

TOWN OF FORT FRANCES

Economic Development Advisory Committee

AGENDA - September 9, 2019 - 11:30 a.m.

MEETING - Committee Room, Civic Centre

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1. <u>Call to Order</u>	
2. <u>Disclosure of pecuniary interest and the general nature thereof</u>	
3. <u>Approval of Previous Advisory Committee Minutes</u>	
3.1 June 3rd, 2019.	2 - 6
4. <u>New Business</u>	
4.1 Crossroute Forest (ESFL) Update.	7 - 29
4.2 Municipal Strategic Plan Update.	
4.3 Mill Update.	30 - 60
5. <u>Standing Items</u>	
5.1 Review - April 1, 2019 EDAC Brainstorming Session - Driving Economic Growth as revised.	61
5.2 Municipal Accommodation Tax (MAT) Committee (update will be deferred to next meeting).	
5.3 Rural and Northern Immigration Pilot Update.	
6. <u>Information:</u>	
6.1 Northern Policy Institute - Northern Projection - Rainy River District.	62 - 101
7. <u>Adjourn / Next Meeting Date - October 7, 2019</u>	

TOWN OF FORT FRANCES
Economic Development Advisory Committee

MINUTES

June 3, 2019

The meeting of Economic Development Advisory Committee of the Town of Fort Frances was held in the Committee Room, Civic Centre on June 3rd, 2019 from 11:40 a.m. to 12:50 p.m.

PRESENT: J. Cumming, Chair, Mayor J. Caul, D. Kircher, K. Firth, J. Gillon, K. McCaig, M. Caron and J. McTaggart

ALSO PRESENT: Councillor D. Judson (11:40 a.m. to 12:30 p.m.), D. Brown, CAO, G. Gillon, RRFDC, T. Drysdale, Consultant, (RRFDC), R. Thoms, (93.1 The Border) and K. Lawson, Deputy Clerk/Committee Secretary

REGRETS: Chief W. Windigo, D. Eldridge

1. **Call to Order - 11:40 a.m.**
2. **Disclosure of pecuniary interest and the general nature thereof - none**
3. **Approval of Previous Advisory Committee Minutes**

3.1 April 1, 2019.

McCaig-Caron: THAT the minutes from the April 1, 2019 regular meeting be approved as distributed.

CARRIED

4. **New Business**

- 4.1 Pride Week Celebrations.
 - Councillor D. Judson was in attendance to provide an overview of the Borderland Pride's 2019 Pride Guide and the events taking place from May 24th to June 9, 2019. He announced that one of the many highlights included having Trevor Bonot act a Grand Marshall of the Borderland Pride Parade. Mayor Caul thanked Councillor Judson and his committee for the great work done bringing this event to the Town.
- 4.2 Rainy Lake Square Summer Agenda.
 - Tannis provided an overview of upcoming musical and movie events along with farmer market updates at the Rainy Lake Square. Mayor Caul expressed her appreciation to Tannis for her continued promotion of the Rainy Lake Square events.
- 4.3 Taste of India Event. **(Overview by Gurvinder Grewal).**
 - *Gurvinder Grewal, RRFDC Intern, was in attendance to provide an overview of the Taste of India event. The notes below are the speaking notes as provided by Mr. Grewal.*

First and foremost, I would like to extend my gratitude to this council for their support in this event, and for the Town's support for such an event, as evident by the number of tickets already sold.

The Rainy Lake Square will be hosting Fort Frances' first Festival of India!

The event will be held on July 22nd, 2019 at the Rainy Lake Square. It will begin at 6 p.m.

Before I continue, I believe it is important to note that India is a large, diverse country. It is as diverse as Europe. One can argue that each state within India is comparable, in terms of diversity, to that of a member state within the European Union.

India or Indians is often a term used to describe several communities that may, or may not, originate from the country of India. This often leads to stereotyping and/or discrimination. Therefore, it is our hope that the event will provide an opportunity for participants to gain intercultural understanding that will help them differentiate between the various communities that reside within South Asia, including the various communities within the countries themselves.

Why? The purpose?

Two-fold objective:

- 1. To increase intercultural awareness and understanding. The event will serve as a platform to welcome newcomers to the District, and a way to attract new visitors to Fort Frances. Participants will in turn learn about the diverse cultures in South Asia through folk music, folk dance and folk food. The event will also provide an opportunity for participants to engage in free-flowing conversations which will encourage intercultural understanding.*
- 2. To allow newcomers, namely those from South Asia, to identify one another and form a community. Many of the south Asian immigrations expressed their desire to partake in some of their own cultural practices, such as celebrating Eid or Diwali. Unfortunately, with many of them struggling to adjust to life in the North, it is difficult for many of them to muster the courage to organize events or community gatherings. I believe this event will allow them to make lasting relationships with one another, and hopefully with the larger community.*

The Festival of India will focus on promoting South Asian music. Dance, and food to highlight their importance in their respective community.

It is well known that music plays an important role in one's culture, with the South Asian community being no different. Punjabi, Hindi and Bengali music each form an integral part of daily life for their respective community.

What to expect:

- *Dance*
 - *Types of dances and their origins (state(s) connection)*
 - *i.e. Bhangra from Punjab, India and Pakistan.*
 - *The Topaz group will be performing an Odissi dance. A major ancient Indian classical dance that originated in the Hindu temples of Odisha – an eastern coastal state of India*
 - *Bharatanatyam, performed by the Dasi group from Florida, is a genre of classical dance originated in Tamil Nadu, India. Performed exclusively by women, and it expresses South Indian religious themes and spiritual ideas.*
 - *Bhangrā is a type of traditional dance of the Indian subcontinent, originating in the Majha area of Punjab. The dance was associated primarily with the spring harvest festival Baisakhi, and it is from one of the major products of the harvest—bhang.*

Musical instruments

- *We will also be showcasing a musical drama, including instrumental performances performed by the Vedic Mace group.*
 - *Types of musical instruments, their origins, and cultural significance.*
 - *Sitar a plucked stringed instrument, originating from the Indian subcontinent, used in Hindustani classical music.*
 - *A sitar can have 18, 19, 20, or 21 strings.*
 - *The tabla - a percussion instrument originating from the Indian subcontinent, consisting of a pair of drums, used in traditional, classical, popular and folk music. A particularly important instrument in Hindustani classical music since the 18th century, and remains in use in India, Pakistan, Afghanistan, Nepal, Bangladesh, and Sri Lanka.*

Another important component of cultural experience is to experience one's cultural cuisine. So, the Festival of India will also be accompanied by Taal Fine Indian Cuisine, which will serve a variety of dishes such as:

Indian cuisine:

- *Traditional food will also be served. Taal Fine Indian Cuisine has been kind enough to travel to Fort Frances for this event all the way from Brantford, Ontario.*
- *The dishes that will be served include:*
 - *Malai kofta*
 - *Aachari paneer*
 - *Parathas*
 - *Jeer Rice*
 - *Dal*
 - *Gulab Jumun*

Importance of respecting vegetarianism

- *Derived from the Latin word vegetus meaning "whole, sound, fresh or lively". In Indian culture it implies a balanced philosophical and moral sense of life, as well as a diet of vegetables and fruit.*
- *Vegetarianism in Indian culture is viewed as an essential step towards a better society.*
- *Economically, much farmland is required to grow the grain that feeds livestock in order to produce meat.*
 - *In the Indian context: India is a country that suffers from a scarcity of land (mostly attributed to its high population) and according to the Food and Agriculture Organization of the United Nations, India has about 195.9 million people that are undernourished. This makes diet an especially sensitive issue. Not just from a cultural or religious perspective, but from an economic perspective.*
 - *Importation of grains or meat could worsen India's current account deficit.*

Touch on the deal being offered. \$20 for unlimited food until June 15th, and \$30 after that.

We are hopeful that the festival will also include a henna artist, from Jai Henna, and a turban tying service offered by the Lakehead University Sikh Student Association. We believe this will encourage participants to discuss their experience and ask questions, and thus promote intercultural understanding.

4.4 Tourist Center.

- Emma Dykstra was in attendance to provide an overview of a survey currently being undertaken at the Tourist Information Centre.

The notes below are the speaking notes as provided by Ms. Dykstra.

• The Fort Frances Tourist Information Centre is open for the 2019 season, we opened on May 17,

2019

• In addition to keeping track of tourists and the purpose of their visit to the centre on our Google spreadsheet, we have a new survey provided to us from Destination Northern Ontario

• We were provided with an iPad to put on display for tourists so they can fill out the survey

online

• The survey asks the following questions:

1. Where are you from?

2. Where are you going?

3. What is your party size?

4. Approximately how much are you spending per day on this trip?

5. What will be the length of your stay here?

6. Who are you traveling with?

7. Why are you travelling?

8. What are you planning to do while visiting this region?

9. Where are you staying?

10. What is your mode of travel?

11. How many times have you visited this region?

12. How did you hear about this region?

• If tourists don't fill out the survey, we ask them some of the questions casually ourselves then

fill out the survey for them after they leave

• This survey will provide us with more details on the kinds of tourists are visiting our region,

as well of the purpose of their visit to the area, not just the purpose of their visit to our tourist centre.

The data extracted from this survey will be presented at the end of the year.

4.5 MAT Committee Update.

- Tannis advised the committee is still waiting on one more stakeholder to name someone to sit on the committee. Committee recommended that meetings should begin sooner than later. Tannis advised that the First MAT Committee meeting has been scheduled for 7:00 p.m. on June 11th at the RRFDC office.

4.6 Celebrate Ontario Grant.

- Tannis provided an update on a grant to assist paying for the Rainy Lake Square series.

4.7 Summer Meetings.

- consensus was reached to bring back the next EDAC meeting on September 9th.

5. Standing Items

- 5.1 Ideas from the April 2nd, 2019 Brainstorming Session - Ideas to Drive Economic Growth.
 - committee provided some additional ideas on the original chart. Under Manufacturing/Industrial Growth an idea was discussed respecting the potential of hydro farms to allow for the growing of vegetables year round. The idea of steam or solar generation to accommodate was discussed.
 - in addition a small discussion was had surrounding the use of the current OPP detachment office which will be vacant at the end of 2020.
- 5.2 Mill Update.
 - some significant work has been done on formulating a joint statement. A message to the public will follow.
- 5.3 Rural and Northern Immigration Pilot.
 - no update available.

6. Adjourn 12:50 p.m. / Next Meeting Date - September 9, 2019

THE CROWN FOREST SUSTAINABILITY ACT, 1994: *20 YEARS LATER*



Environmental
Commissioner
of Ontario



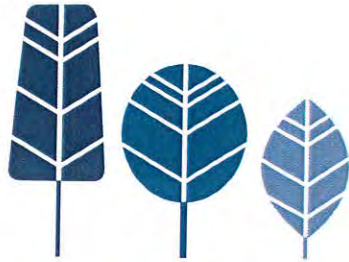


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This report was previously issued as part of the 2013/2014 Annual Report of the Environmental Commissioner of Ontario.

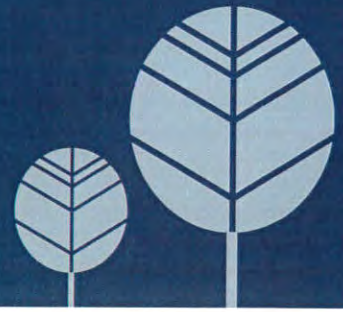
COMMISSIONER'S MESSAGE

The story of the *Crown Forest Sustainability Act, 1994 (CFSA)* starts in the mid-1980s when there was much turmoil in the forests of northern Ontario. It was created by a clash of paradigms. The perspective that had been dominant for decades was the view of the Crown forest as an engine of the economy, responsible for thousands of jobs and the source of considerable wealth. That view was reinforced by the *Timber Management Act*, the legislation that governed the forest industry operations. The northern forests were primarily viewed as a source of lumber, pulp, veneer and waferboard. Other uses of the forests or other forest values were seen as secondary at best, to be enjoyed as long as they didn't interfere with timber management.

But in the following years different points of view emerged and gained followers. These people began to see the Crown forest and the values implicit in it through a different lens. They were a disparate group. There were recreational campers and canoeists, cottagers, environmental activists, hunters, naturalists and scientists from the emerging field of forest ecology. They were drawn together by a shared concern over forestry practices of the day including large clear cuts, poor regeneration practices, pesticide use, loss of public access, cutting to the shore of lakes, and the loss of old growth forests.

The disagreement between the two paradigms on how the forest should be managed was brought to a boil when the government started to develop a class environmental assessment for timber management on Crown lands. The process required public hearings which, once started, became heated debates between the two schools of thought: was it timber management or was it forest management? It became further complicated when aboriginal peoples engaged in the discussion, rightly concerned that major decisions were being considered for the forests on their traditional lands. The debates raged and the hearings dragged on for four years; after a further two years of deliberation, a final Timber Management Class EA was produced in 1994. It had 115 terms and conditions reflecting a completely new approach to forestry which departed substantially from previous practice. But that was not the only outcome.

The catharsis that had emerged from the years of hearings had a profound effect on foresters and the forest policy community both inside and outside government. The paradigm had changed. There was consensus that the forest was a complex ecological system with many values, not just a provider of wood products. It was recognised that previous forest management practices were degrading the forest such that it would not maintain those values or even provide the high quality timber products in the long-term. Existing forest management, in the parlance of the day, was not sustainable.



So, concurrent with the two-year deliberation by the Environmental Assessment Board, policy makers within the Ministry of Natural Resources began from scratch to design a new legislative framework for the management of the Crown forest that would reflect the new understanding. It was passed by the Legislature as the *Crown Forest Sustainability Act, 1994* and proclaimed into law. The *CFSA* was widely praised as a ground-breaking law. It was at the cutting edge of new concepts of sustainable forest management that were emerging from thinking that was initiated at the Rio Earth Summit in 1992.

The *CFSA* has now defined forest management in Ontario for twenty years. The original vision is largely intact, although there have been attempts to diminish and whittle away at some of its provisions. There also has been a concerted effort to diminish the capacity of the Ministry of Natural Resources and Forestry to oversee its implementation. The legislation has provided tremendous benefits to the forest ecosystems of Ontario and, by extension, its people. With the stresses of climate change and present day proposals to expand industrial forestry beyond the Area of the Undertaking into the Far North, the vision of the *CFSA* is needed more than ever.

The following document is an excerpt from my Annual Report to the Legislature in October 2014. It is a preliminary review of the implementation of the *CFSA* after 20 years of operation. No comprehensive review has ever been done of this critically important law. I offer this brief discussion of the *CFSA* here under separate cover in the hope that it will spark a wider conversation among Ontarians, which may re-enforce and re-invigorate our commitment to truly sustainable forest ecosystems for future generations.

THE CROWN FOREST SUSTAINABILITY ACT, 1994

Twenty years ago, Ontario adopted a bold new approach to the management of our forests. The *Crown Forest Sustainability Act, 1994 (CFSA)* transformed forest management by directing that public forests be managed "to meet [the] social, economic and environmental needs of present and future generations."¹ The government stipulated that sustainability – the long-term health of the forests – must be the central purpose of forest management in Ontario. Since that time, there have been significant economic shifts in the forestry sector that have impacted the needs of forest-dependent communities, as well as advances in our understanding of the science behind forest ecosystems. While adjustments and tweaks have been made to particular forestry policies and programs since 1994, the government has never undertaken a comprehensive assessment to see if the total management system is working.



Ontario's Forests

Almost two-thirds of Ontario is covered by forests, stretching from Hudson Bay in the north to Lake Erie in the southwest. Our forests contain hundreds of plant and animal species from the iconic moose, North America's largest land animal, to the endangered drooping trillium. Our forests also are part of a global network of ecosystems that provide key habitat for migrating birds, such as the Canada warbler, which travels between our province and South America each year.

Forests supply us with many of life's necessities, including clean air, fresh water and food. They also offer hundreds of thousands of visitors beautiful places to hike, paddle, hunt, camp and connect with nature. Forests are a defining feature across the province, and their importance is reflected in the way Ontarians choose to use and value them.

Almost all of Ontario's forests are on publicly owned Crown land. These lands are managed by the Ministry of Natural Resources and Forestry (MNRF), which is charged with ensuring forest sustainability.²

Commercial Logging in Ontario

Commercial timber harvesting takes place across the vast middle swath of the province, within a zone known as the “Area of the Undertaking” that covers about 438,000 km². Since 1994, an average of almost 1,900 km² of forest has been logged annually.⁴ The forestry sector contributes billions of dollars to the provincial economy and employs thousands of Ontarians, making it a significant financial driver in many communities across the province.⁵ In 2011, revenues from primary and secondary wood products in Ontario were estimated at \$11.9 billion.⁶ More than 100 communities in Ontario are considered to be moderately to highly dependent on the forest sector.⁷

The Evolution of Forestry Law from the 1950s to the 1990s

Historically, forestry policy focused almost exclusively on cutting down trees for timber and pulp; it managed our forests for short-term financial benefit.⁸ Ontario’s previous forestry law, the *Crown Timber Act*, was enacted in 1953 and centred on the concept of sustained yield, attempting to balance forest growth with timber harvesting to ensure a continuous resource flow to industry.⁹ This law did not address broader issues of ecological and social sustainability.¹⁰ It also placed little weight on other forest uses, such as conservation, recreation and the harvest of other resources besides timber.

Over time, public perceptions and the scientific understanding of forests began to change, challenging the conventional ways of thinking about their management. The importance of ecological and social values, coupled with a demand for outdoor recreational opportunities, became more widely recognized.¹¹ ¹² Heated conflicts arose over logging, such as in Ontario’s old-growth forests in Temagami, heightening public awareness of harvesting and forest regeneration issues. Many groups began to warn loudly of the shortcomings of forest management. For example, a task force report in 1983, *The Last Stand*, warned of low levels of forest regeneration, expected wood shortages for industry and questionable provincial forestry data.¹⁴ As public debate around sustainability and forests grew, politicians recognized the need to change our Crown forest management system.



This desire for change ultimately led to public hearings, spanning over four and a half years, to develop a class environmental assessment for forestry activities, known as the 1994 Timber Class EA (see box). Concurrently, a re-examination of the *Crown Timber Act* led to a dramatic shift in forestry law in Ontario with the introduction of the *CFSA* in 1994.

The Crown Forest Sustainability Act, 1994: A Bold New Vision

With the passage of the *Crown Forest Sustainability Act, 1994*, Ontario's Cabinet laid out a bold vision for a new approach to forestry: "Our goal is to ensure the long-term health of our forest ecosystems for the benefit of the local and global environments, while enabling present and future generations to meet their material and social needs."¹⁵ This Cabinet policy reinforces the principles enshrined in the *CFSA*:

- Large, healthy, diverse and productive Crown forests and their associated ecological processes and biological diversity should be conserved.
- The long-term health and vigour of Crown forests should be provided for by using forest practices that, within the limits of silvicultural requirements, emulate natural disturbances and landscape patterns while minimizing adverse effects on plant life, animal life, water, soil, air and social and economic values, including recreational values and heritage values.¹⁶

This vision carefully balanced the need for wood products with the protection of equally important values, such as old growth forests, healthy wildlife populations and recreation. It recognized that our province is fortunate to possess vast forests that can sustain both commercial logging and a healthy environment; it did not postulate a false dichotomy between jobs and the environment.

The Cabinet direction, which was reflected in the new law, stressed the necessity of meeting wood supply needs, as well as: diversifying employment within the forestry sector; providing for other renewable goods from our forest; investing sufficient funds to maintain forest sustainability; and providing for a range of quality tourism opportunities.¹⁷

Key Elements of the CFSA

MNRF Responsibility for Forest Sustainability

The responsibility to meet the objectives of the *CFSA* lies with the Ministry of Natural Resources and Forestry. To ensure the sustainability of Crown forests, MNRF's job is to provide leadership and oversight of the forestry industry through policy and program development, as well as scientific monitoring and enforcement. While the *CFSA* envisages an important role for MNRF to support Ontario's forest industry, MNRF's primary responsibility is to protect the needs of Ontario's forest-dependent communities and the long-term sustainability of forest ecosystems. In theory, the *CFSA* shifted MNRF's role from a narrow focus on logging to a much broader focus on the 'triple bottom line.'



Forest Management Planning

Under the Act, MNRF divides Ontario's forests into a number of "forest management units," which are manageable-sized geographic areas designed to be governed by individual "forest management plans." Each forest management plan details the strategies and objectives for sustainably managing the designated block of forest. The scale of these management units is important to ensure that the forest management plan adequately addresses the particular needs of communities, the local economy and the environment.¹⁸

Allocation and Licensing

The second key premise of the *Crown Forest Sustainability Act, 1994* is that private companies will develop forest management plans pursuant to licenses issued by MNRF.¹⁹ MNRF issues several different types of licenses to companies to harvest trees within the designated management units.

Sustainable Forest Licences (SFLs) are long-term licences that allow a licensee to harvest forest resources in a specified forest management unit for up to 20 years (with the possibility of extension).²⁰ A licence holder is an integral part of the forest management system and is responsible for developing a forest management plan that explains, in great detail, how the licensee will sustainably manage the forest.²¹

All forest management plans must be approved by MNRF before they can take effect, and the law directs that plans cannot be approved "unless the Minister is satisfied that the plan provides

for the sustainability of Crown forest, having regard to the plant life, animal life, water, soil, air and social and economic values, including recreational values and heritage values, of the Crown forest.”²² The plans govern everything from harvest operations to access road construction and removal, as well as forest renewal and monitoring.²³

Forest Resource Licences (FRLs) allow timber harvesting, but cover a smaller geographic area than SFLs and are issued for periods up to five years.²⁴ FRLs may be granted for lands already subject to an SFL, with the SFL holder continuing to be responsible for overall forest management.²⁵

MNR also grants Supply Agreements to forest resource users, which guarantees those companies a set volume of wood supply for a period of time.²⁶ Supply agreements can obligate FRL holders to supply their harvested wood to a specific licensed mill operator. In turn, MNR licenses the operation of the mills through Forest Resource Processing Facility Licenses.²⁷ The volumes of wood and the scale of these licensed operations vary significantly, ranging from small wood chippers to large sawmills.²⁸

Independent Forest Audits

A key element of the CFSA’s framework is a system of checks and balances created through a requirement for independent forest audits, at least every five years, for each forest management unit. The results of these audits are tabled in the Ontario Legislature. Third party auditors assess:

- forest management plans and activities to ensure compliance with the law and forestry policies;
- the effectiveness in meeting planned objectives;
- whether shortcomings revealed by a previous audit have been addressed; and,
- the licensee’s compliance with the terms and conditions of their licence.²⁹

The audit can include recommendations to the licensee to address non-compliance or improve effectiveness.³⁰ According to MNR, independent forest audits on average show a 95 per cent compliance rate with the CFSA, ministry policies and guides.³¹ Audits can also include recommendations to MNR if the auditors conclude that improvements to ministry direction are necessary.

Investing in the Future of Forests

A strategic objective of our forest management system is to ensure that revenues from forest uses cover the investments required to maintain forest sustainability.³² To meet this objective, the CFSA established two trusts funded by fees paid by license holders; these fees are intended to be in line with the benefits licensees receive from using Crown forests.

The Forestry Futures Trust is designed to fund needed silviculture activities where Crown forest resources have been damaged by fire or natural causes, or where a licensee has become insolvent (serving as a kind of insurance policy for forest regeneration).³³ The trust also provides funding for intensive stand management, pest control and the independent forest audits. The trust is funded through fees levied on all licence holders and administered by an arm’s length body.



The Forest Renewal Trust is dedicated to regenerating and maintaining forest health.³⁴ The CFSA requires all licence holders to pay a fee to the province that goes into a special account for this purpose. MNRF varies the applicable charge based on the management unit and tree species in order to reflect the regional differences in cost based on forest types and species.

MNRF states that "both Trusts are significant parts of the Ontario's forest management program."³⁵

Learning through Doing

Accurate and ongoing feedback on how the resource is being managed is key to forest management.³⁶ The CFSA requires that the Minister of Natural Resources and Forestry prepare a report on the state of the Crown forests at least once every five years to provide 'a big picture' overview.³⁷ The report must address a range of topics including: the status of the forest resources using indicators; advances in forest research; external factors influencing the management of Ontario's forests; and a summary of progress of ongoing negotiations with Aboriginal peoples.³⁸ This type of reporting is, in theory, based on comprehensive monitoring by MNRF.

20 Years Later

De-evolution of the Vision

The *CFSA* assumes that forest management units are operated by private companies pursuant to a ministry licence. Over time, MNRF has incrementally consolidated and reduced the total number of forest management units. In the 1990s, there were 90 forest management units in Ontario; currently, there are 41. While arguably cost-effective in the short-term, the creation of larger-scale forest management units could lead to management challenges, reduce their relevance to local forest-dependent communities, and generate inadequate information on local forest ecology.

In 2009, the Ontario government announced a substantial review of the forest tenure system (i.e., the system for allocating and licensing timber). This review included a proposal to reduce the number of forest management units to between 5 and 15, run by new Local Forest Management Corporations (LFMCs). The government stated that these LFMCs would increase market competition, while allowing for greater local and Aboriginal community involvement. However, after industry backlash, the *Ontario Forest Tenure Modernization Act* was passed in 2011; the Act allows just two LFMCs to be created as pilot projects.³⁹ Currently, there are 32 SFL holders operating forest management units; nine forest management units are being run by MNRF because of the lack of interest from the business community.

