocation."

Moore, whose organization represents employees, vendors and consultants in B.C.'s call-centre industry and promotes call-centre growth, said the announced closure of the non-unionized facility is the latest example of large call centres closing in B.C., largely because of an appreciating Canadian dollar.

"The dollar is impacting [the industry]," said Moore, who added that he couldn't speak to the specific reasons for the Chase Card closure. "A few years ago, many call centres set up here because it was cheaper. That advantage has shrunk, although there are still other advantages."

"EBay closed their local centre in Burnaby last month and that was 700 jobs. They're consolidating [operations] in Salt Lake City. And Convergys had a large centre in Kamloops. It closed last month. That was 1,000 employees. Hopefully, [the Chase Card closure] will be the last.

"But we've also had some good news lately. Terasen will be opening a new centre of about 300 employees."

Moore said employees at the Chase Card Surrey facility likely earned wages in the \$15- to \$20-per-hour range.

There are about 25,000 call centre employees in B.C

## **BCAA Travel closes**

Richmond News

Wed Oct 28 2009

Page: 19

Section: Community

Source: Richmond News

The B.C. Automobile Association is closing all its storefront travel-agency offices in January, putting 157 employees out of work.

BCAA -- which has a travel agency wing on Richmond's No. 3 Road near Westminster Highway -- says it will ensure that all existing travel bookings are fulfilled and that sufficient staff are available to meet customer needs through completion of their travel plans. Although all 21 BCAA travel agency offices around the province will close as of Jan. 15, BCAA Travel will continue to offer travel and holiday bookings online and by telephone. After more than 50 years of operation, the agencies are closing due to declining revenues with people using the internet to book holidays direct.

**West Fraser to shut Kitimat mill  
535 jobs lost; Move will have huge impact on town, mayor says: 'It's gut-wrenching'**

By Gordon Hamilton, Vancouver Sun October 29, 2009

West Fraser Timber says it is shutting down its Eurocan pulp mill at Kitimat, throwing 535 people out of work.

The mill will close Jan. 31, the company said in a news release late Wednesday.

Company president Hank Ketcham blamed "a steep decline" in the mill's financial results for the closure.

Prices for its products -- linerboard and kraft paper -- are falling, the high Canadian dollar has knocked down revenues, and sawmills in the region have shut down, reducing the supply of low-cost chips for the mill.

Ketcham made the announcement in person at the Kitimat mill.

"We deeply regret the impact the mill closure will have on our 535 employees, their families and the community, and we will ensure those who are affected are treated with fairness and respect," Ketcham said in the release.

The 40-year-old Kitimat mill is one of the town's largest employers. The closure announcement came as a shock, said Mayor Joanne Monaghan. "[West Fraser] had told us the pulp mill was in trouble. But when a company goes down like this, it takes you right by surprise. It's gut-wrenching."

She said everything from businesses that supply the mill to merchants, schools and the hospital will be hit by the closure.

Pulp mills generate three to four spin-off jobs for every job in the mill. They are economic engines in every town where they operate.

"People are going to have to leave. This is not a happy day," Monaghan said. "We are going to have to think outside of the box to see what we can do for our community."

On top of the jobs lost, West Fraser pays \$3 million a year in taxes to the city, and the loss of that revenue will affect the city deeply, Monaghan said.

West Fraser is seeking a judicial review of that tax bill, but company executive vice-president Gerry Miller said now that the mill is closing, the tax issue is a moot point.

Miller said economics were the driving factor behind the closure.

"The decision to close the mill is related to a long-term fact that Eurocan has traditionally struggled with poor returns and high costs. These challenges have been even more exacerbated by the fact that over the last many months and few quarters the Canadian dollar has appreciated so significantly," Miller said.

Monaghan said she did not believe taxes were the reason the company is pulling out of Kitimat.

Monaghan said she has contacted Premier Gordon Campbell's office to seek aid in fast-tracking gas and energy projects planned for Kitimat to give the local economy a badly needed boost. Kitimat LNG proposes to build a natural gas export terminal at Kitimat, and Monaghan said it would provide construction jobs for more than three years.

Forests Minister Pat Bell said he is disappointed the mill is closing. He wants to talk to Ketcham about the decision. The forests minister said there is growing interest from China in northern B.C.'s crumbling pulp industry, and he wants to make sure all options, including a sale to Chinese interests, have been considered.

"I have a lot of faith in West Fraser's decision-making model. I know they make good decisions, It's disappointing to me that they had to make this decision, but I respect it," Bell said. "That doesn't mean I am not going to try and get involved in it. If there is a way of retaining that mill in some form or other, certainly I will be engaged in that process."

Jim Britton, western vice-president of the Communications, Energy and Paperworkers Union, said the closure of the Kitimat mill is symptomatic of the on-going crisis in the forest industry that has hit towns all across the province.

"It's not just Kitimat -- it's Campbell River, it's Mackenzie, it's Kelowna. It's all those families. It's those communities.

"When you consider that there are three to four spinoff jobs for every forestry worker, you can imagine the devastation in these communities outside the Lower Mainland."

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