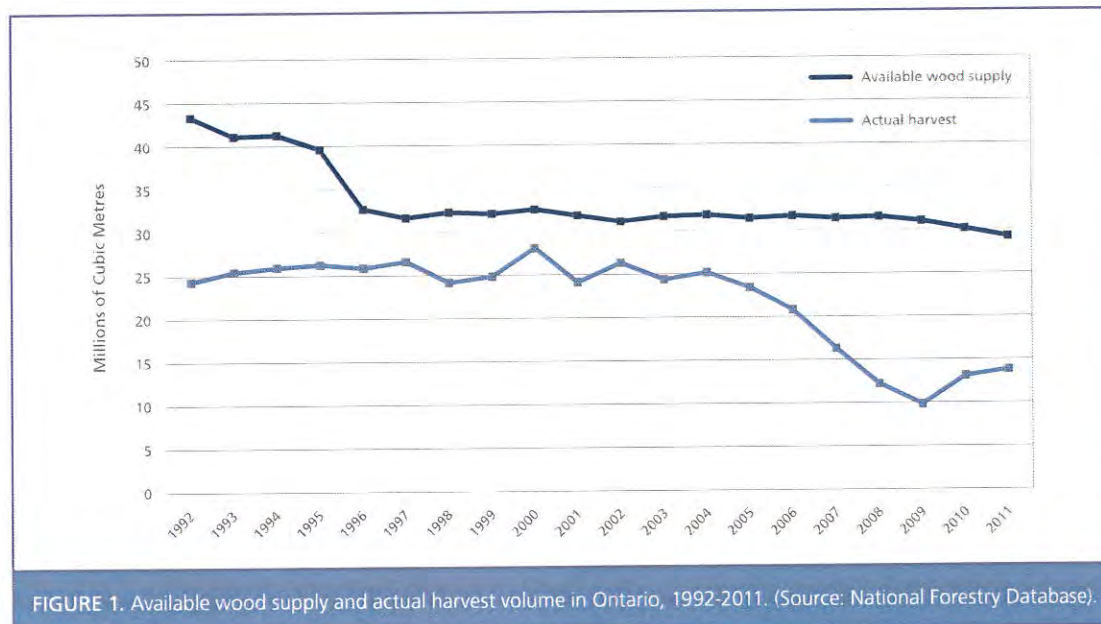
Population changes in ten of Ontario's forest-dependent communities, 1996 to 2011			
Municipality	1996	2011	Population change from 1996-2011 (%)
Chapleau	2,934	2,116	-28%
Dubreuilville	990	635	-36%
Hornepayne	1,480	1,050	-29%
Wawa	4,145	2,975	-28%
White River	1,022	607	-40%
Greenstone	6,530	4,724	-28%
Nipigon	2,210	1,631	-26%
Atikokan	4,043	2,787	-31%
Marathon	4,791	3,353	-30%
Average population decrease	30,219	21,266	-30%

TABLE 1. Population changes in a sample of ten northern Ontario communities with at least one forest resource processing facility that closed temporarily or permanently during the period 1996 to 2011. (Source: Statistics Canada).^{41 42}

The Boom and Bust of Commercial Logging

In building a sustainable forestry sector, one of MNRF's strategic objectives is to manage Ontario's forests in a manner that will "encourage optimum levels and diversity of employment ... while being consistent with all other strategic objectives."⁴⁰ The fate of many towns across northern Ontario is closely tied to the health of the forest industry (see Table 1).

In the 1990s, the forest industry experienced a period of growth and success. However, both harvest volumes and forest product revenues decreased significantly over the next ten years. This resulted in mill closures and layoffs; direct forestry jobs in Ontario decreased from 84,600 in 2002 to 55,600 in 2012, according to Natural Resources Canada.⁴³ Since then, harvest volumes have increased slightly but still remain short of historical levels (see Figure 1). A large part of this industry downturn is attributed to the typical boom-bust commodity cycle, which was exacerbated by the global economic recession.



Not Paying Their Dues

In 2011 and 2013, the Auditor General of Ontario reported that multiple SFL holders had not maintained their minimum balance requirement for the purposes of the Forest Renewal Trust, contravening the terms of their licences.⁴⁴ The Auditor reported \$45 million in stumpage fees were outstanding in 2011, and that the province was still owed \$40.6 million in 2013.⁴⁵ The Auditor also concluded that MNRF lacked appropriate measures and controls to ensure that Crown forest revenue was appropriately calculated and submitted.⁴⁶ MNRF itself has acknowledged that the lack of indexation to inflation of the Forest Futures Trust charge to companies since 1997 has undermined the ability of that trust to meet its legislated purposes.⁴⁷

Subsidies

Since 2005, MNRF reports that the forestry sector has received more than \$1 billion through various provincial incentives and subsidies.⁴⁸ For example, the sector received more than \$223 million through the Northern Industrial Electricity Rate Program and the Northern Pulp and Paper Electricity Transition Program.⁴⁹ Additionally, up to \$75 million annually is given to companies to construct and maintain forest access roads, including within protected areas.⁵⁰

Can't See the Forest for the Lack of Monitoring

MNRF has multiple legal obligations to conduct monitoring in order to assess the impact of logging. In fact, MNRF can be charged by the Ministry of the Environment under the *Environmental Assessment Act* if some monitoring programs are not carried out sufficiently.⁵¹ However, MNRF has had significant challenges carrying out some of these legal responsibilities.⁵²

In our 2011/12 Annual Report, the ECO concluded that MNRF's wildlife monitoring program in all practical terms does not exist; part of the rationale of this program is to ensure that there are no declines of select forest-dwelling species as a result of logging.⁵³ According to the ministry's strategic direction, "directed new funding from MNRF is required to fund the core effectiveness monitoring data collection activities" of its own forestry guides.⁵⁴ Additionally, the Auditor General of Ontario has raised repeated concerns with the ministry's silviculture effectiveness monitoring program and its inconsistent implementation by the ministry.⁵⁵

Dwindling Oversight of MNRF

The Ministry of the Environment and Climate Change (MOECC) has an incredibly important oversight role over MNRF's management of our Crown forests through the *Environmental Assessment Act* (EAA). Forestry as an entire body of activity ultimately requires approval by MOECC. MOECC's environmental assessment approval sets a series of legally binding conditions that MNRF must follow in the way it manages Crown forests and regulates industry.

The 1994 Timber Class EA established 115 terms and conditions that had to be followed in forest management.⁵⁶ The development of the Timber Class EA entailed the most comprehensive set of forestry-related public hearings held in Canada.⁵⁷ It explored a wide range of issues, including:

- how and whether clear cuts should be conducted;
- the need for more and better quality regeneration and monitoring;
- how to manage wildlife and associated habitat;
- the importance of social and economic values; and
- the rights and roles of Aboriginal communities in forestry.⁵⁸

In approving the Timber Class EA, the Environmental Assessment Board was clear that its approval rested on MNRF complying with the "long and detailed set of conditions, many of which were negotiated by the parties to the hearing." The Board noted that

the temporary (nine year) term of the approval meant that the approval would be tested in the forest. The Board was prescient in stating: "The successes and failures of the timber management planning process will be demonstrated. The results of monitoring will prove if MNRF is protecting non-timber values. The results of research into biodiversity conservation and landscape management will show if these are more than good ideas and can actually be implemented and produce the benefits we expect."⁵⁹ In 2003, MOECC replaced the Timber Class EA with an EAA Declaration Order that both reduced MNRF's forest management responsibilities and significantly weakened, but did not eliminate, MOECC's oversight role. Declaration Order MNR-71 reduced the original 115 terms and conditions to 55. Major changes included: extending the requirement for forest management plans to every 10 years instead of every five; removing details from the public consultation, inventory and data requirements; removing the EA Board's restrictions on clearcut size and replacing with direction to follow MNRF's guide, as revised from time to time. In addition, the Declaration Order had no expiry date, although MNRF was required to prepare a report every five years.⁶⁰

MNRF has proposed additional changes to its EAA coverage over the years.⁶¹ Most recently, it has sought to combine its 2009 Declaration Order covering forestry in Ontario's Far North with Declaration Order MNR-71, as well as to further condense the terms and conditions.⁶²

Whittling Away at the CFSA

The Government's Attempt to Fundamentally Alter the CFSA

In 2012, the government attempted to amend the *Crown Forest Sustainability Act, 1994* through a budget bill and with no public consultation.⁶³ Bill 55, the *Strong Action for Ontario Act (Budget Measures), 2012* proposed that forest management plans would no longer be required in circumstances to be determined later in regulation.⁶⁴ It also was proposed that the Minister of Natural Resources and Forestry could delegate any of his/her powers to a person or body, again subject to circumstances to be decided later.⁶⁵ After a public backlash, this proposed amendment was dropped from the final budget bill.

Imperilling Species

In 2013, MNRF lowered the protections for species at risk from logging.⁶⁶ The *Endangered Species Act, 2007* prohibits the killing or harming of a species at risk or damaging its habitat.⁶⁷ Any person who wishes to engage in such prohibited activities requires approval from MNRF; as a term of this approval, the proponent normally would be obligated to take steps to achieve an "overall benefit" for the affected species at risk (i.e., the species is in a better state than before the activity). MNRF could deem a forest management plan to be a compatible approval provided that the overall benefit test was met.⁶⁸ Instead, MNRF's regulatory changes now exempt forest operations until 2018 from needing to meet this overall benefit requirement. Coupled with a lack of monitoring by MNRF, the practical result is that the government has little ability to ensure that timber harvesting is (or is not) causing declines of imperilled species.⁶⁹



ECO COMMENT

The *Crown Forest Sustainability Act, 1994* lays out a sophisticated vision for Ontario's public forests. At the heart of this law is sustainability; it seeks to ensure that not only the natural environment is protected, but also the vitality of our communities and the health of the economy. Ontario was at the forefront of forest policy when it passed this law in 1994.

Much has changed in the 20 years since the *CFSA* was enacted by the Ontario government. Economic downturns and globalization, in hand with climate change and biodiversity loss, have moved us into a different era. While government has responded with one-off changes to specific government policies and programs since then, no comprehensive assessment has ever been conducted to determine if the total forest management system is working.

The *CFSA* provided hope that MNRF would give non-timber values equal footing in forest management, be it for recreation, old growth protection, wildlife management, climate change adaption or countless other values. It is critical to examine whether the *CFSA*'s vision of managing for the highest value forest use is being achieved on the ground by MNRF; gone should be the days when logging was the unquestioned preeminent use of our forests.

Significant challenges will present themselves in the decades ahead. External pressures beyond the direct control of the Ontario government will continue to alter the foundations of forest management, ranging from the profound impacts of climate change to global demand cycles in the timber market. It is imperative that our forest management system, led by the Ministry of Natural Resources and Forestry, be equipped and flexible enough to address such challenges. Most fundamentally, almost all of our forests are public resources on Crown lands; it is critical that they be managed to serve the needs of local communities, including Aboriginal communities. That imperative rests on ensuring a robust system that prioritizes the long-term health of our forests.

The *Crown Forest Sustainability Act, 1994* has been in place for two decades. The government should assess whether the Act, and the regulatory and policy regime it supports, are producing the desired social, economic and environmental outcomes. The need for such a comprehensive examination is not a condemnation. Rather, it is a necessity to ensure that our forests, one of our most important natural resources, are being managed based on the best possible information, practices and policies.

Comment from the Ministry of Natural Resources and Forestry

MNRF appreciates the ECO comments and recognition of major improvements to forest management effected by the *Crown Forest Sustainability Act (CFSA)*. The *CFSA* is flexible and enables forest management for broad purposes, including sustainable use of forests for biodiversity, habitat, natural heritage conservation, recreation, wood supplies and communities. The Forest Management Declaration Order under the *Environmental Assessment Act* also includes legally binding conditions that MNRF must comply with in forest management including planning, harvesting, roads and forest renewal requirements.

MNRF monitors and maintains the forest management system in order to meet the objectives of the *CFSA*. MNRF has made many program improvements to address evolving social, economic and environmental pressures and to incorporate new science.

Both the *CFSA* and *Environmental Assessment Act* approval enable the development and maintenance of manuals such as the *Forest Management Planning Manual (FMPM)* and *Forest Information Manual (FIM)*, as well as a number of forest management guides. These key policy documents provide the specific direction and guidance for practitioners on planning and implementing forest operations. By design, these documents are reviewed and revised as required to accommodate new science, changing public expectations and lessons learned through implementation. There have been several revisions of these documents since the *CFSA* was first passed. For example, there have been three versions of the FMPM since the *CFSA* came into effect.

The effectiveness of forest management is assessed through Independent Forest Audits, State of Forest reporting, Auditor General Reports, Annual Reports on Forest Management and Five-Year Environmental Assessment Reports. These assessments do provide necessary feedback and MNRF has taken action to incorporate needed changes to ensure programs are efficient and effective. These reports are signalling the *CFSA* is still current, effective and robust to enable necessary program changes to occur.

MNRF remains committed to ensuring that the *CFSA* is relevant and has successfully undertaken a number of amendments to the Act since it was first passed. MNRF will continue to do so as appropriate.

¹ Section 1 of the *Crown Forest Sustainability Act, 1994*: "The purposes of this Act are to provide for the sustainability of Crown forests and, in accordance with that objective, to manage Crown forests to meet social, economic and environmental needs of present and future generations."

² In July 2014, the Ministry of Natural Resources was renamed the Ministry of Natural Resources and Forestry.

³ Ministry of Natural Resources, "Ontario's Forests – Area of the Undertaking (AOU)," www.mnr.gov.on.ca/en/Business/Forests/2ColumnSubPage/STEL02_164530.html (accessed September 23, 2013).

⁴ Canadian Forest Service, "Statistical Data – Forest Management (Ontario)," <https://cfs.nrcan.gc.ca/statsprofile/forest/on> (accessed November 1, 2013). The annual average harvested area in Ontario between 1994-2012 was 189,008.68 hectares.

⁵ Ministry of Natural Resources, "Ontario's Forests – Business and Forestry," www.mnr.gov.on.ca/en/Business/Forests/2ColumnSubPage/STEL02_167493.html (accessed November 1, 2013). Ontario's forest products sector had 53,500 direct jobs in 2011.

⁶ Ministry of Natural Resources, "Ontario's Forests – Forest Industry at a Glance," www.mnr.gov.on.ca/en/Business/Forests/2ColumnSubPage/STDPROD_091539.html (accessed November 1, 2013). The value of Ontario's forestry sector was \$11.9 billion in 2011.

⁷ Ministry of Natural Resources, "Ontario's Forests – Forest Industry Maps," www.mnr.gov.on.ca/en/Business/Forests/2ColumnSubPage/STDPROD_091542.html (accessed November 1, 2013). MNRF categorizes 40 communities as highly dependent on employment in the forest sector to survive and 63 communities are identified as being moderately dependent.

⁸ W.K. Fullerton, "The Evolution of Crown Land Forest Policy in Ontario," *The Forestry Chronicle* 60(2) (1984): 63-66.

⁹ Section 6(2) of the (repealed) *Crown Timber Act*: "In subsection (1), the expression 'sustained yield' means the growth of timber that a forest can produce and that can be cut to achieve a continuous approximate balance between growth of timber and timber cut."

¹⁰ Section 28(2) of the (repealed) *Crown Timber Act* enabled the Minister to potentially require that licences or plans address other values such as watershed protection, fire protection and the preservation of beauty of the landscape.

¹¹ W.K. Fullerton, "The Evolution of Crown Land Forest Policy in Ontario," *The Forestry Chronicle* 60(2) (1984): 63-66.

¹² J. Cartwright, "Environmental Groups, Ontario's Lands for Life Process and the Forest Accord," *Environmental Politics*, 12(2) (2003):115-132.

¹³ J. Benidickson, "Temagami Old Growth: Pine, Politics and Public Policy," *Environments*, 23 (1996): 41-50.

¹⁴ Ontario New Democratic Party Caucus, *The Last Stand: Report of the Ontario New Democratic Party Caucus Task Force on Forestry* (Toronto: Ontario New Democratic Party Caucus, 1983).

¹⁵ Government of Ontario, *Policy Framework for Sustainable Forests* (Toronto: Queen's Printer for Ontario, 1994), i.

¹⁶ Section 2(3) of the *Crown Forest Sustainability Act, 1994*.

¹⁷ Government of Ontario, *Policy Framework for Sustainable Forests* (Toronto: Queen's Printer for Ontario, 1994), 1.

¹⁸ Ministry of Natural Resources, "Management Units in Ontario – April 2013," <http://www.mnr.gov.on.ca/stdprodconsume/groups/lr/@mnr/@forests/documents/document/261617.pdf>. (accessed September 24, 2013).

¹⁹ MNRF is responsible for developing forest management guides that direct the content of forest management plans; these guides operate at various geographic scales and specify how different values should be accounted for in forest management plans. These values include conserving biodiversity, maintaining or enhancing wildlife habitat, preserving landscape aesthetics and tourism values, and protecting ecological processes. These key policy guides include the *Forest Management Planning Manual*, the *Forest Information Manual*, the *Forest Operations and Silviculture Manual*, and the *Scaling Manual*.

²⁰ Section 26 of the *Crown Forest Sustainability Act, 1994*.

²¹ Section 68(1) and (2) of the *Crown Forest Sustainability Act, 1994* require MNRF to prepare the Forest Management Planning Manual and that the Minister shall ensure that forest management plans comply with it. Section 68(3) of the Act contains numerous requirements for the manual including, "the requirement that management objectives in each forest management plan be compatible with the sustainability of the Crown forest."

²² Section 9(2) of the *Crown Forest Sustainability Act, 1994*.

²³ MNRF provides fine scale direction through a series of additional guides on forest management, silvicultural and societal values. Keeping all of these guides current to reflect the best possible knowledge is a key responsibility of MNRF; incorporating the best possible information is critical to create certainty for industry, communities, and the long-term management of forest health. By the late 1990s, a collection of over 30 forestry management guides provided additional direction on dealing with finer scale, specific issues. In 1999, the ministry initiated a review of the province's forestry guides with the aim to consolidate them down to five guides. It has taken MNRF 15 years to complete some of this new direction, as with the *Forest Management Guide for Boreal Landscapes* (2014) and the *Forest Management Guide to Silviculture in the Great Lakes-St. Lawrence and Boreal Forests of Ontario* (2014).

²⁴ According to MNRF, in February 2014, approximately 600 commercial-use FRLs (e.g., a company harvesting timber for profit) were active and roughly 2600 non-commercial FRLs (e.g., an individual cutting trees) had been issued.

²⁵ Section 27 of the *Crown Forest Sustainability Act, 1994*.

²⁶ Section 25 of the *Crown Forest Sustainability Act, 1994*.

²⁷ Section 54 of the *Crown Forest Sustainability Act, 1994*.

²⁸ According to MNR, there were 129 licensed mills that operated during 2013 and 12 active wood supply agreements.

²⁹ Section 4(1) of O. Reg. 160/04 (Independent Forest Audits).

³⁰ Ministry of Natural Resources, *Independent Forest Audit Process and Protocol* (Toronto: Queen's Printer for Ontario, 2013), 21-22.

³¹ Ministry of Natural Resources, *State of Ontario's Forests* (Toronto: Queen's Printer for Ontario, 2012), 13.

³² Government of Ontario, *Policy Framework for Sustainable Forests* (Toronto: Queen's Printer for Ontario, 1994), 1.

³³ Section 51 of the *Crown Forest Sustainability Act, 1994*.

³⁴ Section 48 of the *Crown Forest Sustainability Act, 1994*.

³⁵ Ministry of Natural Resources, "Ontario's Forests – Forest Renewal and Forestry Futures Trusts," www.mnr.gov.on.ca/en/Business/Forests/2ColumnSubPage/STEL02_167463.html (accessed November 1, 2013).

³⁶ Section 22(1) of the *Crown Forest Sustainability Act, 1994*.

³⁷ MNRF has released state of the forests reports in 2001, 2006, and 2012.

³⁸ Condition 33 in *Declaration Order MNR-71* under the *Environmental Assessment Act*.

³⁹ The Nawiinginokiima Forest Management Corporation became the first LFMC in 2012, operating in the area consisting of the Big Pic, Pic River, White River and Nagagami Forests.

⁴⁰ Government of Ontario, *Policy Framework for Sustainable Forests* (Toronto: Queen's Printer for Ontario, 1994), 1.

⁴¹ Statistics Canada, "2001 Community Profiles," www12.statcan.ca/english/Profil01/CP01/Index.cfm?Lang=E (accessed November 28, 2013).

⁴² Statistics Canada, *2011 Census Profile*. Statistics Canada Catalogue no. 98-316-XWE (Ottawa: Statistics Canada, 2012).

⁴³ Natural Resources Canada, "Statistical data," <https://cfs.nrcan.gc.ca/statsprofile/overview/on> (accessed November 28, 2013).

⁴⁴ Auditor General of Ontario, "Forest Management Program," *2013 Annual Report of the Office of the Auditor General of Ontario* (Toronto: Queen's Printer for Ontario, 2013), 330.

⁴⁵ Auditor General of Ontario, "Forest Management Program," *2013 Annual Report of the Office of the Auditor General of Ontario* (Toronto: Queen's Printer for Ontario), 329.

⁴⁶ Auditor General of Ontario, "Forest Management Program," *2011 Annual Report of the Office of the Auditor General of Ontario* (Toronto: Queen's Printer for Ontario), 130.

⁴⁷ Regulatory Registry, *Increase to the Forest Futures Trust (FFT) charge based on indexation*. www.ontariocanada.com/registry/view.do?postingId=15002 (accessed July 24, 2014).

⁴⁸ Ministry of Natural Resources, "Ontario's Forests – Forest Sector Investments," www.mnr.gov.on.ca/en/Business/Forests/2ColumnSubPage/STDPROD_091537.html (accessed November 1, 2013).

⁴⁹ Ministry of Natural Resources, "Ontario's Forests – Forest Sector Investments," www.mnr.gov.on.ca/en/Business/Forests/2ColumnSubPage/STDPROD_091537.html (accessed November 1, 2013).

⁵⁰ U.S. Department of Commerce, *Softwood Lumber Subsidies Report to the Congress* (2012), 13.

⁵¹ Conditions 30, 31, and 38(f) in *Declaration Order MNR-71* under the *Environmental Assessment Act*.

⁵² S. O'Malley, C.J.A. Wilkinson and G. Miller, "Nothing to Report: The Failure of Ontario's Provincial Wildlife Population Monitoring Program for Commercial Timber Harvesting," *Journal of Environmental Law and Practice*, 24(2) (2013):29-47.

⁵³ Environmental Commissioner of Ontario, "Nothing to Report: The Failure of the Provincial Wildlife Population Monitoring Program," *Losing Our Touch, ECO Annual Report, 2011-12* (Toronto: Queen's Printer for Ontario, 2012), 33-39.

⁵⁴ Ministry of Natural Resources, *Guide Effectiveness Monitoring: Strategic Direction* (Toronto: Queen's Printer for Ontario, 2011), 6.

⁵⁵ Auditor General of Ontario, "Forest Management Program," *2013 Annual Report of the Office of the Auditor General of Ontario* (Toronto: Queen's Printer for Ontario, 2013), 327-328.

⁵⁶ *Reasons for Decision and Decision: Class Environmental Assessment by the Ministry of Natural Resources for Timber Management on Crown Lands in Ontario* (20 April 1994), Environmental Assessment Board Decision EA-87-02.

⁵⁷ R.M. Ross, *A History of Forest Legislation in Canada 1867-1996* (Calgary: Canadian Institute of Resources Law, 1997), 11.

⁵⁸ *Reasons for Decision and Decision: Class Environmental Assessment by the Ministry of Natural Resources for Timber Management on Crown Lands in Ontario* (20 April 1994), Environmental Assessment Board Decision EA-87-02, iii-xii.

⁵⁹ *Reasons for Decision and Decision: Class Environmental Assessment by the Ministry of Natural Resources for Timber Management on Crown Lands in Ontario* (20 April 1994), Environmental Assessment Board Decision EA-87-02, 3.

⁶⁰ Environmental Commissioner of Ontario, "Environmental Assessment for Forest Management," *Choosing our Legacy, ECO Annual Report, 2003-04* (Toronto: Queen's Printer for Ontario, 2004), 94-99.

⁶¹ See Environmental Registry #RA06E0012.

⁶² See Environmental Registry #011-9374.

⁶³ Environmental Commissioner of Ontario, "No Right to Comment: Amending Environmental Laws in Budget Bills," *Losing Touch, ECO Annual Report, 2011-12, Part 1* (Toronto: Queen's Printer for Ontario, 2012), 13-14.

⁶⁴ Schedule 15, section 1(1.1) in *Bill 55, Strong Action for Ontario Act (Budget Measures), 2012* (Original version, 1st Reading).

⁶⁵ Schedule 15, section 68.2(1) in *Bill 55, Strong Action for Ontario Act (Budget Measures), 2012* (Original version, 1st Reading).

⁶⁶ O. Reg. 176/13 amended O. Reg. 242/08 (General) under the *Endangered Species Act, 2007* on May 31, 2013.

⁶⁷ Sections 9(1) and 10(1) of the *Endangered Species Act, 2007*.

⁶⁸ Section 18(1) of the *Endangered Species Act, 2007*.

⁶⁹ Environmental Commissioner of Ontario, *Laying Siege to the Last Line of Defence: A Review of Ontario's Weakened Protections for Species at Risk. A Special Report to the Legislative Assembly of Ontario* (Toronto: Queen's Printer for Ontario, 2013), 27.

ACRONYMS

CFSA	<i>Crown Forest Sustainability Act, 1994</i>
EA	Environmental Assessment
EAA	<i>Environmental Assessment Act</i>
FRL	Forest Resource Licence
LFMC	Local Forest Management Corporation
MOECC	Ministry of the Environment and Climate Change
MNRF	Ministry of Natural Resources and Forestry
SFL	Sustainable Forest Licence

FOR MORE INFORMATION, VISIT
eco.on.ca



Environmental
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Repap Resources Group begin Negotiations with Resolute Forest Products to Acquire and Restart Fort Frances Mill

Fort Frances, December 13, 2018

The Town of Fort Frances is pleased to have been informed that Repap Resources Group has notified Resolute Forest Products that it wishes to negotiate the purchase of the shuttered Fort Frances papermill assets, with the intention of quickly moving to restart the facility in 2019.

“We look forward to assisting Repap Resources Group in their bid to purchase the Fort Frances paper mill. Returning 263 new jobs in the Rainy River District is remarkable. It will not only reunite families will also provide long term opportunities for our youth. We thank Repap Resources Group for their interest in investing in the future of Fort Frances.” Mayor June Caul

Repap Resources Group is a private investment group that is partnering with 4Front Capital Partners Inc., an investment bank in Toronto. Repap’s management team consists of professionals with more than 180 years of combined senior executive experience in the pulp and paper industries. Repap plans to produce packaging grades (sack kraft papers) from the Fort Frances Mill.

The Fort Frances pulp and paper mill was closed in 2014 by Resolute Forest Products. Resolute Forest Products committed to heat the empty mill facility at the request of the Government of Ontario and has been actively seeking buyers.

To reopen the manufacturing facility, Repap will also have to successfully negotiate with the Province, access to the fibre currently assigned to the Fort Frances mill from the local Crossroute Forest. In 2016, Resolute identified enough fibre was available to operate the Fort Frances mill during negotiations with another potential buyer.

The Town of Fort Frances is located in Northwestern Ontario, approximately 350 km east of Thunder Bay on the shores of Rainy Lake at the Canada/USA border. The Town was home to an active papermill from 1914 to 2014, with a potential restart in 2019. The Rainy River District population is approximately 20,000, 25% of which are indigenous peoples.

For Further Information

Mayor June Caul

Email town@fortfrances.ca

Work # 807-274-5323 Ext 1276

PRESS RELEASE FROM THE TOWN OF FORT FRANCES

The Town of Fort Frances is profoundly disappointed and disillusioned by the announcement yesterday by Resolute that they will not entertain the offer to Rainy River Packaging Inc. (formerly Repap LLC).

We remain committed to attempting to transition the mill to an operational entity and will work with all parties toward that goal. We have met with Rainy River Packaging Inc. and Minister Rickford and will reach out to both the potential buyer and to Resolute to enter into discussions to continue our mission to broker a deal.

The Town of Fort Frances is deeply appreciative of the efforts of the coalition including business groups, labour unions, district municipalities, and area First Nations leadership.

The Town wishes to thank the thousands of supporters who petitioned the government for access to fibre, and Minister Rickford for his leadership and advocacy on our behalf.

The Town is preparing for all eventualities for the future of the mill property but continues to work toward an operational future for this key economic asset.



Council demands that the province support the restart of Fort Frances mill and protect community's future in forestry

For immediate release: August 13, 2019

Fort Frances, Ontario – Since the closure of the Fort Frances mill in 2014, the Town of Fort Frances has worked diligently with a number of entities interested in purchasing the Fort Frances pulp and paper mill and returning it to operating status. Despite presenting Resolute Forest Products with these options, and thorough lobbying efforts by the Town, in July 2019 Resolute sold the Fort Frances mill property to a numbered company associated with Riversedge Developments, for the sum of \$1.

Representatives of the Town and the owners of the numbered company have met several times in recent months to discuss their plans and understand the sale restrictions on the mill properties. In several meetings and communications from the new owners, both the Town and Minister Rickford were led to believe that a transition to a new operator was possible.

That now appears to be untrue. Last week, the Town learned of several restrictive covenants that were registered on title of the mill properties by Resolute and the Riversedge numbered company. The restrictive covenant agreements were registered on title on July 9, 2019. These covenants include restrictions on the properties that prohibit the sale to any entity that would manufacture various types of pulp or paper products, restrictions that require the sale of key mill assets for scrap, and restrictions that prohibit a new owner of the property from engaging the provincial government to request access to a wood supply from the Crossroute Forest. We are also concerned that, despite the nominal sale value, a \$3.5 million mortgage has been registered on title from a company called Combined Metal Industries. Combined Metal is a well-established scrap company based in the Toronto area.

The Town of Fort Frances finds these conditions entirely unacceptable, and a direct affront to both the public policy underlying the forest management system, and the sizeable investments that have been made in this property by our community and Ontario taxpayers. As recently as June 2017, the Ontario government forgave \$23 million in funding that was provided to Resolute for the Fort Frances mill. Now it appears that Resolute intends to destroy that asset, sink that investment, and remove the economic engine of the Rainy River District. These are not the actions of a good corporate citizen, but attempts to consolidate control of publicly-owned forests, extract the benefit of our natural resources to other districts of the province, and destroy our community's key economic driver.

The Crossroute Forest must be used to support the economies of communities within that forest, as it has for more than 100 years. With multiple serious parties having now expressed interest in reopening the Fort Frances mill and restoring jobs in our community, we demand that the provincial government consider all options at its disposal to support that outcome. We also call on the province to take immediate action to cancel the Sustainable Forest License granted to Resolute for the Crossroute Forest, and seek interest from others who would be willing to invest locally to use the fibre in our district in a manner that benefits our communities as intended. The Town has also conferred with its MPP, Minister Greg Rickford, who has expressed outrage at Resolute's actions and these restrictive covenants. He is travelling to Toronto this week to meet with representatives of Resolute to discuss their continued interests in the crown forests of this district.

The Town of Fort Frances remains committed to supporting an operational future for the mill properties and is satisfied that the assets of the mill remain in viable working condition. The mill also continues to meet its environmental compliance requirements. The Town is in discussions with its legal counsel and is considering all options available to protect these properties and the economy of Fort Frances and the Rainy River District.

The Town of Fort Frances is located in Northwestern Ontario, approximately 350 kilometres east of Thunder Bay, on the shores of Rainy Lake at the Canada-USA border. The Town was home to an active paper mill from 1914 to 2014, with a potential restart in 2019. The Rainy River District's population is approximately 20,000, 25 percent of which is Indigenous.

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Quotes from Mayor June Caul:

"After years of representing that it was seeking a buyer for the Fort Frances mill, we are very disappointed that Resolute would now use the sale of this mill to try to debilitate this asset and hurt a community that has given so much to its bottom line. What these restrictive covenants reveal is that neither Resolute nor Riversedge had any intention of allowing this mill to operate – and we know there is interest in doing so."

"After the substantial public investments that have been made in this mill, and the taxpayer money that Resolute has been allowed to walk away with already, this is despicable corporate conduct that should be condemned and penalized by the highest levels of government."

"Resolute appears to think it owns our forest. But the forests of our district belong to the people of Ontario – to our communities – not to a Quebec-based multinational corporation. The arrogance of these restrictive covenants shows how little respect Resolute and Riversedge have for our government and the people of Ontario, the Rainy River District, and our community."

For further information, please contact:

Tannis Drysdale
Economic Development Officer
Phone: 807-276-4779
Email: tannis@tannis-drysdale.com

Background information:

- The Fort Frances pulp and paper mill was closed in 2014 by Resolute. Resolute committed to heat the empty facility at the request of the Ontario government. It maintained that it was actively seeking a buyer that would reopen the mill.
- In November 2014, the Town of Fort Frances chartered a plane to take community representatives to Queen's Park to seek the Wynne government's assistance following the closure of its mill. The government refused to meet with the delegation, and coordinated its own press conference to ensure media were not available to hear their story.
- Around the same time, Resolute and Expera were very close to a deal whereby Expera would purchase and operate the pulp mill. Resolute identified a suitable wood supply for the Fort Frances mill that would also provide saw logs for their sawmill in Sapawe. Talks broke down because Resolute insisted on controlling the wood supply from the Crossroute. Expera was unwilling to

have a competitor control their wood supply, and the provincial government declined to intervene, despite its clear jurisdiction over a publicly-owned forest.

- After the closure of the mill, the Ontario government sought repayment of over \$20 million in funding that was provided to Resolute just a few years earlier to construct a biomass boiler to support the operations of the Fort Frances mill. The Liberal government extended the repayment deadline on that funding 9 times over 3 years—from an initial deadline of December 2, 2014 to an eventual one of June 30, 2017. On June 29, 2017, the Liberals forgave this debt. This is reflected in Resolute's filings with the U.S. Securities and Exchange Commission.
- In December 2018, Repap Resources Group (now known as Rainy River Packaging) notified Resolute that it wished to negotiate the purchase of the Fort Frances mill, with the intention of quickly moving to restart the facility in 2019 to produce packaging materials. Repap has the backing of an investment bank in Toronto, and its management team consists of professionals with more than 180 years of combined senior executive experience in the pulp and paper industries. When Repap met with Resolute, Resolute attempted to have them sign a non-disclosure agreement which would prevent them from speaking with representatives of the government. It is impossible to negotiate for the purchase of this paper mill if one cannot engage the province to secure a wood supply from the Crossroute Forest.
- The Sustainable Forest License for the Crossroute Forest is held by Resolute. The SFL specifically states that the wood fibre from the Crossroute is to provide a wood supply for the mill in Fort Frances. Since closing the mill, Resolute has continued to use wood from the Crossroute to support its other operations, including in Thunder Bay and Atikokan.
- The SFL gives Resolute full management responsibility and decision-making authority on the forest. A new forest management plan is currently being prepared and will be effective in April 2020. While the allowable cut is forecasted to decline, there remains enough available fibre from the Crossroute Forest to support the Fort Frances mill, once that supply is combined with purchases of sawmill chips and private wood. The new Enhanced Sustainable Forest License which will come into place in the future, to replace the SFL, will give all area municipalities and First Nations greater influence over the management of the forest.
- In February 2019, the Town of Fort Frances tabled a resolution setting out its concerns about Resolute's actions. Resolute sent the Town a libel notice, but the resolution was passed anyway. The restrictive covenant reveals that the Town's concerns, as stated in that Resolution, were well-founded.
- The numbered company that currently owns the mill was incorporated in December 2018, around the same time that Repap went public with its intention to purchase and restart the Fort Frances mill properties in 2019.

RESTRICTIVE COVENANT AGREEMENT

THIS AGREEMENT (this "**Agreement**") made as of the 2nd day of July, 2019.

B E T W E E N:

2670568 ONTARIO LIMITED

(hereinafter referred to as the "**Covenantor**")

- and -

RESOLUTE FP CANADA INC.

(hereinafter referred to as the "**Covenantee**")

WHEREAS the Covenantor is the owner in fee simple of the lands legally described in Schedule A hereto (the "**Burdened Land**");

AND WHEREAS the Covenantee is the owner in fee simple of the lands legally described in Schedule B hereto (the "**Benefiting Land**");

AND WHEREAS the Covenantor has represented and warranted to the Covenantee that following the purchase by the Covenantor from the Covenantee of the Burdened Land, the Covenantor will redevelop the closed and non-operational pulp and paper mill located on the Burdened Land for purposes other than a pulp and paper mill.

NOW THEREFORE in consideration of the sum of Two Dollars (\$2.00) now paid by the Covenantee to the Covenantor and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Covenantor, the Covenantor hereby covenants and agrees with the Covenantee as follows:

1. Restrictive Covenants

The Covenantor covenants and agrees with the Covenantee for the benefit of the Benefiting Land and every part thereof and for the benefit of the Covenantee and its Affiliates (as defined below) that the Covenantor shall not, as a principal, shareholder, partner, investor, subcontractor, consultant, agent, lender, creditor, advisor or in any other capacity whatsoever, or in partnership, jointly, in conjunction with or otherwise in connection with any Person (as defined below), directly or indirectly:

- (a) use, or permit to be used, the Burdened Land or any part thereof or the equipment located on the Burdened Land or any part thereof to manufacture the following products that would compete with the Covenantee or any of its Affiliates' current business or any part thereof: (i) newsprint; (ii) uncoated mechanical paper; (iii) coated mechanical paper; (iv) recycled market pulp; (v) kraft market pulp; and (vi) tissue;
- (b) without limiting the generality of Section 1(a), sell, transfer or otherwise assign the paper machine located on the Burdened Land, unless it is sold, transferred or assigned for "scrap" only except if the parts of the paper machine are sold in a

disassembled state to different third parties, and the parts sold to any given third party (or any of its Affiliates) under one or more transactions, would not allow any one or more of such third parties to reassemble and/or operate such paper machine;

- (c) for a period of ten (10) years following the date of this Agreement, directly or indirectly: (i) interfere with the relationship between the Covenantee and the Government of Ontario; or (ii) engage in, assist others or take any action to solicit, induce, encourage or attempt to influence the Government of Ontario, in the case of both paragraphs (i) and (ii), to reduce, redirect or change the allocation of fiber on which the Covenantee and its Affiliates rely, notwithstanding any change in the Covenantee's and its Affiliates' operating parameters during such 10-year period. As a condition precedent to any sale to or use by any other party of the Burdened Land or any other assets purchased by the Covenantor on the date of this Agreement from the Covenantee during such 10-year period, the Covenantor shall ensure that any such party also agrees to be bound by the covenants contained in this Section 1(c) directly in favour of the Covenantee and its Affiliates; and
- (d) sell, alienate, assign, transfer, exchange, lease or otherwise dispose of all of the Burdened Land or any substantial portion thereof without first having obtained an undertaking by the acquiror in favour of the Covenantee and its Affiliates (and providing the Covenantee with written evidence thereof) that such acquiror will comply with the Covenantor's covenants set forth in this Agreement including an undertaking to obtain a similar undertaking from a subsequent acquiror. In such case, and provided that the acquiror is not an Affiliate of the Covenantor, the Covenantor shall be released from any further liability under this Agreement with respect to the Burdened Land, except for defaults which occur prior to the transfer to the acquiror.

In this Agreement, "Affiliate" of a party means any Person that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such party and "Person" means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with judicial personality or governmental authority and pronouns which refer to a Person shall have a similarly extended meaning.

2. Burden and Benefit

(a) To the fullest extent permitted by applicable laws, the covenants set out in Section 1 shall run with, bind and burden the Burdened Land and every part thereof and shall be binding on:

- (i) the owner at any time and from time to time of the Burdened Land; and
- (ii) the successors, assigns, tenants, licensees and occupants of the Burdened Land under the owner of the Burdened Land, or any principal, shareholder, partner, investor, subcontractor, consultant, agent, lender, creditor, advisor or any other Person in any capacity whatsoever, or in partnership, jointly, in conjunction with or otherwise in connection with any Person, directly or indirectly of the owner of the Burdened Land.

(b) To the fullest extent permitted by applicable laws, the covenants set out in Section 1 shall run with, be annexed to and benefit the Benefiting Land and every part thereof and shall be for the benefit of:

- (i) the owner at any time and from time to time of the Benefiting Land; and
- (ii) the successors, assigns, tenants, licensees and occupants of the Benefiting Land under the owner of the Benefiting Land.

3. **Representations and Warranties**

(a) The Covenantor hereby represents and warrants as follows to the Covenantee and acknowledges that the Covenantee is relying upon such representations and warranties:

- (i) **Incorporation and Formation.** The Covenantor is a corporation validly existing under the laws of its governing jurisdiction and has the necessary corporate authority, power and capacity to own and operate its property, carry on its business and to enter into and perform its obligations and liabilities under this Agreement;
- (ii) **Corporate and Other Authorization.** The execution and delivery of this Agreement, and the performance by the Covenantor of its obligations and liabilities under this Agreement has been duly and validly authorized by all requisite necessary corporate, partnership or other action and proceedings by the Covenantor;
- (iii) **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the Covenantor and constitutes a legal, valid and binding agreement of the Covenantor, subject only to any limitation under applicable laws relating to: (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar applicable laws of general application affecting the enforcement of creditors' rights; and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction;
- (iv) **No Conflict.** The execution and delivery of this Agreement by the Covenantor, and the performance by the Covenantor does not and will not constitute or result in a violation or breach of, or conflict with, or default under, or allow any Person to exercise any rights under, any of the terms and conditions of: (i) its constating documents or by-laws; (ii) any agreement, instrument, indenture, judgment or order binding on it; or (iii) any applicable laws; and
- (v) **Insolvency Proceedings.** No attachments, execution proceedings, assignments for the benefits of creditors, insolvency, bankruptcy, reorganization or other proceedings are pending or, to the Covenantor's knowledge, threatened against the Covenantor, and the Covenantor (i) is not an insolvent Person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or the *Winding-up and Restructuring Act* (Canada); (ii) has not made an assignment in favour of its creditors or a

proposal in bankruptcy to its creditors or any class thereof; (iii) has not had any petition for a receiving order presented in respect of it; and (iv) has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding-up, liquidation or dissolution.

4. Acknowledgements of Covenantor

The Covenantor acknowledges and agrees that:

- (a) the Covenantantee would not have entered into the sale of the Burdened Land to the Covenantor had the Covenantor not agreed to be bound by the covenants contained in this Agreement; and
- (b) the covenants contained in this Agreement are separate and independent of any covenants contained in any other agreement between the parties or any of them whether entered into prior to, contemporaneously with or following the date hereof.

5. Reasonableness

The Covenantor acknowledges and agrees that the scope of the covenants set forth in Section 1 is fair, reasonable and valid, and is reasonably required for the protection of the Covenantantee and its Affiliates. The Covenantantee acknowledges and agrees that it has received full consideration for the covenants set forth in Section 1 and that the covenants of the Covenantor in Section 1 are an essential condition to the sale of the Burdened Land by the Covenantantee to the Covenantor on the date of this Agreement.

6. Limitation of Scope

If any of the provisions in Section 1 shall be determined by a court of competent jurisdiction to be invalid because the scope of any restriction is too broad, then the parties hereto expressly authorize such court to reduce the scope of those restrictions as such court may determine. The invalidity in whole or in part of any of the restrictive covenants identified in this Agreement shall not affect the validity of the other restrictive covenants or the remaining portion of the restrictive covenants herein contained.

7. Remedies

(a) The Covenantor acknowledges and agrees that compliance with its obligations under Section 1 is a material consideration of the sale of the Burdened Land to the Covenantor on the date of this Agreement and that a specific covenant of the Covenantor to guaranty the performance of such obligations is appropriate.

(b) The Covenantor understands and agrees that the Covenantantee and its Affiliates will suffer immediate and irreparable harm in the event that the Covenantor breaches any of the terms set out in Section 1 and that monetary damages shall be insufficient to compensate for the breach. Accordingly, the Covenantor agrees that, in the event of a breach or anticipated or threatened breach by it of any of the terms of Section 1, the Covenantantee and its Affiliates, in addition to and not in limitation of any other rights, remedies or damages available to the Covenantantee under any agreement between the Covenantor and the Covenantantee in respect of

the sale of the Burdened Land by the Covenantor to the Covenantee, at law or in equity shall be entitled to an interim injunction, interlocutory injunction, permanent injunction and such other relief as may be decreed or issued by any court of competent jurisdiction in order to prevent or to restrain any such breach by the Covenantor, without having to prove damages and without the requirement of posting a bond or security for costs.

8. Amendment and Waiver

(a) This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by each of the Covenantor and the Covenantee.

(b) No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the party to be bound by the waiver. A party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a party from any other or further exercise of that right or the exercise of any other right it may have.

9. Expiration

Unless otherwise stated herein, the burden of the restrictive covenants contained in this Agreement shall run with the Burdened Land from the date hereof until the date that is 99 years after the date hereof and thereafter the provisions hereof will be of no further effect and the owner of the Burdened Land shall then be entitled to delete these restrictive covenants from title to the Burdened Land without the consent of the owner of the Benefiting Land.

10. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

11. Registration

The Covenantor agrees to register, or cause to be registered, this Agreement on title to the Burdened Land.

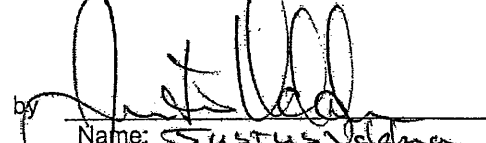
12. Counterpart Execution

This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the Covenantor and the Covenantee have executed this Agreement as of the date written above.

2670568 ONTARIO LIMITED

by 
Name: Sustus Veldner
Title: President
I have authority to bind the Corporation.

RESOLUTE FP CANADA INC.

by _____
Name: _____
Title: _____
I have authority to bind the Corporation.

IN WITNESS WHEREOF the Covenantor and the Covenantee have executed
this Agreement as of the date written above.

2670568 ONTARIO LIMITED

by _____

Name:

Title:

I have authority to bind the Corporation.

RESOLUTE FP CANADA INC.

by _____

Name: *Rami G. Calonge*

Title: *Vice-President and Chief Financial Officer*

I have authority to bind the Corporation.

SCHEDULE A

LEGAL DESCRIPTION OF THE BURDENED LAND

FIRSTLY:

PIN #56018-0107(LT)

PCL 211-3 SEC ALBTP; LT 214 TOWN PLOT ALBERTON; LT 215 TOWN PLOT ALBERTON; LT 216 TOWN PLOT ALBERTON; LT 217 TOWN PLOT ALBERTON PT 2 & 3 48R2355; LT 219 TOWN PLOT ALBERTON PT 7 & 8 48R2355; PT LT 218 TOWN PLOT ALBERTON PT 5 & 6 48R2355; PT LT 220 TOWN PLOT ALBERTON PT 9 & 10 48R2355; FORT FRANCES

SECONDLY:

PIN #56018-0109(LT)

PCL 218-3 SEC ALBTP; FIRSTLY; PT MOWAT AVENUE TOWN PLOT ALBERTON FROM S LIMIT CHURCH ST TO S LIMIT PT MOWAT AV ABUTTING LT 218 CLOSED BY A78624 PT 5, 48R3853; SECONDLY; PT LT 218 TOWN PLOT ALBERTON CLOSED BY A78624 PT 6, 48R3853; THIRDLY; PT NELSON STREET TOWN PLOT ALBERTON CLOSED BY A78624 PT 7 & 8, 48R3853; S/T A40222, A78815; FORT FRANCES

THIRDLY:

PIN #56018-0110(LT)

PCL 220-1 SEC ALBTP; LT 221 TOWN PLOT ALBERTON; PT LT 222 TOWN PLOT ALBERTON; PT LT 220 TOWN PLOT ALBERTON AS IN SLT52592 EXCEPT PT 10, 48R2355; FORT FRANCES

FOURTHLY:

PIN #56018-0111(LT)

PCL 222-1 SEC ALBTP; PT LT 222 TOWN PLOT ALBERTON AS IN SLT5934; FORT FRANCES

FIFTHLY:

PIN #56018-0112(LT)

PCL 222-2 SEC ALBTP; PT LT 222 TOWN PLOT ALBERTON BEING THE EAST 30 FEET IN PERPENDICULAR DEPTH; FORT FRANCES

SIXTHLY:

PIN #56018-0113(LT)

PCL 222-3 SEC ALBTP; PT LT 222 TOWN PLOT ALBERTON BEING THE WEST 50 FEET IN PERPENDICULAR DEPTH; FORT FRANCES

SEVENTHLY:

PIN #56018-0114(LT)

PCL 222-4 SEC ALBTP; PT LT 222 TOWN PLOT ALBERTON BEING THE EAST 24 FEET OF THE WEST 100 FEET; FORT FRANCES

EIGHTHLY:

PIN #56018-0484(LT)

PCL M-4 SEC ALBTP; W 50 FT LT M TOWN PLOT ALBERTON; FORT FRANCES

NINTHLY:

PIN #56018-0486(LT)

PCL M-6 SEC ALBTP; LT Q TOWN PLOT ALBERTON; LT S TOWN PLOT ALBERTON; LT T TOWN PLOT ALBERTON; LT V TOWN PLOT ALBERTON SRO; PT LT W TOWN PLOT ALBERTON SRO; PT LT P TOWN PLOT ALBERTON; PT LT R TOWN PLOT ALBERTON PT 1, 2 & 3, 48R3454; S/T A38152; FORT FRANCES

TENTHLY:

PIN #56018-1177(LT)

PCL BLK 4-1-6 SEC M68; PT THIRD ST BLK 4 PL M68 MCIRVINE LYING E CENTRAL AV TO E LIMIT LT 14 CLOSED BY BYLAWS NO. 663 & 1002 AS IN SLT15214 & SLT24736; LT 1 BLK 4 PL M68 MCIRVINE; LT 2 BLK 4 PL M68 MCIRVINE; PT LT 3 BLK 4 PL M68 MCIRVINE; PT LT 4 BLK 4 PL M68 MCIRVINE; PT LT 5 BLK 4 PL M68 MCIRVINE; PT LT 6 BLK 4 PL M68 MCIRVINE; PT LT 7 BLK 4 PL M68 MCIRVINE; PT LT 8 BLK 4 PL M68 MCIRVINE; PT LT 9 BLK 4 PL M68 MCIRVINE PT 1 48R2936 & THE N 2 FT OF LT 3 W OF THE CNR RIGHT OF WAY; E 20 FT LT 10 BLK 4 PL M68 MCIRVINE EXCEPT PT 1 48R3590; LT 11 BLK 4 PL M68 MCIRVINE; LT 12 BLK 4 PL M68 MCIRVINE; LT 13 BLK 4 PL M68 MCIRVINE; LT 14 BLK 4 PL M68 MCIRVINE; LT 15 BLK 4 PL M68 MCIRVINE; S/T A71505; FORT FRANCES

ELEVENTHLY:

PIN #56018-1188(LT)

PCL BLK 4-23-2 SEC M68; LT 23 BLK 4 PL M68 MCIRVINE; LT 24 BLK 4 PL M68 MCIRVINE; LT 25 BLK 4 PL M68 MCIRVINE; LT 26 BLK 4 PL M68 MCIRVINE EXCEPT PT 10, 48R3590; FORT FRANCES

TWELFTHLY:

PIN #56018-1207(LT)

PCL BLK 5-26-1 SEC M68; FIRSTLY; LT 1 BLK 5 PL M68 MCIRVINE; LT 2 BLK 5 PL M68 MCIRVINE; LT 3 BLK 5 PL M68 MCIRVINE; LT 4 BLK 5 PL M68 MCIRVINE; LT 5 BLK 5 PL M68 MCIRVINE; LT 6 BLK 5 PL M68 MCIRVINE; LT 7 BLK 5 PL M68 MCIRVINE; LT 8 BLK 5 PL M68 MCIRVINE; LT 11 BLK 5 PL M68 MCIRVINE; LT 12 BLK 5 PL M68 MCIRVINE; LT 13

BLK 5 PL M68 MCIRVINE; LT 14 BLK 5 PL M68 MCIRVINE; LT 15 BLK 5 PL M68 MCIRVINE; LT 26 BLK 5 PL M68 MCIRVINE; SECONDLY; LT 9 BLK 5 PL M68 MCIRVINE; LT 10 BLK 5 PL M68 MCIRVINE EXCEPT PT 1 & 2, 48R1059; THIRDLY; LT 25 BLK 5 PL M68 MCIRVINE EXCEPT PT 2, 48R3785; 20 FT LANE BLK 5 PL M68 MCIRVINE LYING BTN FIRST ST E & LANE LYING N THEREOF PARALLEL TO FIRST ST E CLOSED BY SLT98950 ABUTTING LT 26 BLK 5 PL M68; PT LANE BLK 5 PL M68 MCIRVINE CLOSED BY A76285 BEING PT 1, 48R3785; FORT FRANCES

THIRTEENTHLY:

PIN #56018-1211(LT)

PCL BLK 6-13-1 SEC M68; LT 13 BLK 6 PL M68 MCIRVINE; LT 14 BLK 6 PL M68 MCIRVINE; LT 15 BLK 6 PL M68 MCIRVINE; LT 16 BLK 6 PL M68 MCIRVINE; LT 17 BLK 6 PL M68 MCIRVINE PT 1, 2, 3, 4 & 5, 48R2389; FORT FRANCES

FOURTEENTHLY:

PIN #56018-1212(LT)

PCL BLK 6-1-4 SEC M68; FIRSTLY; PT LT 1 BLK 6 PL M68 MCIRVINE; PT LT 2 BLK 6 PL M68 MCIRVINE; PT LT 3 BLK 6 PL M68 MCIRVINE PT 5, 48R2935; SECONDLY; PT LT 1 BLK 6 PL M68 MCIRVINE; PT LT 2 BLK 6 PL M68 MCIRVINE LYING E PT 5, 48R2935 EXCEPT S 1 FT LT 2 FRONT TO REAR; FORT FRANCES

FIFTEENTHLY:

PIN #56018-1217(LT)

PCL BLK 6-25-2 SEC M68; LT 25 BLK 6 PL M68 MCIRVINE; E32 FT 8" LT B PL SM110 MCIRVINE; FORT FRANCES

SIXTEENTHLY:

PIN #56018-1219(LT)

PCL BLK 6-5-2 SEC M68; LT 5 BLK 6 PL M68 MCIRVINE; LT 6 BLK 6 PL M68 MCIRVINE; LT 7 BLK 6 PL M68 MCIRVINE; LT 8 BLK 6 PL M68 MCIRVINE; LT 9 BLK 6 PL M68 MCIRVINE; PT LT 10 BLK 6 PL M68 MCIRVINE COMMENCING N LIMIT SCOTT ST WHERE IT IS INTERSECTED BY THE LINE BTN LT 9 & 10 THENCE SELY ALONG SAID N LIMIT OF SCOTT ST 25 FT; THENCE NELY PARALLEL TO LINE BTN LT 9 & 10 TO A POINT ON THE LINE BTN LT 10 & 11; THENCE N ALONG SAID LINE BTN LT 10 & 11 TO A LANE AT REAR OF SAID LOTS; THENCE ALONG SW LIMIT OF LANE TO LINE BTN LT 9 & 10; THENCE ALONG THE SAID LINE SWLY TO PLACE OF BEGINNING; FORT FRANCES

SEVENTEENTHLY:

PIN #56018-1237(LT)

PCL STREET-4 SEC M68; PT HUDSON'S BAY COMPANY'S RESERVE; PT LANE LYING BTN E LIMIT OF LT 1 TO 10 & W LIMIT OF LT 11 & 26 BLK 4 M68; PT LANE LYING BTN S

LIMIT OF LT 11 TO 18 & N LIMIT OF LT 19 TO 26 BLK 4 M68; MCIRVINE PT 3, 4, 5, 6 & 8, 48R3590; BYLAW 54/95 TO ASSUME AS IN A63858; BYLAW 54/95 TO STOP UP AND CLOSE AS IN A63859; S/T EASEMENT OVER PT 4 & 8 AS IN A71504; FORT FRANCES

EIGHTEENTHLY:

PIN #56018-2015(LT)

PCL 211-3 SEC ALBTP; LT 211 TOWN PLOT ALBERTON; LT 212 TOWN PLOT ALBERTON; LT 230 TOWN PLOT ALBERTON EXCEPT PT 7, 48R3852; FORT FRANCES

NINETEENTHLY:

PIN #56018-2016(LT)

PCL 211-3 SEC ALBTP; LT 223 TOWN PLOT ALBERTON; LT 224 TOWN PLOT ALBERTON; FORT FRANCES

TWENTIETHLY:

FIRSTLY: PIN 56018-2246 (LT)

BLK 2 PL SM149 MCIRVINE EXCEPT PT 1, 48R982 & PT 1, 2 & 3, 48R4138; LT 1-10, INCLUSIVE BLK 8 PL M74 MCIRVINE; PT FRONT ST TOWN PLOT ALBERTON AS CLOSED BY A57368, PT 1, 48R2964; PT UNDESIGNATED LANDS MCIRVINE PT 4, 5 & 6, 48R3453; TOWN OF FORT FRANCES, DISTRICT OF RAINY RIVER

SECONDLY, PART OF PIN 56018-0083 (LT)

PART OF UNDESIGNATED LAND, BEING PARTS 11 AND 12, PLAN 48R-4583, PART OF UNDESIGNATED LAND AND PART OF FRONT STREET CLOSED BY BY-LAW NO. 35, REGISTERED AS A57368, TOWN PLOT OF ALBERTON, BEING PART 14, PLAN 48R-4583, TOWN OF FORT FRANCES; AND PART OF FRONT STREET, CLOSED BY-BY-LAW NO. 35 REGISTERED AS A57368, TOWN PLOT OF ALBERTON BEING PART 15, PLAN 48R-4583, TOWN OF FORT FRANCES

TWENTY-FIRSTLY:

PIN #56019-0520(LT)

PCL BLK 1-2 SEC SM149; BLK 3 PL SM149 MCIRVINE EXCEPT SLT45041; FORT FRANCES

TWENTY-SECONDLY:

PIN #56018-0169(LT)

PCL 120-1 SEC ALBTP; PT LT 120 TOWN PLOT ALBERTON AS IN A64149; FORT FRANCES

TWENTY-THIRDLY:

PIN #56018-0170(LT)

PCL 120-2 SEC ALBTP; PT LT 120 TOWN PLOT ALBERTON; PT LT 121 TOWN PLOT ALBERTON AS IN SLT52343; FORT FRANCES

TWENTY-FOURTHLY

PIN #56018-0312(LT)

PCL 53-1 SEC ALBTP; PT LT 112 TOWN PLOT ALBERTON PT 3 48R1559; S/T EASEMENT OVER PART 3, 48R1559 AS IN RD8744; S/T EASEMENT OVER PART 3, 48R1559 AS IN RD8745; S/T EASEMENT OVER PART 3, 48R1559 AS IN RD8746; S/T EASEMENT OVER PART 3, 48R1559 AS IN RD8747; FORT FRANCES

TWENTY- FIFTHLY:

PIN #56018-0345(LT)

PCL 89-3 SEC ALBTP; LT 89 TOWN PLOT ALBERTON EXCEPT E 44 FT; LT 90 TOWN PLOT ALBERTON; LT 91 TOWN PLOT ALBERTON; LT 92 TOWN PLOT ALBERTON; LT 93 TOWN PLOT ALBERTON EXCEPT PT 4 48R1559; LT 94 TOWN PLOT ALBERTON; LT 115 TOWN PLOT ALBERTON SURFACE RIGHTS ONLY; LT 116 TOWN PLOT ALBERTON; LT 117 TOWN PLOT ALBERTON; LT 118 TOWN PLOT ALBERTON; LT 119 TOWN PLOT ALBERTON; W 16 FT LT 120 TOWN PLOT ALBERTON; S/T EASEMENT AS IN RD10531; FORT FRANCES

TWENTY- SIXTHLY:

PIN #56018-2007(LT)

PCL 53-1 SEC ALBTP; PT LT 93 TOWN PLOT ALBERTON PT 4, 48R1559; S/T EASEMENT OVER PART 4, 48R1559 AS IN RD8744; S/T EASEMENT OVER PART 4, 48R1559 AS IN RD8746; S/T EASEMENT OVER PART 4, 48R1559 AS IN RD8747; FORT FRANCES

TWENTY- SEVENTHLY:

PIN #56018-2008(LT)

PCL 53-1 SEC ALBTP; PT LT 53 TOWN PLOT ALBERTON PT 6, 48R1559; S/T EASEMENT OVER PART 6, 48R1559 AS IN RD8744; S/T EASEMENT OVER PART 6, 48R1559 AS IN RD8745; S/T EASEMENT OVER PART 6, 48R1559 AS IN RD8746; S/T EASEMENT OVER PART 6, 48R1559 AS IN RD8747; FORT FRANCES

TWENTY- EIGHTHLY:

PIN #56018-2292 (LT)

LOTS 1-11 TOWN PLOT ALBERTON; LOTS 17-55 TOWN PLOT ALBERTON EXCEPT PT 6 48R1559; LOTS 95-114 TOWN PLOT ALBERTON EXCEPT PT 3 48R1559; LOTS A, B, C, D, F, G, H TOWN PLOT ALBERTON; PT LOTS I & L TOWN PLOT ALBERTON PT 2 48R832; EXCEPT PT 1 48R3292; PT LOTS I, J & L TOWN PLOT ALBERTON PARTS 3, 4, 5, 6, 7, 10, 11, 12, 13, 16 & 17 48R832; BLK X IN FRONT OF TOWN PLOT ALBERTON; WATER POWER PCL NO.3 ALBERTON; WATER LOT Z ALBERTON ABOVE THE FALLS; FRONT STREET

TOWN PLOT ALBERTON LYING S OF THE S LIMIT OF CHURCH ST & W LIMIT VICTORIA AV EXCEPT PT 1 48R2985 CLOSED BY BYLAW AS IN A47536, FF1568, FF532; PARTS 1-9 48R3451 CLOSED BT BYLAW AS IB A57368; PT FRONT ST COMMENCING AT THE NWLY ANGLE LT H TOWN PLOT ALBERTON, THENCE DUE W ALONG THE WLY PRODUCTION OF THE NLY LIMIT OF LT H 73.81 FT MORE OR LESS TO THE WLY LIMIT IF FRONT ST THENCE S 26 DEGREES 37' E ALONG THE WLY LIMIT OF FRONT ST 56.73 FT, THENCE N 63 DEGREES 34' E 66 FT TO THE ELY LIMIT OF FRONT ST SAID ELY LIMIT BEING THE WLY LIMIT OF LT H, THENCE N 26 DEGREES 26' W ALONG THE ELY LIMIT OF FRONT ST 23.87 FT MORE OR LESS TO THE POC; MOWAT AV TOWN PLOT ALBERTON LYING S OF THE S LIMIT OF NELSON ST CLOSED BY BYLAW SLT94643, SLT91464, A57369, A57370; PORTAGE AV TOWN PLOT ALBERTON LYING S OF THE S LIMIT OF SINCLAIR ST CLOSED BY BYLAW AS IN FF532; SINCLAIR ST TOWN PLOT ALBERTON LYING W OF THE W LIMIT OF PORTAGE AV CLOSED BY BYLAW AS IN FF532; HOLLAND ST TOWN PLOT ALBERTON CLOSED BY BYLAW FF532; NELSON ST TOWN PLOT ALBERTON LYING W OF THE W LIMIT OF MOWAT AV CLOSED BY BYLAW FF532; SRO LOCATION FD 289 ALBERTON BEING PT OF THE BED OF RAINY RIVER IN FRONT OF FRONT ST, PT 1 48R3212; PT LOCATION FD 306 ALBERTON BEING PT OF THE BED OF RAINY RIVER IN FRONT OF FRONT ST, PT 1 48R3287; EXCEPT PARTS 1 & 2, 48R3873, SAVE AND EXCEPT PT 31, 48R-4583; AND SAVE AND EXCEPT PARTS 11, 12, 13 AND 14, PLAN 48R-4140; TOWN OF FORT FRANCES, DISTRICT OF RAINY RIVER

TWENTY-NINTHL

PIN #56018-2243(LT)

PART OF SINCLAIR STREET AND PART OF PORTAGE AVENUE TOWN PLOT OF ALBERTON PART 1, 48R4149; FORT FRANCES S/T EASEMENT OVER PART 1, 48R4149 AS IN RD8744; S/T EASEMENT OVER PART 1, 48R4149 AS IN RD8745; S/T EASEMENT OVER PART 1, 48R4149 AS IN RD8746; S/T EASEMENT OVER PART 1, 48R4149 AS IN RD8747; FORT FRANCES

THIRTIETHLY:

PIN #56018-2265(LT)

PT LT 121 TOWN PLOT ALBERTON; PT LT 122 TOWN PLOT ALBERTON AS IN SLT20522; EXCEPT PT 1, 48R4338; TOWN OF FORT FRANCES

THIRTY- FIRSTLY:

PIN #56018-2267(LT)

PT LT 89 TOWN PLOT ALBERTON AS IN SLT49908; EXCEPT PT 4, 48R4338; TOWN OF FORT FRANCES

THIRTY- SECONDLY:

PIN #56016-0052(LT)

PCL 25748 SEC RAINY RIVER; PT SEC 30 MCIRVINE PT 1, 2 & 3, 48R2404; FORT FRANCES

THIRTY- THIRDLY:

PIN #56016-0443(LT)

PCL BLK 1-4 SEC SM49; FIRSTLY, BLK 1 PL SM49 MCIRVINE; BLK 2 PL SM49 MCIRVINE; BLK 3 PL SM49 MCIRVINE; SECONDLY, PT SEC 29 MCIRVINE PT 1, 48R3176, SURFACE RIGHTS ONLY AS PT 2, 48R3176; THIRDLY, PT HUDSON BAY COMPANY RESERVE MCIRVINE PT 3, 48R3176; FOURTHLY LT 1 PL SM145 MCIRVINE SURFACE RIGHTS ONLY; LT 2 PL SM145 MCIRVINE; LT 3 PL SM145 MCIRVINE EXCEPT PT 1, 2 & 3, 48R3385; LT 4 PL SM145 MCIRVINE; LT 5 PL SM145 MCIRVINE; LT 6 PL SM145 MCIRVINE & LT 7 PL SM145 MCIRVINE, EXCEPT PT 4, 48R3385 FIFTHLY SE1/4 SEC 29 MCIRVINE EXCEPT PT 5, 48R3385; FORT FRANCES

THIRTY-FOURTHLY

PIN #56016-0064(LT)

PCL 12774 SEC RAINY RIVER; PT HUDSON'S BAY COMPANY'S RESERVE MCIRVINE PT 3, 48R1549 SURFACE RIGHTS ONLY; FORT FRANCES

THIRTY- FIFTHLY:

PIN #56016-0026(LT)

PCL 22587 SEC RAINY RIVER; PT HUDSON'S BAY COMPANY'S RESERVE MCIRVINE PT 2, 48R1549, SURFACE RIGHTS ONLY; FORT FRANCES

THIRTY- SIXTHLY:

PIN #56016-0043(LT)

PCL 25882 SEC RAINY RIVER; PT HUDSON'S BAY COMPANY RESERVE MCIRVINE PT 1, 48R1549; FORT FRANCES

THIRTY- SEVENTHLY:

PIN #56016-0735(LT)

PT HUDSON'S BAY COMPANY RESERVE MCIRVINE PT 4, 48R1504; FORT FRANCES

THIRTY-EIGHTHLY:

PIN #56016-0024(LT)

PCL 22417 SEC RAINY RIVER; PT HUDSON'S BAY COMPANY RESERVE MCIRVINE PT 3, 48R1504; FORT FRANCES

THIRTY-NINTHLY:

PIN #56016-0656(LT)

PCL 8228 SEC RAINY RIVER; SECTION 28 MCIRVINE BEING PT OF NW 1/4 AS IN SLT20572 EXCEPT SLT66081 & SLT70515; FORT FRANCES

FORTIETHLY:

PIN #56019-0465(LT)

PCL BLK B-1 SEC SM140; SURFACE RIGHTS ONLY, BLK B, C, D, E PL SM140 MCIRVINE; FORT FRANCES

FORTY-FIRSTLY:

PIN #56018-2275 (LT)

PT BLOCK 2 PL 2M149 MCIRVINE PT 3 48R4138, PTS 1 & 2 48R4169; SUBJECT TO AN EASEMENT OVER PT 3 48R4138, PTS 1,2 48R4169 AS IN RD9877; SUBJECT TO AN EASEMENT AS IN RD18132; TOGETHER WITH AN EASEMENT OVER PT 1 RR144 AS IN SLT78451; TOGETHER WITH AN EASEMENT OVER PTS 4,5,6 48R4138 AS IN RD9878; TOGETHER WITH AN EASEMENT OVER PTS 5,7,8 48R4138 AS IN RD9879; TOGETHER WITH AN EASEMENT AS IN RD9880; TOGETHER WITH AN EASEMENT OVER PTS 1,2,3,4,5 48R4167 AS IN RD9883; TOGETHER WITH AN EASEMENT OVER PTS 5,7,8 48R4138 AS IN RD31748; SUBJECT TO AN EASEMENT AS IN RD18132; SUBJECT TO AN EASEMENT OVER PT 3 48R4138, PTS 1,2 48R4169 IN FAVOUR OF BLOCK 1 PL SM149, PTS 1,2 48R4138; EXCEPT PTS 1,2 48R4169 AS IN RD31747; TOWN OF FORT FRANCES

BEING THE WHOLE OF THE SAID PINS

Land Registry Office for the Land Titles Division of Rainy River (No. 48)

SCHEDULE B

LEGAL DESCRIPTION OF THE BENEFITING LAND

1. PIN # 62005-0003 (LT)

PT RDAL NKR NEEBING CLOSED BY NBG487; PT LT 12 CON 1 NKR NEEBING AS IN NBG4241, NBG7279 S OF BROADWAY AV, TBR308676, PT 1 55R8452, PT 1 & 2 55R3557, PT 2 55R8741 & PT 1 55R10019 EXCEPT PT 3 55R9693; THUNDER BAY

2. PIN # 62005-0004 (LT)

PCL 3142 SEC DFWF; LT 11 CON 1 NKR NEEBING S OF BROADWAY AV; S/T LEW9647; THUNDER BAY

3. PIN # 62005-0005

PT LT 10 CON 1 NKR NEEBING; PT RDAL NKR NEEBING CLOSED BY NBG487; PT WATER LT IN FRONT OF LT 10, CON 1 NEEBING; PT RDAL BTN LT 10 & LT 11 CON 1 NKR NEEBING CLOSED BY NBG2713, NBG7168 & TBR275156 AS IN FWD4715, FWD7387, FWD7388, FWD8160, OFW15958 & PT 1, 55R6401; S/T TBR282761; THUNDER BAY

4. PIN # 62005-0006 (LT)

PCL 2733 SEC CFWF; PT LT 10 CON 1 NKR NEEBING; PT RDAL ALONG SHORE OF KAMINISTQUIA RIVER NEEBING; PT WATER LT IN FRONT OF LT 10 CON 1 NKR NEEBING AS IN LEW51936; S/T FWD5116, FWD2212, FWD2213, FWD3054; S/T LT221437; THUNDER BAY.

5. PIN # 62258-0019 (LT)

PCL 7224 SEC DFWF; PT LT 11 CON 1 NKR NEEBING PT 1, FWR114; S/T LEW42830; CITY OF THUNDER BAY

6. PIN # 62258-0021

PCL 4338 SEC DFWF; PT LT 11 CON 1 NKR NEEBING AS IN LEW18531; THUNDER BAY ; S/T EASE IN GROSS AS IN TY54340. S/T EASEMENT IN GROSS AS IN TY56108; S/T EASEMENT IN GROSS OVER ALL AS IN TY55608; S/T EASEMENT IN GROSS OVER ALL AS IN TY56118; CITY OF THUNDER BAY

7. PIN # 62258-0024 (LT)

PT LT 4 PL W680 NEEBING AS IN TBR371102; NEEBING.

8. PIN # 62258-0031 (LT)

LTS 1 TO 81, 91 TO 104, BOWMAN ST, MACHRAY AV, METCALFE ST, PENNINGTONAV, PT LANE, PT FLORENCE ST PL WM53 AS IN LEW26417 EXCEPT PT 3 55R12276; THUNDER BAY.

9. PIN # 62258-0033 (LT)

PT LT 11 CON 1 NKR NEEBING AS IN LEW10666 & LEW18528 EXCEPT LEW18531, PT 1 FWR114 & PTS 4 & 5 55R12276; S/T LEW45691; THUNDER BAY.

10. PIN 62258-0035 (LT)

PT LT 12 CON 1 NKR NEEBING AS IN NBG7468 & NBG7279 EXCEPT PT 1 55R9840, OFW51886, PTS 7 & 11 55R12276 AND PT 1 55R12426; THUNDER BAY.

11. PIN 62258-0038 (LT)

PT LT 12 CON 1 NKR NEEBING PT 9, 55R12276; THUNDER BAY; S/T EASEMENT IN GROSS OVER PT 9, 55R12276 AS IN TY54340; S/T EASEMENT IN GROSS OVER PT 9, 55R12276 AS IN TY56108; S/T EASEMENT IN GROSS OVER PT 9, 55R12276 AS IN TY55608; S/T EASEMENT IN GROSS OVER PT 9, 55R12276 AS IN TY56118; CITY OF THUNDER BAY

12. PIN 62258-0041 (LT)

LT 84 PL WM53 NEEBING EXCEPT PT 6, 55R12619; THUNDER BAY.

13. PIN 62258-0043 (LT)

LT 85 PL WM53 NEEBING EXCEPT PT 7, 55R12619; THUNDER BAY.

14. PIN 62258-0045 (LT)

LT 86 PL WM53 NEEBING EXCEPT PTS 8-10, 55R12619; THUNDER BAY.

15. PIN 62258-0047 (LT)

PT LANEWAY PL WM53 NEEBING CLOSED BY LT111585 BEING PT 1, 55R1785 EXCEPT PT 11, 55R12619; THUNDER BAY.

16. PIN 62258-0053 (LT)

LT 1 PL W680 NEEBING; PT LT 2 PL W680 NEEBING AS IN TBR251233; CITY OF THUNDER BAY.

BEING THE WHOLE OF THE SAID PINS

Land Registry Office for the Land Titles Division of Thunder Bay (No.55)

17. PIN 56068-0104 (LT)

W 1/2 LT 10A PL SM74 UNSURVEYED TERRITORY; CHAPPLE

18. PIN 56068-0102 (LT)

SE 1/4 LT 9 SM74 UNSURVEYED TERRITORY; CHAPPLE

19. PIN 56068-0097 (LT)

LT 5C PL SM74 UNSURVEYED TERRITORY; CHAPPLE

20. PIN 56068-0082 (LT)

PCL 8-1 SEC SM74; NE 1/4 SEC 8 PL SM74 UNSURVEYED TERRITORY; CHAPPLE

21. PIN 56068-0012 (LT)

PCL 13-1 SEC SM74; LT 13B PL SM74 UNSURVEYED TERRITORY; CHAPPLE

22. PIN 56066-2737 (LT)

PCL 8352 SEC RAINY RIVER; PT MINING LOCATION K.271 UNSURVEYED TERRITORY AS IN SLT21072; DISTRICT OF RAINY RIVER

23. PIN 56066-2541 (LT)

PCL 3240 SEC RAINY RIVER; ISLAND G 739 UNSURVEYED TERRITORY IN SAND BAY OF RAINY LAKE; DISTRICT OF RAINY RIVER

24. PIN 56066-2451 (LT)

PCL 5784 SEC RAINY RIVER; FARM LOCATION G.1668 UNSURVEYED TERRITORY BEING W OF CALM LAKE; DISTRICT OF RAINY RIVER

25. PIN 56066-2447 (LT)

PCL 5156 SEC RAINY RIVER; LOCATION G1649 UNSURVEYED TERRITORY BEING ON THE CANADIAN NORTHERN ONTARIO RAILWAY EXCEPT SLT22027, SLT43751 & SLT48448 T/W SLT22027; SUBJECT TO AN EASEMENT OVER PTS 1 AND 2 PL 48R4549 IN FAVOUR OF PART OF BROKEN LOT 1, CONCESSION 3, PART OF LOT 2, CONCESSION 4, PART OF MINING LOCATION H.P.161, H.P.159, PART OF THE BED OF THE SEINE RIVER AND THE ROAD ALLOWANCE ADJOINING; DISTRICT OF RAINY RIVER AS IN RD35066; TOWN OF RAINY RIVER

26. PIN 56066-1075 (LT)

PCL 12098 SEC RAINY RIVER; PT LOCATION G-1649 UNSURVEYED TERRITORY AS IN SLT43751; DISTRICT OF RAINY RIVER

27. PIN 56044-0055 (LT)

PCL 17798 SEC RAINY RIVER; PT LT 7 CON 2 DEWART PT OF N 1/2 AS IN SLT73288, EXCEPT AS IN PL S443 & S452; UNORGANIZED

28. PIN 56041-0124 (LT)

PCL 11019 SEC RAINY RIVER; E 1/2 OF SE 1/4 SEC 23 TAIT; CHAPPLE

29. PIN 56041-0109 (LT)

PCL 5872 SEC RAINY RIVER; PT SEC 19 TAIT BEING THE N 1/2 OF THE SW SUBDIVISION; CHAPPLE

30. PIN 56041-0101 (LT)

PCL 3197 SEC RAINY RIVER; SE 1/4 SEC 15 TAIT; CHAPPLE

31. PIN 56041-0008 (LT)

PCL 17891 SEC RAINY RIVER; PT SEC 14 TAIT BEING THE NW 1/4 AND NE 1/4, SURFACE RIGHTS ONLY; CHAPPLE

32. PIN 56041-0003 (LT)

PCL 17259 SEC RAINY RIVER; PT SEC 14 TAIT BEING THE SW SUBDIVISION, SURFACE RIGHTS ONLY; CHAPPLE

33. PIN 56040-0022 (LT)

PCL 14897 SEC RAINY RIVER; SEC 11 SHENSTON BEING SW SUBDIVISION; CHAPPLE

34. PIN 56040-0003 (LT)

PCL 10587 SEC RAINY RIVER; SW 1/4 SEC 14 SHENSTON RESERVING THE LAND COVERED WITH THE WATERS OF STURGEON RIVER CROSSING SAID LANDS; CHAPPLE

35. PIN 56037-0113 (LT)

PCL 4923 SEC RAINY RIVER; N 1/2 LT 10 CON 5 DOBIE S/T EASEMENT OVER PT 3 & 4, 48R3558 AS IN A65252; CHAPPLE

36. PIN 56037-0105 (LT)

PCL 3922 SEC RAINY RIVER; N 1/2 LT 12 CON 4 DOBIE; CHAPPLE

37. PIN 56037-0101 (LT)

PCL 3514 SEC RAINY RIVER; S 1/2 LT 11 CON 5 DOBIE S/T EASEMENT OVER PT 7 & 8, 48R3558 AS IN A65250; CHAPPLE

38. PIN 56037-0002 (LT)

PCL 10143 SEC RAINY RIVER; N 1/2 LT 11 CON 5 DOBIE S/T EASEMENT OVER PT 5 & 6, 48R3558 AS IN A65251; CHAPPLE

39. PIN 56036-0091 (LT)

PCL 18061 SEC RAINY RIVER; S 1/2 LT 12 CON 3 MATHER EXCEPT SLT82783; CHAPPLE

40. PIN 56036-0089 (LT)

PCL 17893 SEC RAINY RIVER; N 1/2 LT 10 CON 2 MATHER; N 1/2 LT 11 CON 2 MATHER; W 1/2 OF S 1/2 LT 11 CON 3 MATHER SURFACE RIGHTS ONLY; CHAPPLE

41. PIN 56035-0092 (LT)

PCL 18199 SEC RAINY RIVER; S 1/2 LT 2 CON 4 POTTS AS IN SLT76222, SURFACE RIGHTS ONLY; CHAPPLE

42. PIN 56029-0090 (LT)

PCL 6467 SEC RAINY RIVER; S 1/2 LT 3 CON 2 KINGSFORD; UNORGANIZED

43. PIN 56029-0082 (LT)

PCL 4816 SEC RAINY RIVER; PT LT 10 CON 6 KINGSFORD BEING THAT PART LYING SOUTH OF A LINE DRAWN ACROSS SAID LOT PARALLEL WITH THE SOUTH LIMIT THEREOF AND DISTANT NORTH THEREFROM 40 CHAINS 15 LINKS; UNORGANIZED

44. PIN 56028-0099 (LT)

PCL 2550 SEC RAINY RIVER; S1/2 LT 6 CON 1 CARPENTER; EMO

45. PIN 56028-0064 (LT)

PCL 20083 SEC RAINY RIVER; N1/2 OF N1/2 LT 4 CON 5 CARPENTER EXCEPTING THEREOUT THE MOST WLY 435 FT OF THE SLY 500 FT THEREOF; EMO

46. PIN 56028-0063 (LT)

PCL 20073 SEC RAINY RIVER; N1/2 LT 6 CON 6 CARPENTER EXCEPTING THEREOUT THE MOST NLY 281.5 FT OF THE WLY 181.5 FT THEREOF; EMO

47. PIN 56028-0060 (LT)

PCL 20025 SEC RAINY RIVER; N1/2 LT 3 CON 1 CARPENTER SURFACE RIGHTS ONLY; EMO

48. PIN 56028-0052 (LT)

PCL 19951 SEC RAINY RIVER; PT LT 9 CON 6 CARPENTER BEING THE N 40 CHAINS IN PERPENDICULAR DEPTH; SURFACE RIGHTS ONLY; EMO

49. PIN 56027-0225 (LT)

PCL 5451 SEC RAINY RIVER; PT LT 4 CON 5 BURRISS AS IN SP2006 & SLT77371; LAVALLEE

50. PIN 56027-0066 (LT)

PCL 17026 SEC RAINY RIVER; PT LT 9 CON 6 BURRISS AS IN SLT68229 EXCEPT S381, PT 10 RR694; LAVALLEE

51. PIN 56027-0053 (LT)

PCL 13113 SEC RAINY RIVER; S 1/2 LT 12 CON 5 BURRISS; LAVALLEE

52. PIN 56027-0047 (LT)

PCL 11924 SEC RAINY RIVER; N 1/2 LT 12 CON 5 BURRISS; LAVALLEE

53. PIN 56027-0046 (LT)

PCL 11923 SEC RAINY RIVER; S 1/2 LT 1 CON 1 BURRISS; LAVALLEE

54. PIN 56027-0040 (LT)

PCL 11495 SEC RAINY RIVER; S 1/2 LT 2 CON 4 BURRISS; LAVALLEE

55. PIN 56027-0039 (LT)

PCL 11494 SEC RAINY RIVER; S 1/2 LT 12 CON 6 BURRISS; LAVALLEE

56. PIN 56027-0038 (LT)

PCL 11493 SEC RAINY RIVER; S 1/2 LT 3 CON 1 BURRISS; LAVALLEE

57. PIN 56027-0035 (LT)

PCL 11103 SEC RAINY RIVER; S 1/2 LT 2 CON 1 BURRISS; LAVALLEE

58. PIN 56027-0029 (LT)

PCL 10643 SEC RAINY RIVER; N 1/2 LT 7 CON 1 BURRISS; LAVALLEE

59. PIN 56026-0388 (LT)

PCL 6440 SEC RAINY RIVER; PT SEC 18 DEVLIN BEING THE SW SUBDIVISION;
LAVALLEE

60. PIN 56026-0107 (LT)

PCL 14329 SEC RAINY RIVER; NW 1/4 SEC 31 DEVLIN; LAVALLEE

61. PIN 56025-0592 (LT)

PCL 17747 SEC RAINY RIVER; SE1/4 SEC 24 LASH; EMO

62. PIN 56017-1308 (LT)

PCL 12897 SEC RAINY RIVER; PT LT 23 RIVER RANGE MCIRVINE; PT LT 24 RIVER RANGE MCIRVINE AS IN SLT47761 & SLT50032 EXCEPT SLT50031, SLT91679; FORT FRANCES

63. PIN 56010-0001 (LT)

PCL 16587 SEC RAINY RIVER; S 1/2 LT 8 CON 6 BENNETT SURFACE RIGHTS ONLY; DISTRICT OF RAINY RIVER

64. PIN 56002-0138 (LT)

PT MINING CLAIM F.F. 5158 HUTCHINSON PART 1, 48R4034; DISTRICT OF RAINY RIVER

65. PIN 56002-0137 (LT)

MINING CLAIM F.F 5158 HUTCHINSON AS IN SP4097 EXCEPT PT 5, 48R1100 & PT 1, 48R4034; DISTRICT OF RAINY RIVER

66. PIN 56002-0136 (LT)

PT MINING CLAIM F.F. 5071 HUTCHINSON PART 2, 48R4034; EXCEPT MINING RIGHTS ONLY AS IN RD27541; DISTRICT OF RAINY RIVER

67. PIN 56002-0135 (LT)

MINING CLAIM F.F 5071 HUTCHINSON AS IN SP4096 EXCEPT PT 2, 3 & 4, 48R1100 & PT 2, 48R4034; DISTRICT OF RAINY RIVER

68. PIN 56002-0134 (LT)

MINING CLAIM F.F. 1223 HUTCHINSON EXCEPT THE ROW OF THE CANADIAN NATIONAL RAILWAY, PL S412, PT 1 48R1100, PT 1, 2 & 3 48R1567, PT 1 48R1864, PT 3, 6 & 7 48R3730 AND PT 3 48R4034, EXCEPT MINING RIGHTS ONLY AS IN RD27541; DISTRICT OF RAINY RIVER

69. PIN 56002-0133 (LT)

PT MINING CLAIM F.F. 1223 HUTCHINSON PART 3, 48R4034 AND PART 3, 48R1567
EXCEPT PART 6, 48R3730; DISTRICT OF RAINY RIVER

70. PIN 56002-0132 (LT)

MINING CLAIM F.F. 5039 HUTCHINSON EXCEPT THE ROW OF THE CANADIAN NATIONAL
RAILWAYS CROSSING THE SAID CLAIM SHOWN MARKED RED ON PL S412, PT 4 & 5
48R1567, PT 2 48R1864, PT 1, 2 & 5 48R3730 AND PT 4 48R4034; DISTRICT OF RAINY
RIVER

71. PIN 56002-0131 (LT)

PT MINING CLAIM F.F. 5039 HUTCHINSON PART 4, 48R4034 AND PART 5, 48R1567
EXCEPT PART 5, 48R3730; DISTRICT OF RAINY RIVER

72. PIN 56002-0116 (LT)

PCL 9400 SEC RAINY RIVER; MINING CLAIM F.F. 747 HUTCHINSON COMPRISING N PT
LOCATION X636 SITUATE ON THE SOUTHERLY SHORE OF SAPAWE LAKE RESERVING
FLOODING RIGHTS TO AN ELEVATION OF FIVE FT ABOVE ORDINARY HIGH WATER
MARK; EXCEPT MINING RIGHTS ONLY AS IN RD27541; DISTRICT OF RAINY RIVER

73. PIN 56002-0115 (LT)

PCL 9386 SEC RAINY RIVER; MINING CLAIM F.F. 746 HUTCHINSON COMPRISING S PT
LOCATION X636 EXCEPT SLT56280 & SLT56911 RESERVING FLOODING RIGHTS UP TO
AN ELEVATION OF FIVE FT ABOVE ORDINARY HIGH WATER MARK ALSO RESERVING
ROW OF CANADIAN NATIONAL RAILWAY; DISTRICT OF RAINY RIVER

74. PIN 56002-0109 (LT)

PCL 9913 SEC RAINY RIVER; MINING CLAIM F.F. 1224 HUTCHINSON RESERVING THE
FLOODING RIGHTS UP TO AN ELEVATION OF FIVE FT ABOVE NATURAL HIGH WATER
MARK; EXCEPT MINING RIGHTS ONLY AS IN RD27541; DISTRICT OF RAINY RIVER

75. PIN 56002-0108 (LT)

PCL 9838 SEC RAINY RIVER; MINING CLAIM F.F. 1030 HUTCHINSON EXCEPT THE ROW
OF THE CANADIAN NATIONAL RAILWAYS CONTAINING 1 4/10 ACRES, MORE OR LESS,
CROSSING SAID MINING CLAIM, BEING OF SRO; EXCEPT MINING RIGHTS ONLY AS IN
RD27541; DISTRICT OF RAINY RIVER

76. PIN 56002-0091 (LT)

PCL 10450 SEC RAINY RIVER; MINING CLAIM F.F. 1571 HUTCHINSON; EXCEPT MINING RIGHTS ONLY AS IN RD27541; DISTRICT OF RAINY RIVER

77. PIN 56002-0090 (LT)

PCL 14904 SEC RAINY RIVER; PT MINING CLAIM FF-746 HUTCHINSON AS IN SLT56911 RESERVING FLOODING RIGHTS UP TO AN ELEVATION OF 5 FT ABOVE ORDINARY HIGHWATER MARK & RESERVING THE CANADIAN NATIONAL RAILWAY ROW; DISTRICT OF RAINY RIVER

78. PIN 56002-0057 (LT)

PCL 23099 SEC RAINY RIVER; FIRSTLY, PT MINING CLAIM FF 1223 HUTCHINSON PT 1, 48R1864, SURFACE RIGHTS ONLY; SECONDLY, PT MINING CLAIM FF 5039 HUTCHINSON PT 2, 48R1864, EXCEPT PT 4, 48R3730, SURFACE RIGHTS ONLY; DISTRICT OF RAINY RIVER

79. PIN 56002-0047 (LT)

PCL 15387 SEC RAINY RIVER; MINING CLAIM F.F. 5159 AND FRACTION ADJOINING ON THE NORTH AS OUTLINED IN SP4270 HUTCHINSON EXCEPT PL S412; DISTRICT OF RAINY RIVER

80. PIN 56002-0046 (LT)

PCL 14811 SEC RAINY RIVER; PT MINING CLAIM F.F. 746 HUTCHINSON AS IN SLT56280 EXCEPT MINING RIGHTS ONLY AS IN RD27541; DISTRICT OF RAINY RIVER

81. PIN 56002-0044 (LT)

PCL 14566 SEC RAINY RIVER; MINING CLAIM F.F. 5038 HUTCHINSON EXCEPTING THE ROW OF THE CANADIAN NATIONAL RAILWAY CROSSING THE SAID CLAIM; EXCEPT MINING RIGHTS ONLY AS IN RD27541; 56018DISTRICT OF RAINY RIVER

82. PIN 56002-0041 (LT)

PCL 14563 SEC RAINY RIVER; MINING CLAIM F.F. 5001 HUTCHINSON EXCEPT THE ROW OF THE CANADIAN NATIONAL RAILWAYS; EXCEPT MINING RIGHTS ONLY AS IN RD27541; DISTRICT OF RAINY RIVER

BEING THE WHOLE OF THE SAID PINS

Land Registry Office for the Land Titles Division of Rainy River (No. 48)

STATEMENT

For immediate release: Tuesday, August 20, 2019

OTTAWA — Today representatives from the Town of Fort Frances met with Natural Resources and Forestry Minister John Yakabuski and Northern Development, Mines, and Energy Minister Greg Rickford about the future of the Fort Frances mill and the allocation of wood fibre in the Crossroute Forest.

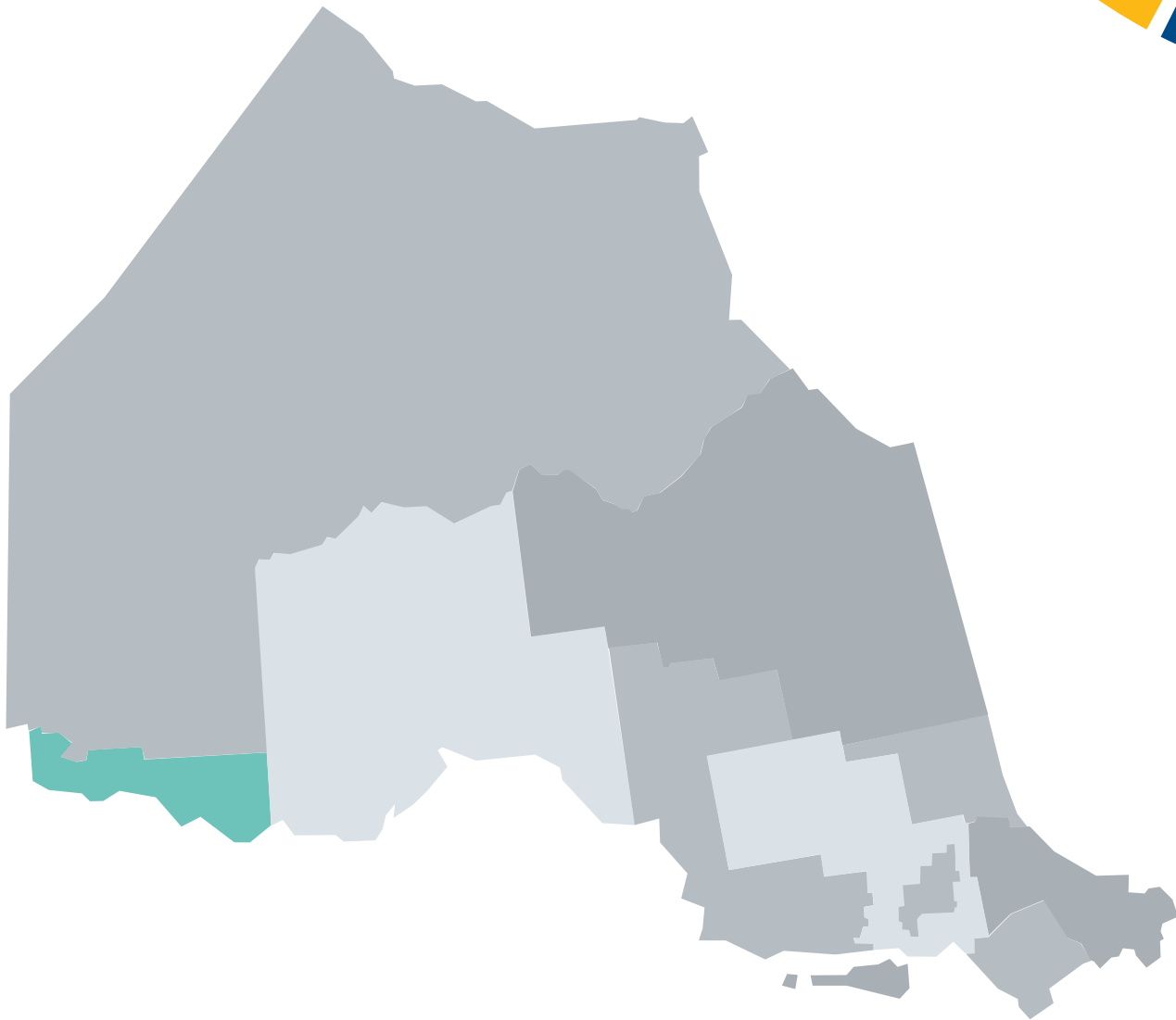
The ministers conveyed their understanding of the Town's concerns about recent revelations about the Fort Frances mill properties and expressed their interest in working with the community and other stakeholders to put in place a process to determine the wood fibre needs of current and future forest industry participants in the district.

The Town understands that internal meetings are slated between the two ministries for next week and looks forward to sharing more information with the community when it is able to do so. The Town will continue to be engaged with the province on this matter and looks forward to further productive discussions geared toward protecting the key economic drivers of the Rainy River District.

Mayor June Caul wishes to express her thanks to local MPP Greg Rickford's office for facilitating today's meeting on such short notice.

The Town's delegation consists of Mayor June Caul, Councillors Andrew Hallikas and Douglas Judson, and CAO Doug Brown. They are attending the conference of the Association of Municipalities of Ontario (AMO) and have met with numerous ministries on priorities for Fort Frances and the Rainy River district.

Tourism		Industrial Growth			Transfers	Enhanced Senior Services		Infrastructure and Services
Tourism Lake & Waterfront Development		SME Retention Expansion Development	Crossroute Fiber Usage and Other Manufacturing AG Products		Health Care Support	Enhanced Seniors Services		Senior Services <ul style="list-style-type: none">- Transportation- Programs
Waterfront Woodyard Development		\$10 Million Private Community Investment Fund	Manufacturing <ul style="list-style-type: none">- Mill- Value Added, i.e. Dog Food/Pet		Expansion of Health Care Imaging.	Quality of Life Infrastructure <ul style="list-style-type: none">- Housing- Public Transportation-Community Programs		Senior Living - Enhanced Services <ul style="list-style-type: none">- Housing- New housing that incorporates a balanced land portfolio
Partnerships <ul style="list-style-type: none">-Area First Nation Communities- Festival Destination	Boat Tours <ul style="list-style-type: none">with stops at local communities	Small business that can work with New Gold such as SMS or John Gavel rather than subbing out of Town						
Casino Hotel	Extend Waterfront Development	Entrepreneur Vertical Integration of Existing Business	Industry – Same value-added product (fibre insulation)	Enhanced Health Care				
Casino/Hotel with huge waterslide		Vacant Business Space West End Highway	Value Added Ag Products <ul style="list-style-type: none">- Food Pellets	Health Care Specialization				
Point Park Revitalization		Workforce <ul style="list-style-type: none">-Labour Shortage in Most Sectors-Training	Purchase Mill Property Once Demolished (or Before) to Repurpose that land.	High Tech Large Capacity Sawmill	Partnership with Area First Nations to Expand Health Care	Rebuild Town (Homes)	People Moving	
Develop Waterfront to Maximize Tourism <ul style="list-style-type: none">- such as restaurants, hotels- use lake more		Post-Secondary Training <ul style="list-style-type: none">-Research facilities-Partnership with schools	Transportation Goods In and Out	Hydroponic Farms (steam or solar generation) <ul style="list-style-type: none">- grow vegetables year round		Invite Developers to Build Housing Complexes	Post-Secondary Student Housing	



Northern Projections

Rainy River District

Human Capital Series



Who We Are

Northern Policy Institute

Northern Policy Institute is Northern Ontario's independent think tank. We perform research, collect and disseminate evidence, and identify policy opportunities to support the growth of sustainable Northern Communities. Our operations are located in Thunder Bay and Sudbury. We seek to enhance Northern Ontario's capacity to take the lead position on socio-economic policy that impacts Northern Ontario, Ontario, and Canada as a whole.

About the Series

This Human Capital Series is an update of an earlier series published in partnership with Northern Ontario Workforce Planning.

Workforce Planning Ontario is a network of 26 Workforce Planning Boards covering four regions across the province. Workforce Planning Boards gather intelligence on local labour market supply and demand, and work in partnership with employers, employment services, educators, researchers, economic development, government and other stakeholders to identify, understand and address labour market issues. This includes supporting and coordinating local responses to meet current and emerging workforce needs.

Given the unique geography and labour market issues that impact Northern Ontario, all 6 planning boards in the north have collaborated to form Northern Ontario Workforce Planning. They include: Algoma Workforce Investment Corporation (AWIC); Far Northeast Training Board (FNETB); The Labour Market Group (LMG); Northwest Training and Adjustment Board (NTAB); North Superior Workforce Planning Board (NSWPB); and Workforce Planning for Sudbury & Manitoulin (WPSM). FNETB and NSWPB are currently pilot sites for Local Employment Planning Councils (LEPC).

The objective of this series is to examine past and present trends in each Northern Ontario Census District and to forecast future challenges and opportunities. The author examines demographic trends as well as the labour market, including human capital composition, employment trends, the future occupational demand of the employed workforce, trends in industrial workforce composition of goods-producing and services-producing sectors, as well as labour income trends and gross domestic product (GDP).

Who We Are

Board: The Board of Directors sets strategic direction for Northern Policy Institute. Directors serve on committees dealing with finance, fundraising and governance, and collectively the Board holds the CEO accountable for achieving our Strategic Plan goals. The Board's principal responsibility is to protect and promote the interests, reputation, and stature of Northern Policy Institute.

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Charles Cirtwill

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This report was made possible through the support of our partner, Northern Ontario Heritage Fund Corporation. Northern Policy Institute expresses great appreciation for their generous support but emphasizes the following: The views expressed in this commentary are those of the author and do not necessarily reflect the opinions of the Institute, its Board of Directors or its supporters. Quotation with appropriate credit is permissible.

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874 Tungsten St.
Thunder Bay, Ontario P7B 6T6

ISBN: 978-1-989343-39-5

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About the Author

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Dr. Moazzami has taught Economics and Econometrics at Lakehead University since 1988. He is well known for his research activities particularly related to Northern Ontario.

He has written many reports on Northern Ontario's economic development challenges and opportunities. He was commissioned by the Ministry of Northern Development and Mines to undertake a comprehensive study of Northern Ontario's economy as a part of the research conducted for the Growth Plan for Northern Ontario. Included in the study were the identification of growing, declining and emerging industrial clusters in the region.

Professor Moazzami has also written extensively on Northern Ontario's Indigenous people and Northern Indigenous economy. Dr. Moazzami's expertise and influence reaches beyond Lakehead University and Northern Ontario. He has been a regular guest speaker at the University of Waterloo's Economic Development Program.

Executive Summary

Northwestern Ontario covers approximately 526,478 square kilometers and recorded a population of 231,691 in 2016. Increasing levels of out-migration of working-age labor force, declining fertility rates, and lower levels of immigration have resulted in an age distribution of the population in Northwestern Ontario that is different from that of Ontario. These demographic changes have a significant impact on social and economic conditions in the region. The population will continue to age in the foreseeable future, with implications for healthcare costs, supply of labour, production capacity, and the ability of the Northwestern Districts to remain economically viable.

The purpose of this report is to analyze demographic and labour market trends in Northwestern Ontario and Rainy River District. Both past and current trends are examined, as well as future projections. This report is an update to a previous report published in 2017 but with updated information using 2016 census data, as well as additional sections including sector-specific projections for future labour market demand.

Key Findings

Rainy River District's total population has declined 12.6 per cent from 1991 to 2016. The share of individuals under the age of 20 dropped from 30.9 per cent in 1991 to 24.15 per cent in 2016, while the proportion of those age 65 years and over increased from 14.1 per cent to 18.84 per cent over the same period. This trend is expected to continue, with the total population expected to decline from 19,973 in 2017 to 17,380 in 2041, and the share of individuals age 65 and over rising to 31.9 per cent in 2041. Rural areas are still the main residence for 85.4 per cent of the population in Rainy River District. Only 4.9 per cent live in rural areas designated as having moderate link to urban centres.

With a decrease in the working-age population in Rainy River District, the labour force participation rate declined among men from 81.7 per cent in 2001 to 74.0 per cent in 2016, and stayed relatively constant among women. The employment rate, likewise, shared a similar trend, declining among men but rising among women. The labour force participation and employment rates were lower among the indigenous population. The lowest participation rates were among the on-reserve indigenous groups. However, it is forecasted that by 2030, the indigenous labour force will reach 32.05 per cent of the total labour force in Rainy River District.

The district has witnessed an upward trend in net migration in recent years, across all age groups. The largest improvement was among the 20-34 age range.

Postsecondary education is expected to play an increasing important role in the labour market. In 2016, 54.8 per cent of population in Rainy River District had postsecondary credentials. This percentage is even smaller among indigenous populations, just under 50 per cent. Both rates are lower than the corresponding provincial levels.

Recommendations:

Enhance access to remote and on the job educational opportunities

One potential solution to Rainy River's declining workforce size and productivity is to promote higher education through increased access to services, especially for the Indigenous population who experience lower levels of educational achievement. As the data has shown, the unemployment rate in the remote areas (reserves) is the highest, with 22.3 per cent among men, and 13.6 per cent among women. Providing accessible education, especially postsecondary education, will be an essential move to expand the labour force.

Continue to invest in the Indigenous population

Labour force participation rates among the Indigenous population in Rainy River were generally lower and unemployment rates higher than the rest of the population. There was also a notable difference between the Indigenous labour force on-reserve and off-reserve, with the unemployment rate among the former at 22.3 and 13.6 per cent in 2016 for men and women, respectively. In contrast, the unemployment rate among the off-reserve Indigenous workforce was much lower, at 10.9 per cent for men. To the extent that desire to engage in the broader economy exists, continued investments in supporting that engagement through education and skills enhancement should be made.

Continue to build on the momentum of positive net migration

Since 2014, net migration in every age group other than 65+ has experienced an upward trend. The Rainy River district should look at what has created better recent outcomes, specifically of youth, and continue to build on this positive momentum, in order to combat the declining labour force and ageing population in the coming years.

Introduction

The objective of this report is to examine past and present trends and characteristics in the economy of Rainy River District (hereafter also referred to as Rainy River) and to forecast its future challenges and opportunities. We first examine population trends in Rainy River and Northwestern Ontario. Then, we study the district's labour market. This includes its human capital composition; employment trends; the shifting occupational composition of the employed workforce; the shifting of the district's industrial composition from goods-producing to services-producing sectors; the declining share of the private sector; the district's rising dependency on the public sector; and declining labour income and gross domestic product (GDP). The aging population and its impact on future demand for healthcare and education service providers are also examined. Finally, the report estimates the impact of an aging population on demand for workers in trade occupations in the district.

The report begins by examining demographic change in Rainy River during the past three decades. We find that the district's population has declined by approximately 12.6 per cent between 1991 and 2016. This represents an average annual decline of approximately 0.5 percent. We focus on three segments of the regional population, namely Indigenous, Francophone, and Immigrants. The study looks ahead and provides projections for total and Indigenous populations of Rainy River District between 2015 and 2030. We find that the Indigenous population is the only growing segment of the regional population. From these population projections, the study estimates past, present, and future trends in the size and composition of the regional labour force. The impact of migration flows on the regional population is also discussed.

The report also examines population trends in urban and rural areas. We find that approximately 85.4 per cent of Rainy River's population live in rural areas with a weak link to urban centres. Also, approximately 9.7 per cent of the population live in very remote regions with no link to urban centres. The majority (80.0 per cent) of the Indigenous population live in rural areas with a weak link to urban centres. Moreover, approximately 18.2 per cent of the Indigenous population live in rural areas with no link to urban centres.

The next part of the study examines labour market trends, including participation, employment, and unemployment rates among various population groups between 2001 and 2016. Using demographic changes as well as labour market indicators, the study forecasts the size and composition of the future labour force in the Rainy River district.

In the section that follows, the study defines and quantitatively measures the human capital composition of Rainy River's workforce in the coming years. This section also discusses the implications of the growing application of technology in the production process and, accordingly, the future skill requirements of the workforce.

The report then discusses the consequences of shifting the composition of the employed labour force in the district from goods-producing, which is dominated by private businesses, to services-producing, which is predominantly financed by the public sector. The study also examines the shifting

occupational composition of the employed workforce, and the implication thereof for total regional income and GDP in Rainy River District.

The study concludes by looking ahead and examining the future demand for healthcare and education service providers and for trades workers in the coming years.

Data Sources:

The data used in this report are based on detailed information regarding individual census subdivisions (CSDs) in Rainy River District and Northwestern Ontario obtained through special tabulations from Statistics Canada. We have also used population forecasts based on data made available by the Ontario Ministry of Finance. Some of the data displayed below may differ slightly from census population data, in instances where a custom tabulation was used to demonstrate unique characteristics of the target geography. In these instances, the discrepancies are due to the custom tables being based on 25% sample data, as oppose to 100% population data.

Population Groups Studied

The report provides information on the following four population groups:

- The total population;
- The Francophone population, defined as individuals who report their mother tongue to be French;
- The Indigenous population, defined by Statistics Canada as persons who reported identifying with at least one Indigenous group – that is, North American Indian, Métis, or Inuit – and/or those who reported being a Treaty Indian or a registered Indian, as defined by the Indian Act, and/or those who reported they were members of an Indian band or First Nation;
- The immigrant population, defined as persons who are, or have ever been, landed immigrants in Canada.

The Geographical Specification of Northern Ontario

Northern Ontario is subdivided into the Northwest and the Northeast Economic Regions. The three most western census divisions, commonly known as districts – namely Rainy River, Kenora, and Thunder Bay – constitute Northwestern Ontario, which is also referred to as the Northwest Economic Region. The region that lies north and east of lakes Superior and Huron constitutes Northeastern Ontario, which is also referred to as the Northeast Economic Region. It includes the following census divisions: Cochrane, Timiskaming, Algoma, Sudbury, Nipissing, Manitoulin, Parry Sound, and Greater Sudbury. The federal government and FedNor also include Muskoka District in their definition of Northeastern Ontario. However, the provincial government removed the district of Muskoka from the jurisdictional area of the Ministry of Northern Development and Mines and the Northern Ontario Heritage Fund Corporation in 2004. It has continued to include Parry Sound as a Northern Ontario division.

Demographic Change in Northwestern Ontario: The Past Three Decades

Demographic Trends in Northwestern Ontario

Northwestern Ontario covers more than 526,478 square kilometres, almost 57.9 per cent of the province's total area, while accounting for only 1.72 per cent of Ontario's total population. With a population density of 0.4 persons per square kilometre, Northwestern Ontario is the province's most sparsely populated region.¹

Northwestern Ontario consists of the districts of Thunder Bay, Kenora, and Rainy River. Major communities in the region include Thunder Bay, Kenora, Dryden, Fort Frances, Sioux Lookout, Greenstone, Red Lake, Marathon, and Atikokan, as well as several dozen that are First Nations, Métis, and Inuit. Approximately 52.3 per cent of the region's entire population live in the Thunder Bay Census Metropolitan Area (CMA). Aside from the city of Thunder Bay, Kenora

is the only other municipality in the entire region with a population greater than 10,000 people.

According to Statistics Canada's census of population, Northwestern Ontario's population grew from 231,378 in 1986 to 244,117 in 1996, but it declined to 234,771 in 2001 and 231,691 in 2016 (Figure 1). There appears to have been some population growth between 2011 and 2016, though incomplete data means the trend is difficult to gauge with precision.² The major population change has been related to the size of the Indigenous population, which increased from 38,225 in 2001 to 41,600 in 2011, and to 58,950 in 2016. The rise in the Indigenous population relates to a higher fertility rate as well as increased participation in the census.

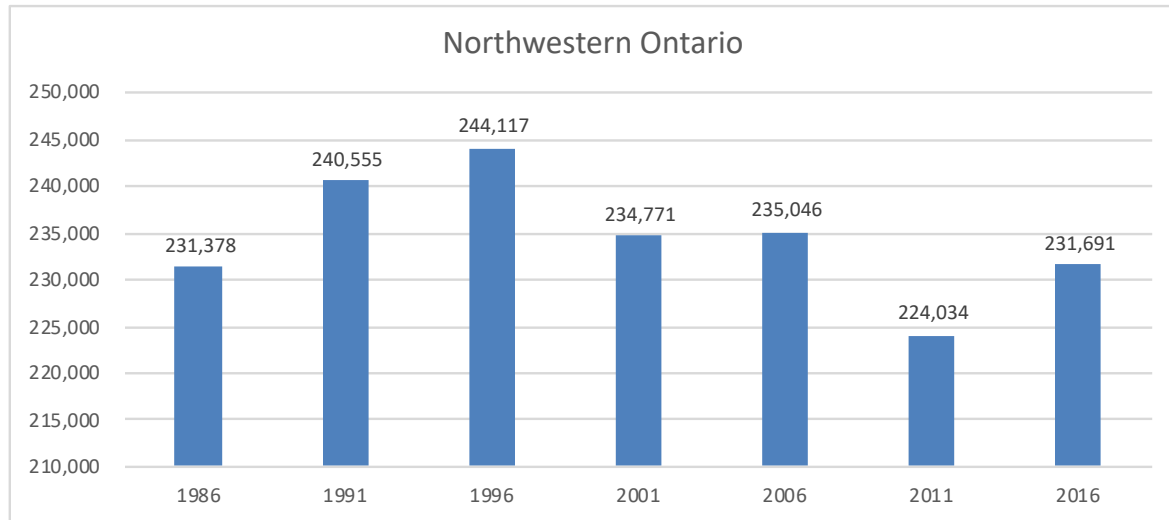


¹ On average, the population density equals 3.7 persons per square kilometre in Canada. It equals 47.6 persons per square kilometre in Thunder Bay CMA, compared to 249.58 persons per square kilometre in all CMAs in Canada.

² In 2011, a series of wild fires prevented 13 First Nations in Kenora CD from being enumerated at census time. A special collection later that year found there were 8,520 people in these communities, though these totals are not included in the census figures for 2011. Pikangikum, one of the largest First Nations in the region, was not enumerated in 2016 due to 'other' reasons. Their 2011 population count was 2,280. If they experienced the same growth rate from 2011 to 2016 as 2006 to 2011, their population would be closer to 2,500.

Fort Frances Court House, Fort Frances

Figure 1: Population Trends in Northeastern Ontario

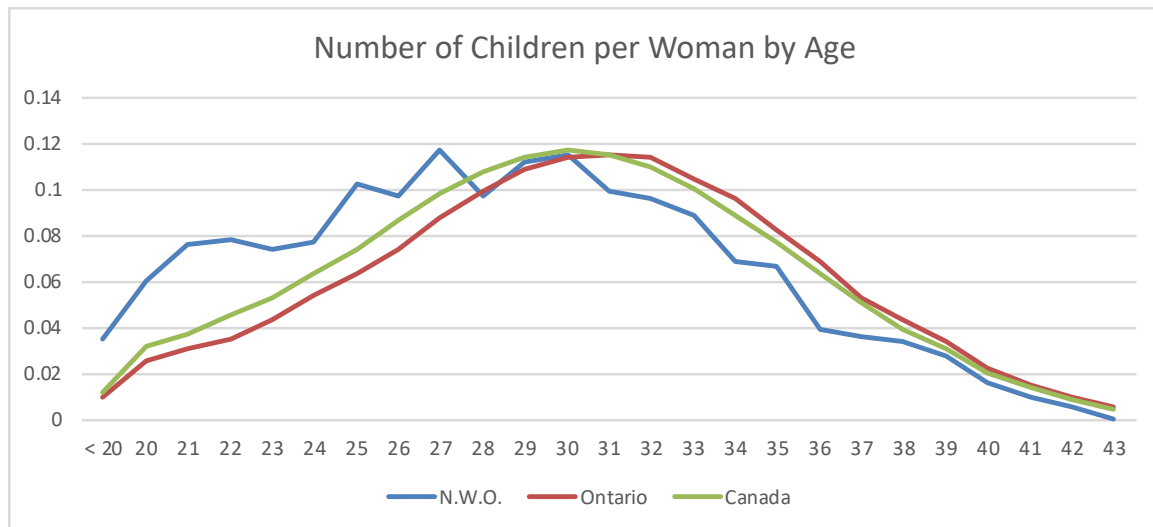


Source: Statistics Canada, Census of Population, various issues

Northwestern Ontario's share of the provincial population declined from 2.54 per cent in 1986 to 2.39 per cent in 1991, 2.06 per cent in 2001, 1.74 per cent in 2011, and 1.72 per cent in 2016. The declining population share has happened despite a higher total fertility rate in Northwestern Ontario

than that of the province or Canada. The total fertility rate is defined as the average number of children that a woman will have during her lifetime. In Canada, the total fertility rate equaled 1.61 in 2011 compared with 1.55 in Ontario and 1.77 in Northwestern Ontario (Figure 2).

Figure 2: Fertility Rate by Age in Northwestern Ontario, Ontario and Canada in 2011



Statistics Canada, 2011 National Household Survey, special tabulation

The higher fertility rate in Northwestern Ontario compared with Ontario suggests that the declining size and share of the region's population are not due to natural population change. In fact, the data suggest that the number of births exceeded the number of deaths in Northwestern Ontario between 1987 and 2007. However, the level of natural increase has been declining in Northwestern Ontario. In fact, Rainy River District experienced more deaths than births after 2005, further adding to the population decline in that region. The declining natural population increase is due

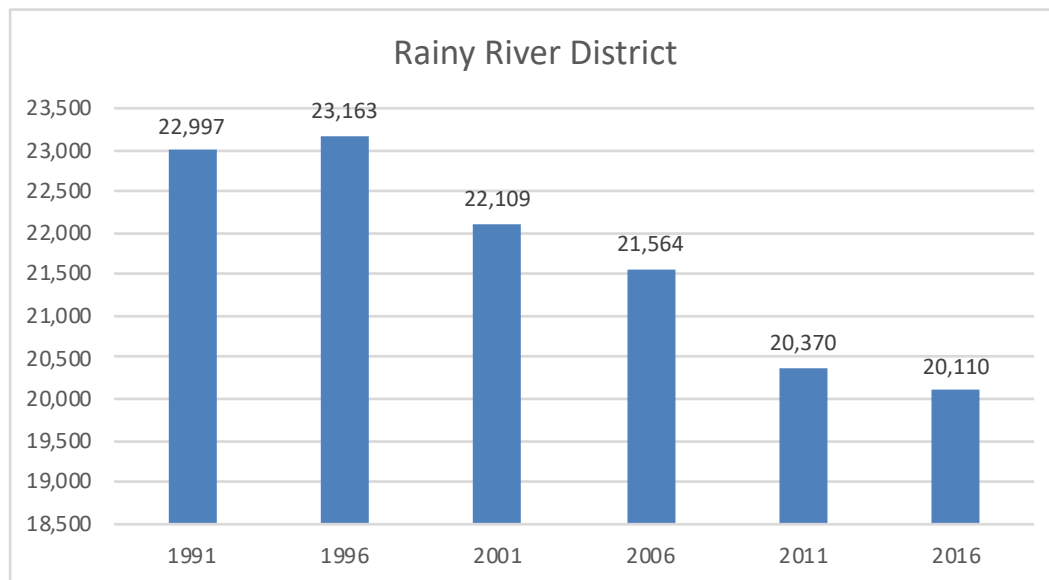
to a gradual increase in the number of deaths compared with births caused by three factors. The first factor is the aging population, which results in a greater share of the population in higher age categories and fewer women in childbearing age categories. The second factor relates to continued low fertility rates, which are significantly below the generational replacement rate of 2.1. The third factor is the out-migration of women in childbearing age categories from Northwestern Ontario.

Population Trends in Rainy River District & Northwestern Ontario

Rainy River District covers 15,485 square kilometres and recorded a population of 20,110 in 2016. It has a population density of 1.3 persons per square kilometre, which is

well below that of Ontario (14.1). According to Statistics Canada's Census of Population, Rainy River's population declined by 12.6 per cent from 1991 to 2016 (Figure 3).

Figure 3: Population Trends in Rainy River District



Source: Statistics Canada, various censuses, custom tabulation

Declining population trends can also be observed in almost all major townships, towns, and cities in Northwestern Ontario

(Table 1). As we will see later in this report, the declining population closely mirrors employment changes in the region.

Table 1: Population Trends in Major Northwestern Ontario Regions

Region	1996	2001	2006	2011	2016
Thunder Bay City	113,662	109,016	109,140	108,359	107,909
Kenora City	10,063	15,838	15,177	15,348	15,096
Fort Frances Town	8,790	8,315	8,103	7,952	7,739
Dryden City	6,711	8,198	8,195	7,617	7,749
Sioux Lookout Town	5,165	5,336	5,183	5,038	5,272
Greenstone MU	6,530	5,662	4,906	4,725	4,636
Red Lake Town	4,778	4,233	4,526	4,670	4,107
Marathon Town	4,791	4,416	3,863	3,350	3,273
Atikokan Town	4,043	3,632	3,230	2,787	2,753
Manitouowadge TP	3,395	2,949	2,300	2,105	1,937
Nipigon TP	2,210	1,964	1,752	1,630	1,642
Terrace Bay TP	2,324	1,950	1,625	1,470	1,611
Schreiber TP	1,788	1,448	901	1,125	1,059
Red Rock TP	1,258	1,233	1,063	940	895
Dorion TP	472	442	379	340	316

Source: Statistics Canada, various censuses, custom tabulation

Various factors explain declining regional population. First, Northwestern Ontario and Rainy River District have been receiving disproportionately low rates of Immigrants. Net immigration is defined as the number of Immigrants to a region minus those who left. The region experienced negative net immigration between 2001 and 2016. This is one of the important factors influencing the declining population. The second and perhaps more important factor relates to out-migration.

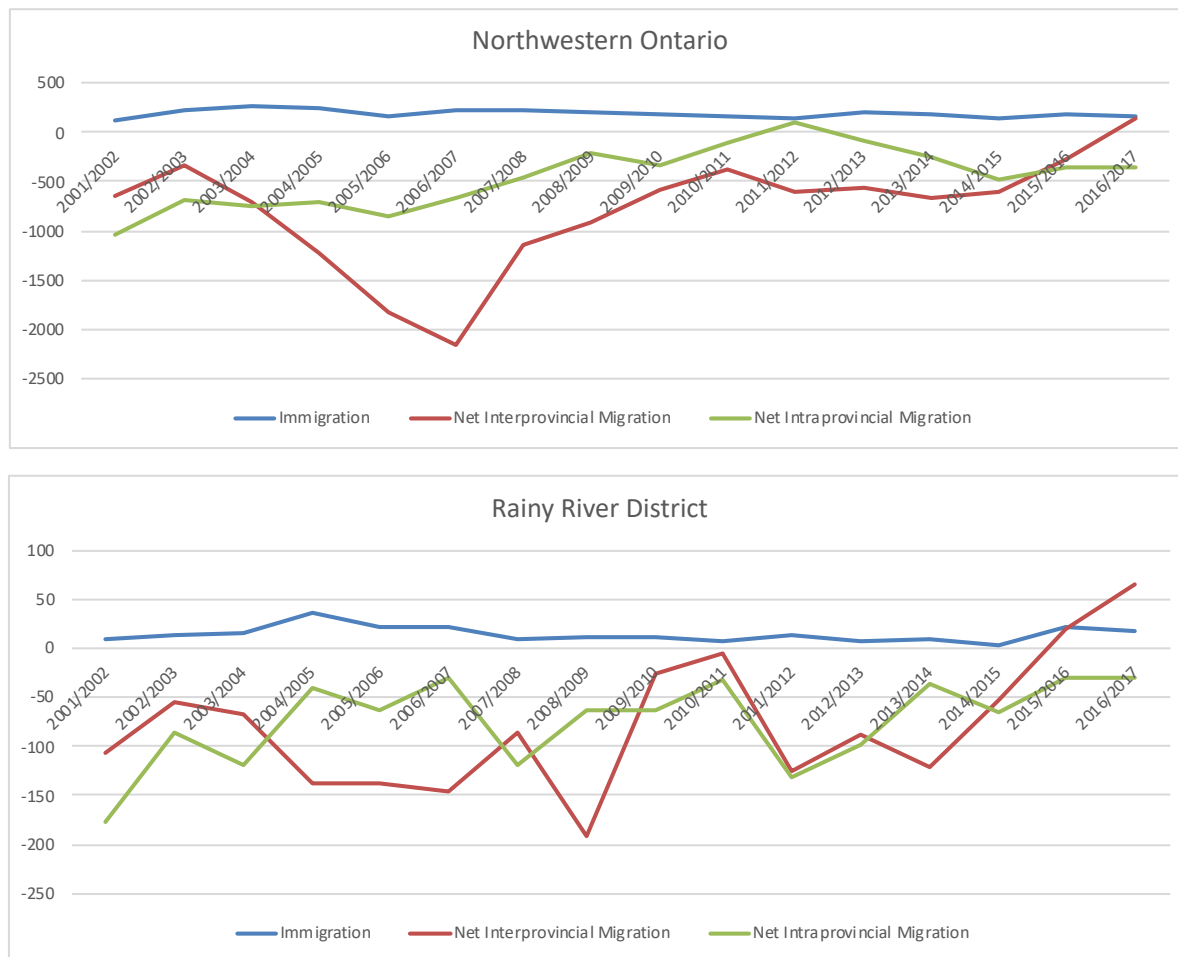
Figure 4 shows that Northwestern Ontario and Rainy River District have experienced negative interprovincial as well as intraprovincial out-migration especially during the mid-2000s due to the collapse of the forestry industry along with the related manufacturing industries. Interprovincial migration refers to the movement of population from one province to another. During the past 30 years, net interprovincial migration into Ontario averaged 2,700 per year. However, this includes the abnormally large inflows from Quebec recorded in the years following the 1980 referendum. When those inflows are excluded, long-term net interprovincial migration

to Ontario is modestly negative. Intraprovincial migration refers to the movement of population from one census division to another within the province.

Figure 4 shows that the majority of those who choose to move appear to move out of the province. The largest portion of individuals who out-migrate to other provinces are between the ages of 20 and 34. On the other hand, the Rainy River District experienced an in-migration from other census divisions within Ontario, more than likely those in Northwestern Ontario, between 2006 and 2014. Examination of the data reveals that the intraprovincial in-migrants to Rainy River District are 35 years of age and older and that they are bringing their children with them. Overall, net out-migration has decreased over time. What are the reasons for the declining out-migration from Northwestern Ontario? Can it be related to the age profile of the movers? Can it be related to the aging of the population resulting in a smaller share of the population in their prime moving age? Figure 5 shows the age distribution of the migrants.

³ Ontario Ministry of Finance, Ontario Population Projections Update based on the 2011 census 2017-2041 Ontario and its 49 census divisions.

Figure 4: Net Migration Flows

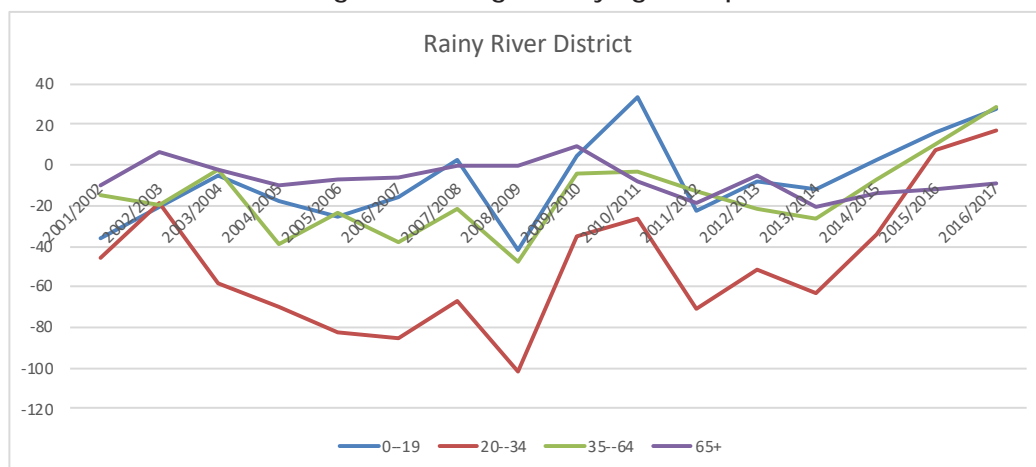


Source: Author's calculations based on Statistics Canada, CANSIM database, tables 051-0063

Figure 5 shows that most movers are between the ages of 20 and 34, followed by those between the ages of 35 and 64. Figure 5 also shows that adults moving to other regions take their children with them, resulting in net out-migration

of youth ages 19 and younger. There has always been some out-migration of seniors, but the level and trend has been quite stable. The district has witnessed positive migration in recent years.

Figure 5: Net Migration by Age Group



Source: Author's calculations based on Statistics Canada, CANSIM database, tables 051-0063

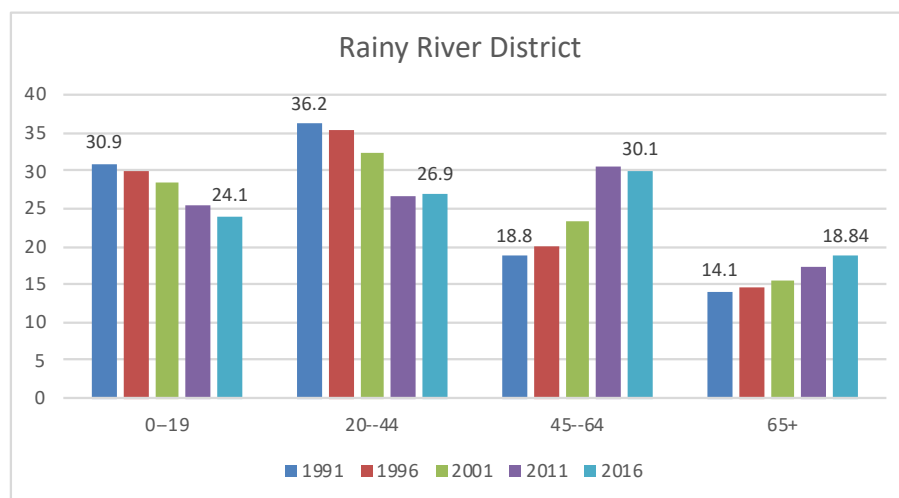
Aging of the Population in Rainy River District

In addition to out-migration of youth and low levels of immigration in the region, rising life expectancy has resulted in the aging of Rainy River's population. At the same time, the large baby-boom generation, born in the two decades following the Second World War, is now beginning to retire. The generations that followed were much smaller, primarily due to a declining fertility rate. As a result, the share of individuals in the district below the age of 20 has declined from 30.9 per cent in 1991 to 24.1 per cent in 2016, while the share of seniors rose from 14.1 per cent in 1991 to 18.8 per

cent in 2016 (Figure 6). During the same period, the share of individuals between the ages of 20 and 44 declined from 36.2 per cent to 26.9 per cent, while individuals ages 45 to 64 increased from 18.8 per cent to 30.1 per cent.

These demographic changes have had a significant impact on social and economic conditions in the district. As a result, the population will continue to age in the foreseeable future, with implications for healthcare and education costs, the supply of labour, production capacity, and the ability of Rainy River to stay economically viable.

Figure 6: Aging of Rainy River District's Population



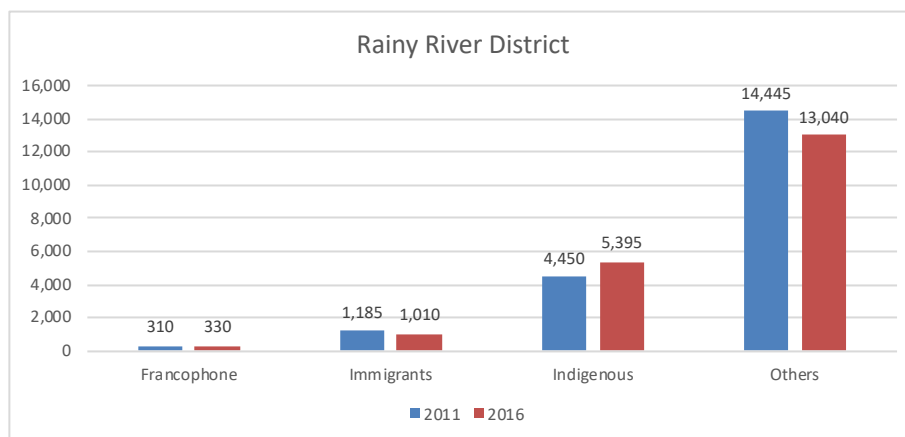
Source: Author's calculation based on Statistics Canada, Census of Population, various issues

Linguistic and Cultural Diversity of the Population in Rainy River District & Northwestern Ontario

Another aspect of demographic change in Northwestern Ontario and Rainy River relates to the cultural and linguistic

diversity of the population (Figure 7).

Figure 7: Linguistic & Cultural Diversity in Rainy River District, 2011-2016



Source: Author's calculation based on Statistics Canada, 2011 NHS and 2016 Census of Population

The total Francophone population in Rainy River stayed relatively constant between 2011 and 2016. The Immigrant population declined while the Indigenous population increased by approximately 21.2 per cent between 2011 and 2016. Indigenous peoples represent approximately 27.3 per cent of the total population in Rainy River. The total Indigenous population in Northwestern Ontario increased from 38,225 in 2001 to 41,600 in 2011 and to 58,950 in 2016. They represent approximately 25.9 per cent of the total regional population. The high Indigenous population growth is not solely due to the natural demographic process. According to Statistics Canada, the traditional demographic components of growth (fertility, mortality, and migration) are not the only factors that have affected the growth of the Indigenous population in Canada. Another phenomenon that has also affected the size, growth, and composition of the Indigenous population in recent years is referred to as a "change in reporting" or "ethnic mobility." Ethnic mobility refers to people changing the reporting of their Indigenous affiliations from a non-Indigenous identity to an Indigenous identity from one census to the next.⁴ The passage of Bill C31 in 1986 has been a factor in this ethnic mobility.

Additionally, there has been a higher participation in the census in recent years. Statistics Canada reports that some Indian reserves and settlements did not participate in the census because enumeration was not permitted, or it was interrupted before completion. In 2006, there were 22 incompletely enumerated reserves, down from 30 in 2001

and 77 in 1996.⁵ Other factors explaining higher Indigenous population growth include better and more accessible health care leading to a lower mortality rate and a decline in infant mortality.

Finally, one of the main factors explaining the rising share of the Indigenous population relates to fertility rate. The fertility rate among Indigenous women has been significantly higher than the regional average. A report by the Ontario Ministry of Health states that: "Fertility is almost exclusively the source of population growth for Aboriginal peoples in Ontario. Provincially, some in-migration of Aboriginal people takes place from other provinces but does not substantially impact population dynamics among Ontario's Aboriginal peoples although the impact may be greater in some urban areas. Although minimum information is directly available on Aboriginal fertility in Canada, INAC (Indian and Northern Affairs Canada) has reported a total fertility rate (TFR), which is the number of children a woman would have under current prevailing fertility rates, of 2.9 children in 2000 for Registered Indian women. In the same year, the TFR for Canadian women was approximately half that rate at 1.5 children."⁶

In general, the Indigenous population is much younger than the non-Indigenous population. Therefore, they will be entering the labour market in large numbers as the non-Indigenous population retires. Indigenous peoples will represent a significant share of the region's workforce in the coming years.

Population Trends in Urban & Northwestern Ontario & Rainy River District

There are many ways to define rural and urban areas. The term rural is intuitively understood as an area with low population concentration dispersed at a low density. On the other hand, the term urban is often understood as a place with high population concentration at a high density. This intuitive understanding is the basis for Statistics Canada's approach to defining an urban area as having a population of at least 1,000 and a density of 400 or more people per square kilometre.⁷ Statistics Canada offers an alternative and perhaps more appropriate definition of rural areas as "rural and small towns" as opposed to "large urban centres." This definition is based on the commuting flows between different areas. It defines urban regions as including all census metropolitan areas (CMAs) and census agglomerations (CAs). Both CMAs and CAs include the total population of neighbouring census subdivisions (CSDs). Based on the above definition of an urban region, rural and small town (RST) areas are defined as non-CMA/CA areas. RSTs are further divided into four types of zones based on

the degree of influence that large urban centres have on them.⁸ This is measured by the percentage of people who commute to work in an urban centre.

Using the above definition, Figure 8 shows the distribution of Rainy River's population among rural and urban areas. Approximately 4.9 per cent of the Rainy River population live in rural areas designated as having moderate link to urban centres. The majority (85.4 per cent) live in rural areas with a weak link to urban centres and 9.7 per cent live in very remote regions with no link to urban centres.

The majority (80.0 per cent) of the Indigenous population live in rural areas designated as relatively remote with a weak link to urban centres. Another 18.2 per cent live in very remote regions with no link to urban centres. The majority (86.4 per cent) of the Francophone population live in relatively remote rural areas with a weak link to urban centres. Similarly, approximately 86.1 per cent of the Immigrant population live in relatively remote regions.⁹

⁴ A. Signer and Rosalinda Costa, "Aboriginal Conditions in Census Metropolitan Areas, 1981-2001," Statistics Canada, 2005.

⁵ Ibid

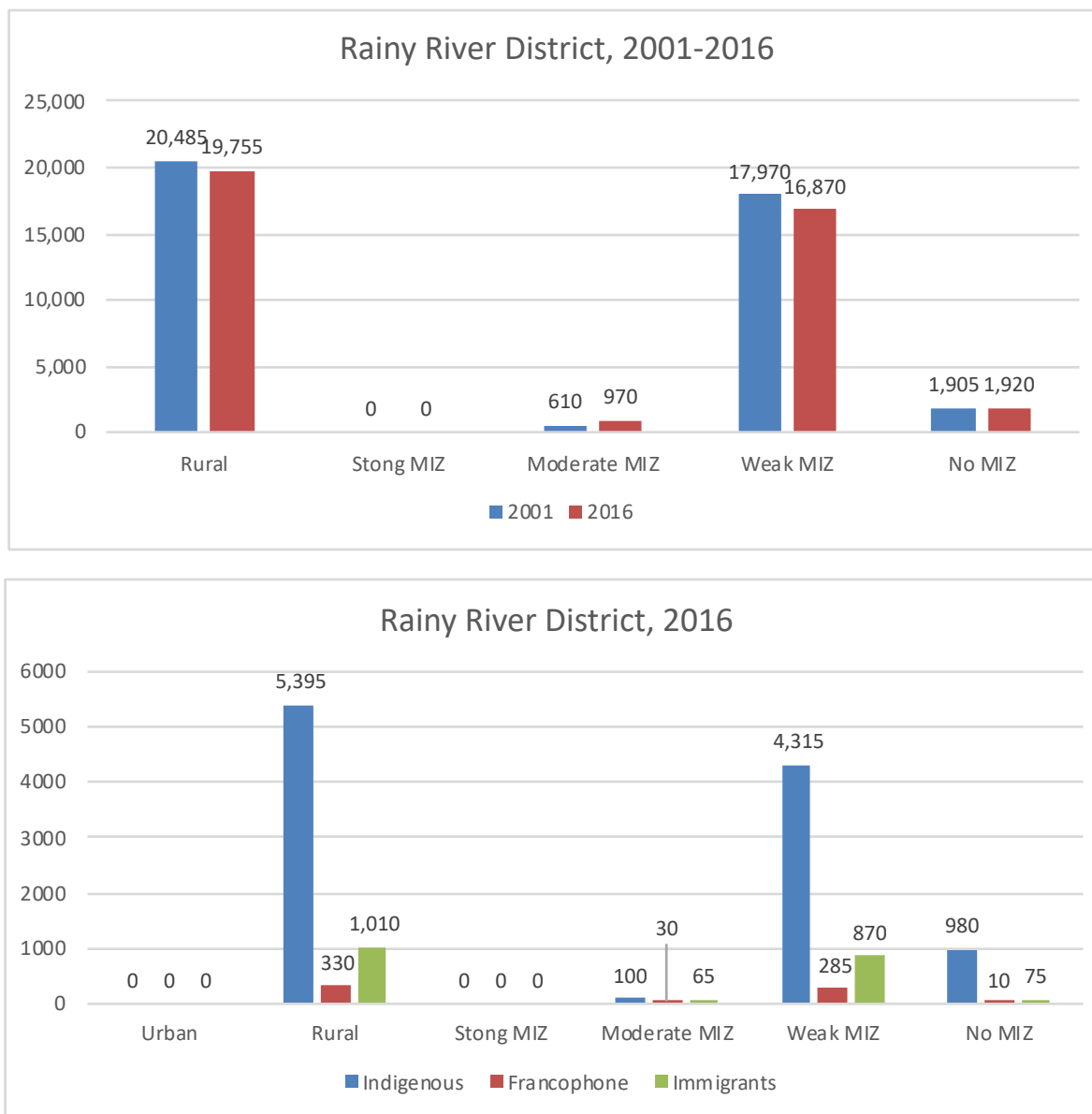
⁶ Ontario Ministry of Health and Long-Term Care, Health Analytic Branch, "First Nations Peoples in Ontario: A Demographic Portrait," January 2009, 15.

⁷ One problem with this definition is that it can lead to misleading identification of rural and urban areas. Based on this definition, Attawapiskat Indian Reserve in James Bay area is classified as an urban area.

⁸ For a definition of various zones see Roland Beshiri and Jiaosheng He, Rural and Small Town Canada Analysis Bulletin 8, No. 2 (June 2009): Catalogue No. 21-006-X.

⁹ We note that Statistics Canada classifies various census subdivisions (CSDs) within provinces that are outside CMAs and CAs into one of four metropolitan influenced zones (MIZ) according to the degree of influence (strong, moderate, weak, or no influence) that the CMAs or CAs have on them. The degree of influence is measured by the percentage of a CSD's employed labour force who commute to work in any CMA or CA (e.g., 30 per cent for strong MIZ, between 5 per cent and 30 per cent for moderate MIZ, between 0 and 5 per cent for weak MIZ).

Figure 8: Population in Urban and Rural Areas in Rainy River District



Source: Author's calculation based on Statistics Canada, 2001 and 2016 Censuses, special tabulation

Demographic Change in Rainy River District: The Next Three Decades

This part of the study provides population projections for Rainy River District, both for the total population and for the Indigenous population. Estimates for the former are based on projections by the Ontario Ministry of Finance and estimates for the latter are based on Northern Ontario's Demographic Model, developed by the author. The model is based on the Cohort Component method.¹⁰ The base year data for the projection are from Statistics Canada's 2016 census.

A few words regarding the Ministry of Finance projections are in order. First, the Ministry's estimated parameters for fertility at the census division level were modelled to maintain regional differences. The census division-to-province ratio for mean age at fertility in the most recent period was assumed to remain constant.

Second, the Ministry's mortality estimates at the census division level were developed using a ratio methodology. The government applied the Ontario-level mortality structure to each census division's age structure during the most recent three years of comparable data and calculated the expected number of deaths. It then compared these estimates to the actual annual number of deaths in each census division during this period to create ratios of actual-to-expected numbers of deaths. These ratios were then multiplied by provincial age-specific death rates to create death rates for each census division. These rates were then applied to the corresponding census division populations to derive the number of deaths for each census division.



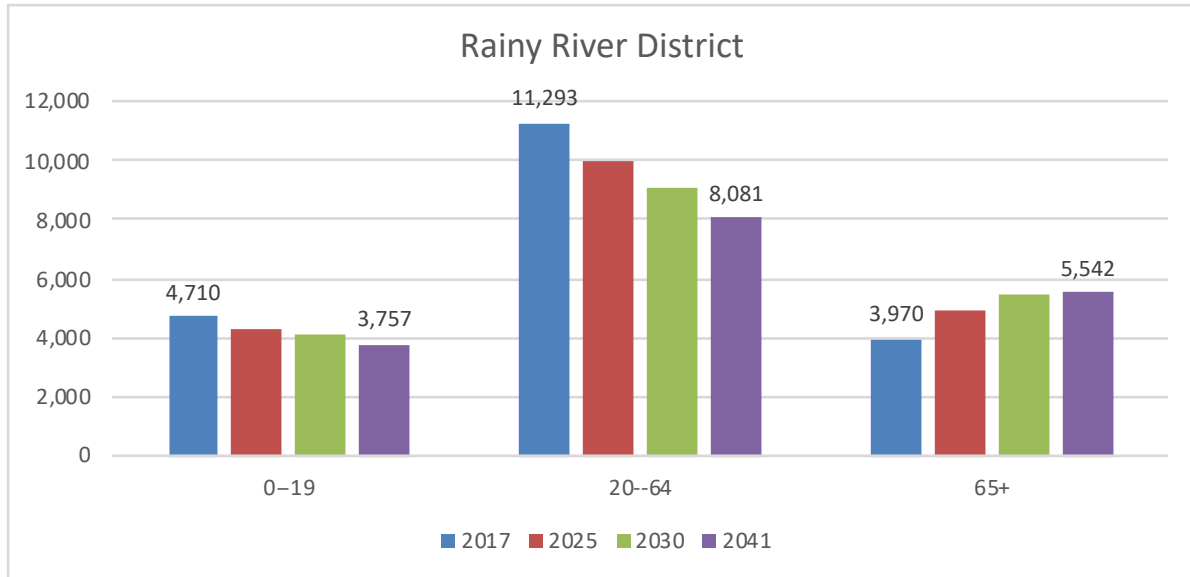
¹⁰ For a complete discussion of this model, see B. Moazzami "It's What You Know (and Where You Can Go): Human Capital and Agglomeration Effects on Demographic Trends in Northern Ontario," (Thunder Bay: Northern Policy Institute, 2015).

Table 2: Population Projections by Age Group, Rainy River District, 2017-2030

Year	0--19	20--44	45--64	65+	Total
2017	4,710	5,441	5,852	3,970	19,973
2018	4,652	5,425	5,818	4,067	19,962
2019	4,616	5,375	5,725	4,195	19,911
2020	4,549	5,318	5,640	4,327	19,834
2021	4,504	5,263	5,526	4,440	19,733
2022	4,482	5,154	5,399	4,574	19,609
2023	4,448	5,097	5,220	4,723	19,488
2024	4,383	5,072	5,062	4,851	19,368
2025	4,324	5,042	4,910	4,973	19,249
2026	4,272	5,013	4,756	5,090	19,131
2027	4,247	4,965	4,604	5,197	19,013
2028	4,209	4,914	4,498	5,275	18,896
2029	4,186	4,834	4,404	5,356	18,780
2030	4,142	4,789	4,286	5,446	18,663
2031	4,093	4,750	4,216	5,487	18,546
2032	4,079	4,698	4,136	5,515	18,428
2033	4,044	4,674	4,064	5,530	18,312
2034	4,007	4,641	4,006	5,541	18,195
2035	3,969	4,602	3,949	5,558	18,078
2036	3,924	4,559	3,898	5,580	17,961
2037	3,877	4,502	3,906	5,558	17,843
2038	3,845	4,433	3,884	5,565	17,727
2039	3,813	4,374	3,861	5,564	17,612
2040	3,784	4,306	3,839	5,567	17,496
2041	3,757	4,258	3,823	5,542	17,380

Source: Author's calculations based on the Ministry of Finance population projections

Figure 9: Population Projections by Age Group, Rainy River District, 2017-2041



Source: Author's calculations based on the Ministry of Finance population projections

Indigenous Population Projection

In making projections for the Indigenous population in Rainy River to 2030, we assume zero net migration of Indigenous people during the forecast period, since the existing evidence suggests there is relatively low mobility among the Indigenous population in the district.¹¹ The fertility rate for the Indigenous population is assumed equal to that in rural Northwestern Ontario, and the mortality rate to equal the rate for the general population of Canada based on the 2011 census.

Based on these assumptions, Table 3 and Figure 10 show that the Indigenous population in Rainy River is expected to increase from 5,340 in 2015 to 6,326 in 2030, a growth rate

of approximately 18.5 per cent. The number of individuals younger than 20 is expected to increase slightly during this period, while working-age Indigenous peoples are expected to rise from 2,855 in 2015 to 3,350 in 2030 – a n increase of approximately 17.3 per cent. The number of individuals age 65 and older is expected to rise from 440 in 2015 to 809 in 2030.

The Indigenous population's share of the district's total population is expected to increase from 27.0 per cent in 2015 to 33.7 per cent in 2030. The share of working-age Indigenous peoples (those ages 20 to 64) is expected to increase from 25.3 per cent in 2015 to 33.8 per cent in 2030.

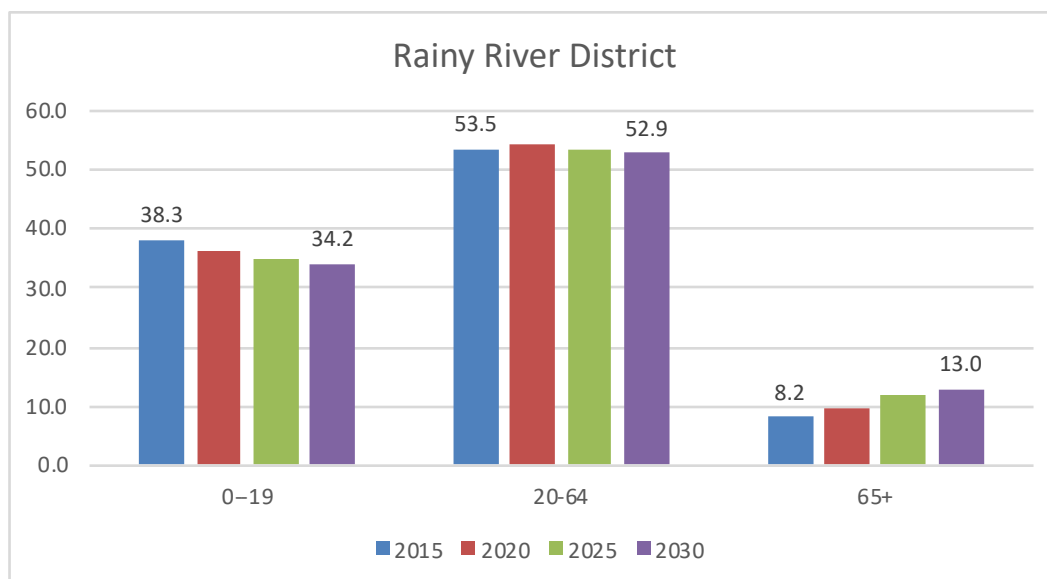
¹¹ According to the 2016 census, Aboriginal Population Profile, interprovincial migration among the Indigenous population during a one-year period (2015 to 2016) was only 1.1 per cent. Also, intraprovincial migration during the same one-year period was 5 per cent. When they moved, they mostly moved within their census division.

Table 3: Projected Indigenous Population, Rainy River District, 2015-2030

Age Group	2015	2020	2025	2030
0 - 4 years	485	488	554	593
5 - 9 years	525	543	485	551
10 - 14 years	520	509	542	484
15 - 19 years	515	498	507	540
20 - 24 years	410	476	494	502
25 - 29 years	300	372	471	488
30 - 34 years	285	327	368	467
35 - 39 years	320	258	324	364
40 - 44 years	330	342	255	320
45 - 49 years	360	315	336	251
50 - 54 years	320	363	308	328
55 - 59 years	300	296	351	298
60 - 64 years	230	291	280	333
65 - 69 years	195	193	269	258
70 - 74 years	115	159	172	237
75 - 79 years	80	110	133	145
80 + years	50	70	119	168
Total	5,340	5,611	5,968	6,326

Source: Author's calculation based on Northern Ontario's population projection model developed by the author.

Figure 10: Percentage Share of the Indigenous Population by Age Group



Source: Author's calculation based on Northern Ontario's population projection model developed by the author.

Rainy River District's Labour Force: Past, Present and Future Trends

Demographic changes have a direct impact on the supply side of the economy through their influence on the labour force. An aging population and a declining share of working age people can seriously restrain future economic development unless productivity growth accelerates or steps are taken to increase participation of older workers, youth, and other underrepresented groups in the labour force.

This study has shown that the Indigenous population represents a growing segment of both Rainy River's total population and its working-age population. A significant gap exists, however, between the level of educational achievement of Indigenous individuals and that of the general population, resulting in a severe labour market outcome disparity that affects the current and future

productive capacity of Rainy River's labour force.

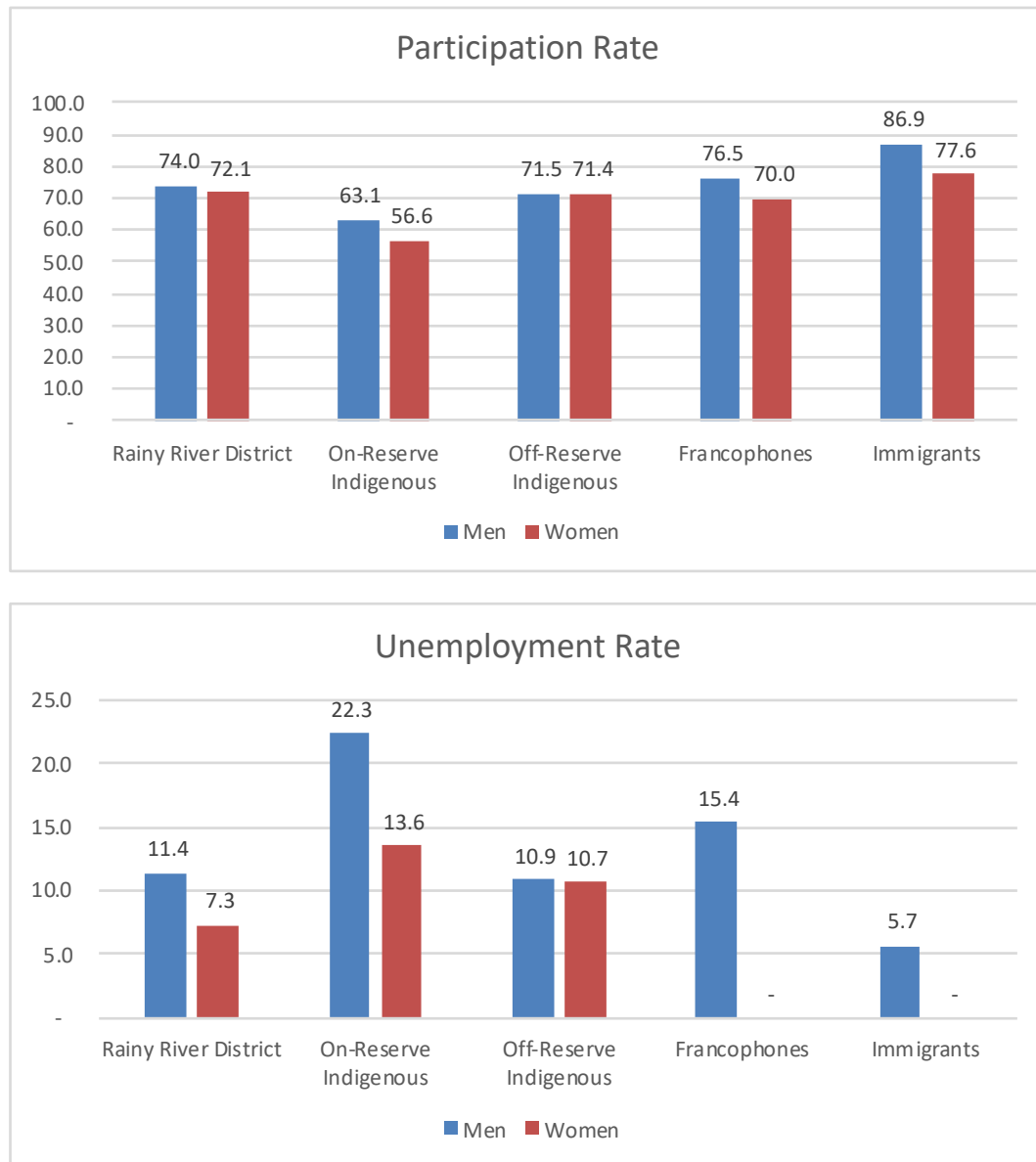
Table 4 and Figure 11 show labour market trends among the population ages 15 to 64 in the Rainy River District. As the table shows, the labour force participation rate declined among men but stayed relatively constant among women between 2001 and 2016. The employment rate decline among men but rose among women between 2001 to 2016.

In general, the labour force participation rate is lower and the unemployment rate higher among the Indigenous population. There is also a significant difference between the Indigenous labour force on-reserve and off-reserve, with the unemployment rate among on-reserve men at 22.3 per cent in 2016. In contrast, the unemployment rate among the off-reserve Indigenous men is much lower (10.9 per cent).

Table 4: Labour Market Trends, Population 15 to 64 Years of Age, Rainy River District, 2001-2016

Labour Market Outcome	Men	Men	Men	Women	Women	Women
Rainy River District	2001	2011	2016	2001	2011	2016
Total population 15 to 64 years of age	6,965	6,475	6,185	6,925	6,510	6,355
In the labour force	5,695	4,665	4,575	4,960	4,635	4,580
Employed	5,115	4,195	4,055	4,515	4,265	4,250
Unemployed	580	470	520	445	360	335
Not in the labour force	1,275	1,815	1,605	1,965	1,880	1,770
Participation rate	81.7	72	74.0	71.6	71.2	72.07
Employment rate	73.4	64.8	65.6	65.3	65.6	66.88
Unemployment rate	10.2	10.1	11.4	9.0	7.9	7.31
Indigenous Population	2001	2011	2016	2001	2011	2016
Total population 15 to 64 years of age	1,120	1,410	1,710	1,165	1,470	1,700
In the labour force	850	880	1160	805	855	1105
Employed	685	730	980	685	760	975
Unemployed	165	150	180	125	100	130
Not in the labour force	275	530	545	350	615	590
Participation rate	75.9	62.4	67.84	69.4	58.0	65.0
Employment rate	61.2	51.8	57.31	59.1	51.5	57.4
Unemployment rate	19.4	17.0	15.52	14.9	11.7	11.8

Source: Author's calculations based on Statistics Canada, various censuses, custom tabulation

Figure 11: Labour Force Participation and Unemployment Rates in Population 15 to 64 Years of Age, Rainy River District, 2016

Source: Author's calculations based on Statistics Canada, 2016 census, custom tabulation.

In general, Indigenous peoples tend to underperform in the labour market relative to non-Indigenous peoples. The labour force participation rate among Indigenous peoples is below the regional averages (Table 4). They are seriously underrepresented in the labour force. Their unemployment rates are also significantly higher than the regional averages. In fact, the lower labour force participation rate is partly attributable to the presence of the high unemployment rate among the Indigenous workforce. It is also partly related to the fact that the

level of educational attainment of the Indigenous labour force is below the regional average. Records show that per-student education funding of on-reserve Indigenous primary and secondary schools has been significantly lower than the provincial average in Ontario.¹² Lack of adequate funding is partly responsible for the lower level of educational achievement of the Indigenous population. We will estimate the human capital composition index for the Indigenous labour force later in this report.

¹² Office of the Parliamentary Budget Officer, "Federal Spending on Primary and Secondary Education on First Nations Reserves," December 6, 2016. www.pbo-dpb.gc.ca

Size and Composition of the Future Labour Force

To forecast the future labour force in the Rainy River District, we use detailed population projections along with information regarding participation rates for men and women in different age groups. We have assumed that the participation rates during the projection period stay constant at their 2016 level. Different assumptions regarding the participation rates would alter the labour force estimates, but only to a limited extent. The main determinants of the future labour force are the size and age distribution of the population in each jurisdiction.

Table 5 provides labour supply projections for the Rainy River District. The projections show that the labour force in the district is expected to decline from 9,151 in 2015 to 8,090 in 2030, a decline of approximately 11.6 per cent

during the projection period. During the same period, the Indigenous labour force is expected to increase from 2,247 in 2015 to 2,593 in 2030 – a rise of approximately 15.4 per cent. As a result, the share of Indigenous peoples in the total regional labour force is expected to increase from 24.5 per cent in 2015 to 32.1 per cent in 2030. What are the implications of the declining labour force for the future economic performance of Rainy River and Northwestern Ontario? What are the implications of the rising share of the Indigenous labour force? It is known that the level of educational achievement is lower among the Indigenous population. How would this affect the human capital composition of the regional labour force in the coming years? We will answer some of these questions in the next part of this report.

Table 5: Projected Labour Supply, Total and Indigenous, Rainy River District

Year	Total Labour Force	Indigenous Labour Force	Indigenous Share (%)
2015	9,151	2,247	24.55
2019	8,881	2,359	26.57
2025	8,388	2,463	29.36
2030	8,090	2,593	32.05

Source: Author's calculations based on his population projections

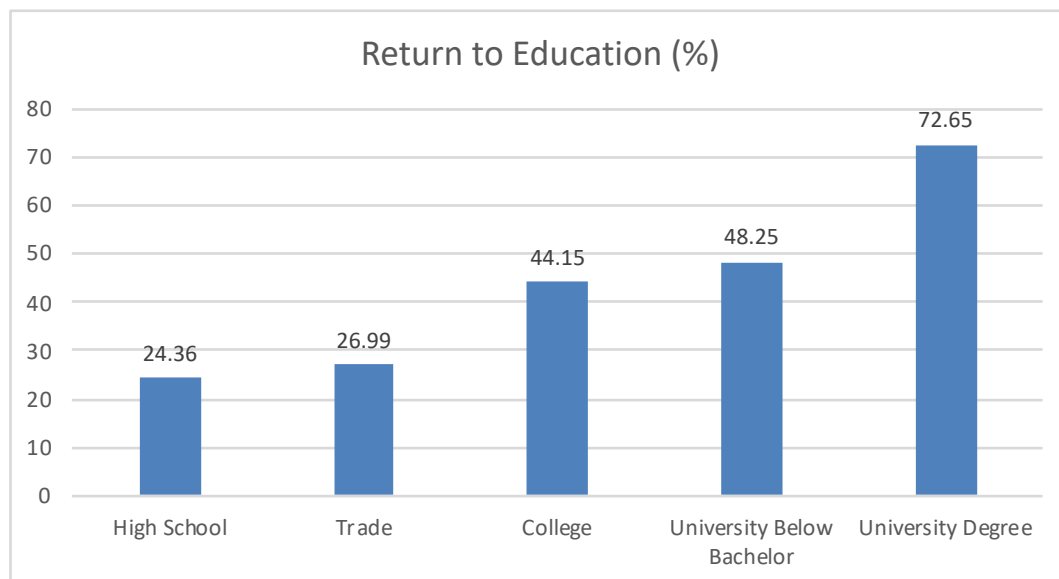
Productivity and Human Capital Composition of the Workforce in Rainy River and Northwestern Ontario

Productivity growth is directly linked to the human capital composition of the workforce. We define human capital as the stock of knowledge, skills, and abilities embodied in individuals that directly affects their level of productivity. Human capital includes skills and knowledge acquired through education and experience. Investing in human capital represents an avenue through which Northwestern Ontario can enhance productivity and minimize the impact of the declining labour force.

In order to estimate the human capital composition of the regional workforce, one needs to specify and measure a

proxy for human capital that also reflects and incorporates a measure of productivity of the workforce in each of the districts in Northwestern Ontario. To obtain such an index, we first estimate a standard earnings model using the 2006 census microdata file.¹³ We used data pertaining to all working Canadians between the ages of 15 and 64 who were not attending school and whose employment earnings were greater than \$1,000 and less than \$1 million. Those with less than a high school diploma were the benchmark or reference group. The estimated return to schooling coefficients are shown in Figure 12.

Figure 12: Return to Education in Canada (%)



Source: Author's estimates using 2006 census microdata files

The estimated return to schooling coefficients show the increased earnings, compared with the reference group, associated with different levels of education in Canada. Therefore, they represent the average rate of return to schooling at the national level. For example, obtaining a high school diploma increases a person's earnings by 24.4 per cent above the earnings of those without a high school diploma. Similarly, obtaining a trade or college diploma increases earnings by 27.0 per cent and 44.1 per cent respectively. A university degree increases earnings by an average of approximately 72.6 per cent. The return to schooling estimates

reflect higher productivity resulting from an increased level of education. The estimated return to education coefficients increase as the level of schooling rises, reflecting higher earnings commensurate with higher productivity as the level of education increases.

Then, we use the estimated return to schooling coefficients as weights to calculate a weighted average index of the share of individuals with different levels of schooling for various regions.¹⁴ The estimated index ranges from 100 if none of the area's residents have completed high school to approximately 200 if all residents have obtained a university degree.

¹³ The earnings model is as follows: $\ln Wage = \alpha + \sum \beta_i S_i + X\delta + \epsilon_i$, where S_i is the highest level of schooling, X_i is other control variables (which include age categories, marital status, etc.), and ϵ_i is an error term.

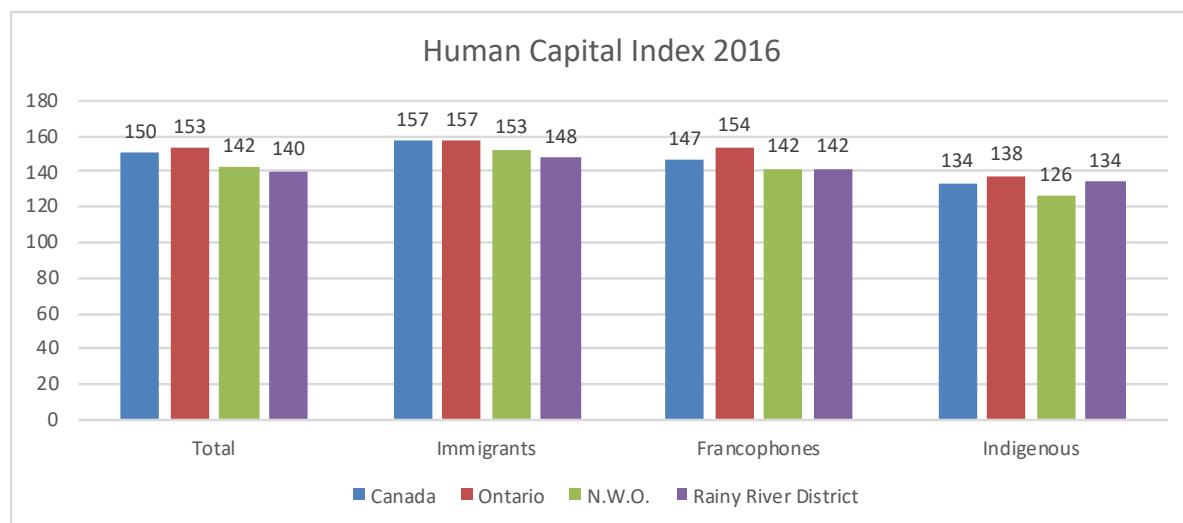
¹⁴ $HCI = \exp(\sum \beta_i \cdot S_i \text{ shares})$, where HCI stands for human capital index, exp stands for exponential, and S_i shares stand for share of the population ages 15 to 64 with S_i level of education in a given CSD. The formulation of the human capital measure is based on R.E. Hall and C.I. Jones, "Why Do Some Countries Produce So Much More Output per Worker than Others?," Quarterly Journal of Economics 114 (1) (1999): 83–116. Also see Francesco Caselli, "Accounting for Cross-Country Income Differences," unpublished first draft (November 2003).

The resulting index provides us with an estimate of the total employment and earnings potential in the region based on educational attainment. The index also allows us to effectively compare across different regions. A higher human capital index indicates a higher stock of educational attainment, knowledge, skills, and abilities for the region in question, therefore resulting in higher earnings potential. Results are shown in Figure 13.

The human capital index in Northwestern Ontario (142) is below that of Ontario (153) and Canada (150). The index

for Rainy River District is lower (140) when compared with Northwestern Ontario (142). The human capital composition of the Indigenous population is generally lower than that of the general population, reflecting a lower level of educational achievement. The index for the working-age Indigenous population in Rainy River equals 134.4, which is higher than that of the Indigenous population in Northwestern Ontario (126.1), but lower than that of the population in Ontario (137.5). The average index for Rainy River's Indigenous population is approximately six points lower than that of the total regional population.

Figure 13: Human Capital Index for Working age Population (25-64)



Source: Author's estimates based on Statistics Canada, 2016 census, special tabulation

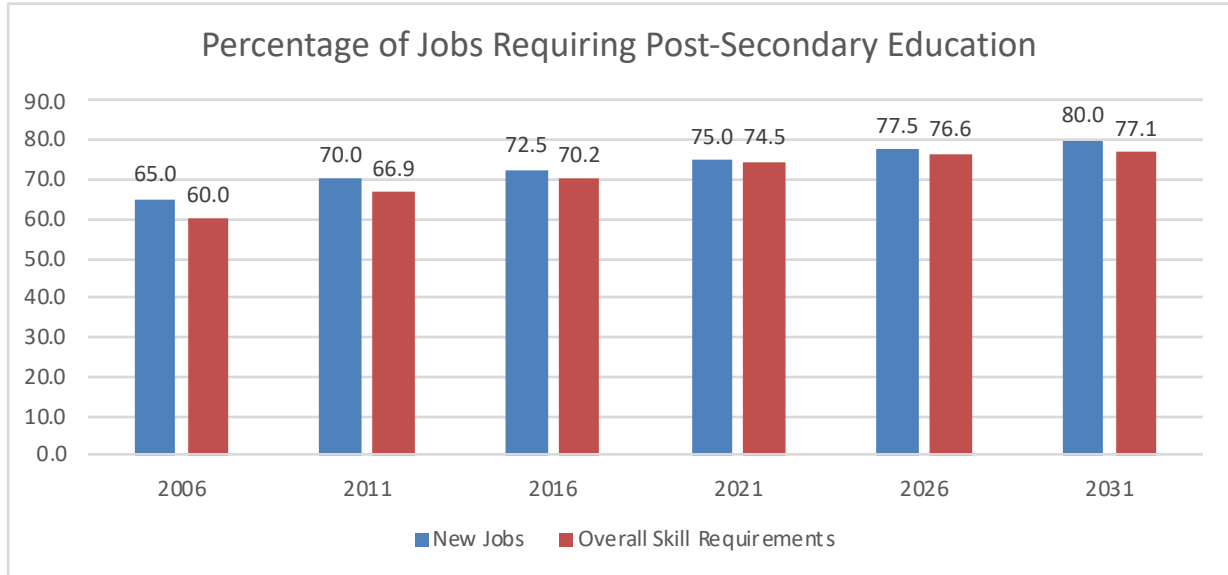
A Perfect Storm: Declining Labour Supply and Labour Productivity in Rainy River District & Northwestern Ontario

The declining supply of labour and low labour productivity in Northwestern Ontario is only half of the bad news. Recent technological advances and the emergence of the knowledge economy have changed the requirements of the labour market. Various studies suggest that by 2031 approximately 80.0 per cent of the workforce must have post-secondary credentials such as an apprenticeship, or a college or university degree. Currently, approximately 72.5 per cent of the new jobs and an average of 70.2 per cent

of all jobs require some postsecondary credentials.¹⁵ Based on various studies by the Ontario Ministry of Education, Human Resources and Skills Development Canada, BC Ministry of Skills, Training and Education, Ministry of Advanced Education and Labour Market Development in British Columbia and other government agencies, Miner Management Consultants provides estimates of the percentage of new jobs requiring postsecondary education in the coming years (Figure 14).

¹⁵ R. Miner, "People without Jobs, Jobs without People: Canada's Future Labour Market," (Toronto: Miner Management Consultants, 2010).

Figure 14: Percentage of Jobs Requiring Postsecondary Education

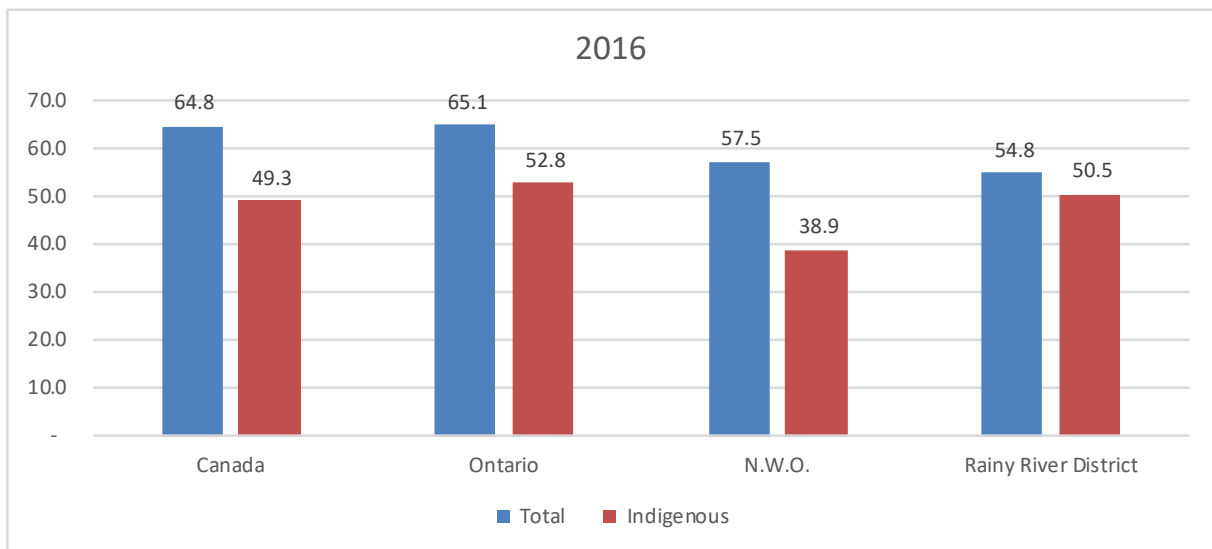


Source: Miner Management Consultants, 'Ontario's Labour Market Future: People without Jobs, Jobs without People', February 2010

What is the actual skill availability of Northwestern Ontario's labour force at the present time? Using the 2016 census and focusing on the prime working-age population ages 25 to 64, Figure 15 shows the percentage of the regional labour force who have post-secondary credentials. The skill levels of the prime working-age population in Northwestern Ontario regions are significantly lower than the skill

levels of Ontario and Canada. The average skill level in Northwestern Ontario is also significantly below the current estimated skill requirements of approximately 70.2 per cent of all jobs (Figure 14). Focusing on the prime working-age total and Indigenous workforce, Figure 15 shows that their level of skills lags behind the current and future job requirements.

Figure 15: Percentage of the Labour Force Ages 25 to 64 with Post-Secondary Credentials



Source: Author's calculations based on 2016 census, special tabulations.

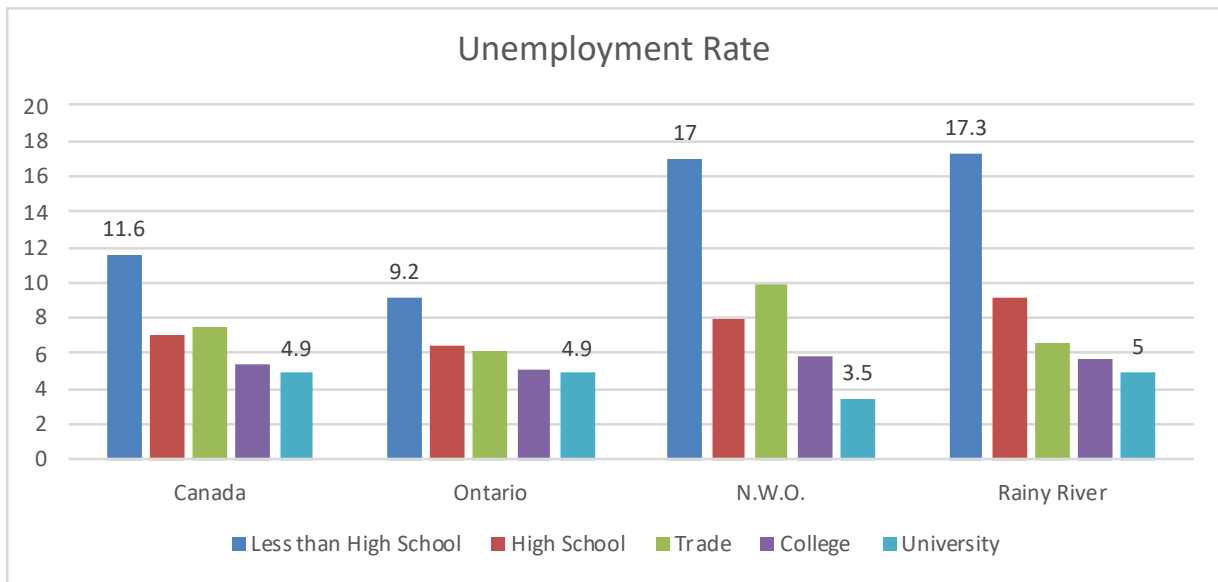
Given that the Indigenous labour force will account for a significant share of Northwestern Ontario's future workforce, it is vital to the social and economic viability of the region to adopt education policies that enable this growing segment of the regional labour force to meet the requirements of the future labour market.

Does the level of skills affect labour market performance (i.e., likelihood of employment, participation and unemployment rates)? Figure 16 shows the likelihood of participation, employment, and unemployment by highest level of educational attainment among the prime working-age population ages 25 to 64. Persons without a high school diploma have the lowest labour

force participation and employment rates. They also experience the highest unemployment rates in all regions. The participation rate increases by 14.8 per cent in Rainy River as the level of education increases to a high school diploma. It rises further by 12.3 per cent when individuals obtain a college certificate or diploma. The same holds true for other jurisdictions. In other words, one potential solution to the declining number and productivity of the region's workforce is to promote higher education either by increasing access for those living in remote regions or by adopting approaches that result in higher completion rates at the secondary and postsecondary levels.

Figure 16: Labour Force Performance by Education (%) (25-64)





Source: Author's calculations based on 2016 census, special tabulations.

The existing evidence suggests that the individuals who do not have postsecondary credentials have a higher likelihood of non-participation and face a greater probability of unemployment. This will be more so in the coming years. To the extent that the skill level of the workforce in Rainy River District is below the estimated skill requirement needed for emerging occupations, the district will face the challenges of workers whose qualifications do not match the existing jobs and jobs that cannot find qualified workers. Recently, 50 companies in advanced manufacturing, mining, and professional and scientific services were surveyed in Northern Ontario.¹⁶ Of the 50 companies surveyed, 22 had operations in Northern Ontario and other jurisdictions (multilocal) and 28 were multinationals operating in Northern Ontario. Of the 50 firms, 15 had their headquarters in Northern Ontario, 11 were located in Northwestern Ontario, and 39 were located in Northeastern Ontario.

When asked to rank barriers or factors negatively affecting their firm's growth and/or investment, companies surveyed typically identified the difficulty of finding qualified

employees as their top concern. Approximately 29.0 per cent of multilocal and 24.0 per cent of multinational firms identified finding qualified employees as the most difficult barrier they faced. Finding qualified employees ranked well ahead of transportation costs (11 per cent), government regulations (9 per cent), poor infrastructure (7 per cent), energy costs (7 per cent) and shipping costs (5 per cent). Another report by the Canadian Council of Chief Executives surveyed more than 100 of Canada's largest employers in all industrial sectors and regions of the country in March 2014. More than 70.0 per cent of the companies identified scarcity of skilled workers as the primary barrier to filling available positions.¹⁷

It appears that if the skill levels of the workforce in Rainy River District stay constant as skill requirements rise, the district will end up with people without jobs and jobs without people. Even if markets adjust to bring demand and supply of labour into balance, the social impact of having many unemployable people will be enormous.

¹⁶ B. Moazzami, HDR Decision Economics Inc. and Oraclepoll Research Limited, "Multi-national and Multi-local Enterprise Initiative, Survey of Northern Ontario Companies," 2012.

¹⁷ The Canadian Council of Chief Executives, "Taking Action for Canada: Jobs and Skills for the 21st Century," (March 2014).

The Consequences of Shifting the Composition of the Employed Labour Force in Rainy River District

The structure of Rainy River's workforce is changing due to a population that is simultaneously declining and aging. At the same time, the industrial and occupational composition of the workforce is shifting due to changing market conditions as well as technological shifts. As a result, the size and industrial makeup of the workforce has changed during the past three decades. There has been a continuous shift away from the goods-producing sector, which is dominated by private businesses, to the service-producing sector, which is predominately publicly funded. Using data from various censuses of Canada, Table 6 and Figure 17 show the changing industrial composition of the employed workforce in Rainy River District.

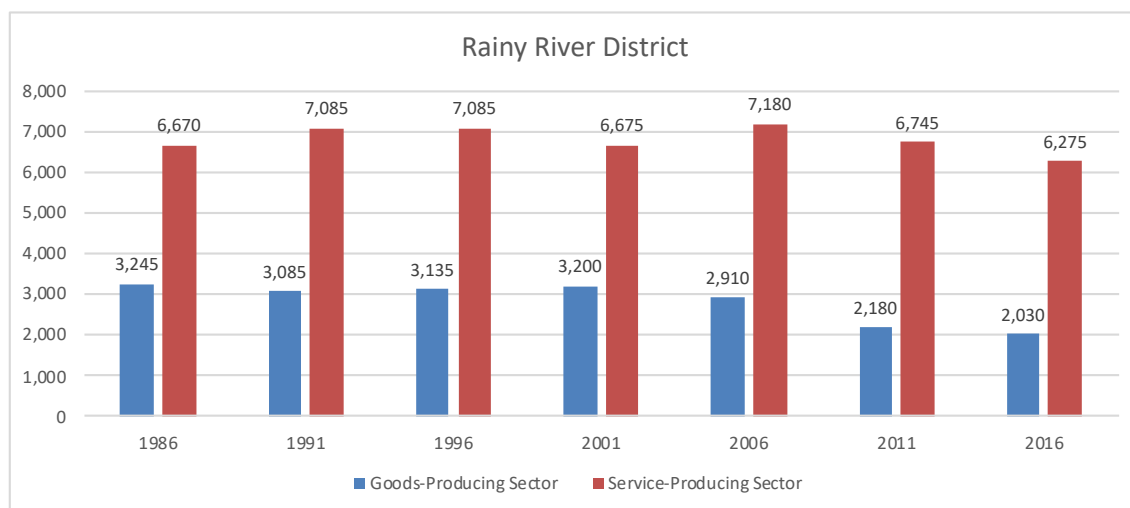
Between 1986 and 2016, total regional employment declined from 9,915 to 8,305 – a decline of approximately 16.2 per cent. As is the case with the overall regional economy, employment in the goods-producing sector has declined from 3,245 in 1986 to 2,030 in 2011, a decline of approximately 37.4 per cent. During the same time period, employment in the service-producing sector declined from 6,670 in 1986 to 6,275 in 2016 – a decrease of approximately 5.9 per cent. The share of the goods-producing sector in total regional employment has also declined from 32.7 per cent in 1986 to approximately 24.4 per cent in 2016. The share of service-producing sectors rose from 67.3 per cent in 1986 to 75.6 per cent in 2016.

Table 6: Changing the Industrial Composition of the Employed Workforce (15+) in Rainy River District

	1986	1991	1996	2001	2006	2011	2016
Goods-Producing Sector	3,245	3,085	3,135	3,200	2,910	2,180	2,030
Agriculture, fishing, and hunting	320	445	370	340	345	355	390
Logging and forestry	680	535	295	255	305	290	145
Mining and quarrying	30	85	55	55	70	200	300
Utilities	330	280	280	160	115	165	130
Construction	440	440	675	730	705	445	625
Manufacturing	1,445	1,300	1,460	1,660	1,370	725	440
Wood industries	345	180	465	720	485	80	275
Paper and allied industries	910	875	865	780	725	560	40
Service-Producing Sector	6,670	7,085	7,085	6,675	7,180	6,745	6,275
Trade	1,550	1,455	1,540	1,490	1,215	1,160	1,150
Transportation and warehousing	590	455	470	460	460	340	410
Finance, insurance, real estate, and leasing	280	340	265	330	375	285	150
Professional, scientific, and technical services	150	165	225	185	150	155	215
Educational services	700	790	850	705	835	730	845
Health care and social services	900	1,200	1,475	1,215	1,435	1,545	1,540
Accommodation and foodservices	1,115	980	915	730	915	655	580
Other services	445	495	630	855	900	840	685
Public administration	940	1,205	715	705	895	1,035	700
Total Employment	9,915	10,170	10,215	9,870	10,070	8,935	8,305

Source: Author's calculations based on various censuses, special tabulations

Figure 17: Shifting Composition of the Employed Workforce



Source: Author's calculations based on various censuses, special tabulations

A shift in the industrial structure of the workforce is accompanied by a change in the occupational distribution of the labour force (Table 7). Employment in most occupational groups declined except for health and social

science, education, and public administration. Changing size and composition of the employed workforce impacts output and income in Rainy River District (Figure 18).

Table 7: Occupational Distribution of Employed Workforce (15 to 64) in Rainy River District

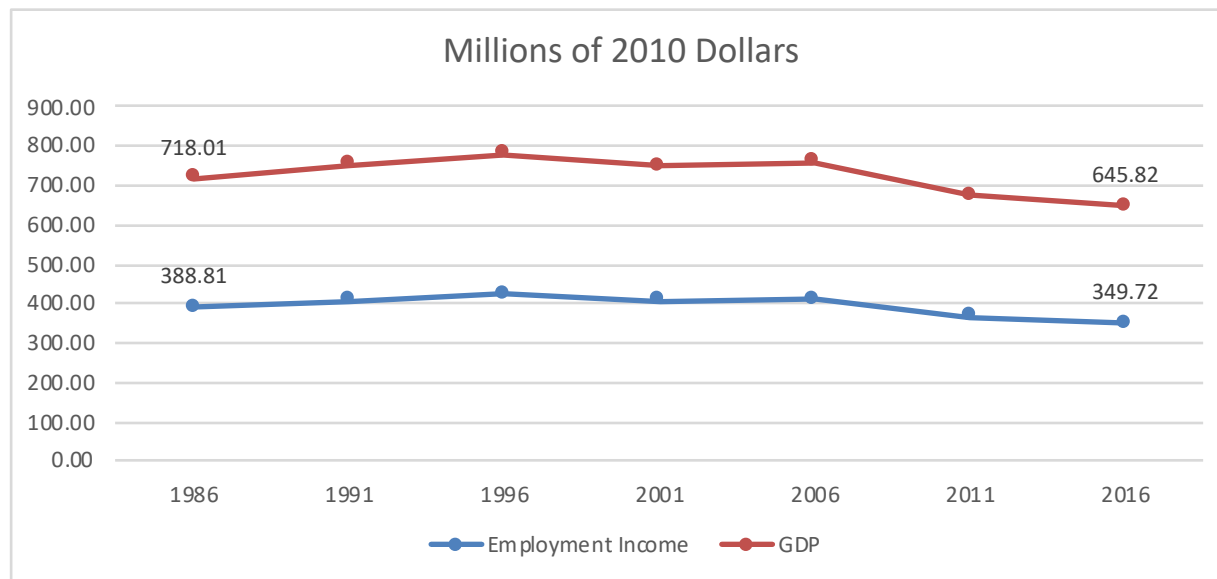
National Occupational Classification 2006	2001	2011	2016	Percentage Change (%)
A Management occupations	870	750	795	(8.6)
B Business, finance, and administrative occupations	1,255	1,040	1,055	(15.9)
C Natural and applied sciences and related occupations	310	330	310	-
D Health occupations	570	750	680	19.3
E Occupations in social science, education, government service, and religion	795	1,005	1,410	77.4
F Occupations in art, culture, recreation, and sport	145	155	145	-
G Sales and service occupations	2,230	2,060	1,790	(19.7)
H Trades, transport and equipment operators, and related occupations	1,860	1,415	1,445	(22.3)
I Occupations unique to primary industry	555	605	370	(33.3)
J Occupations unique to processing, manufacturing, and utilities	1,040	350	315	(69.7)
Total	9,630	8,460	8,315	(13.7)

Source: Author's calculations based on 2001 and 2016 censuses and 2011 NHS, special tabulations.

Figure 18 shows that total regional employment income declined by approximately 10.1 per cent between 1986 and 2016. This is partly due to declining employment and partly due to the changing occupational structure of the employed

workforce. Goods-producing sectors of the economy were among the high wage and high value-added industries in the district. Their decline has not only affected the level of output but also resulted in lower average earnings in the district.

Figure 18: Labour Income and GDP Estimate for Rainy River District



Source: Author's calculation based on Statistics Canada, various censuses, special tabulation

Looking Ahead

Aging population influences demand for government program expenditures such as health care and education. What healthcare related services will be necessary to meet the requirements of a rapidly aging regional population? How many doctors, nurses, and other types of healthcare providers do we need to train and/or attract to replace the aging healthcare providers while satisfying the growing demand for healthcare services?

Aging population also affects student enrolments, revenues, and therefore demand for various educational services in Northwestern Ontario and its districts. What would be the impact of demographic change on demand for teachers

and educators, and therefore employment and income in that sector of the regional economy?

Various regional and national surveys indicate a shortage of skilled tradespeople in various regions in Ontario and other regions of Canada. How has an aging population affected the supply and availability of tradespeople in Northwestern Ontario? Are we training enough tradespeople to satisfy our current needs and prepare for the upcoming mining and forestry renewal? Otherwise, importing such expertise will seriously reduce the economic benefits of any resource-development in Northwestern Ontario. These are questions that we will address in the last part of this report.

Population Aging and Demand for Healthcare Occupations: Future Trends

Demand for healthcare services consists of two components. The first component relates to the expected population growth or decline due to birth, death, age, and migration. These changes, which affect demand for healthcare services, are referred to as the growth component. The second component, which relates to the need to replace retiring service providers, is often referred to as the retirement-replacement component.

To estimate the growth component of total demand for healthcare services, we use our population projections for Rainy River District between 2015 and 2030.

According to the 2012 report by North West Local Health Integrated Network (LHIN), the demand for healthcare services in Northwestern Ontario is expected to increase in all sectors. Services associated with the elderly, such as long-term care, complex continuing care, and inpatient rehabilitation are expected to experience the highest growth rates.¹⁸

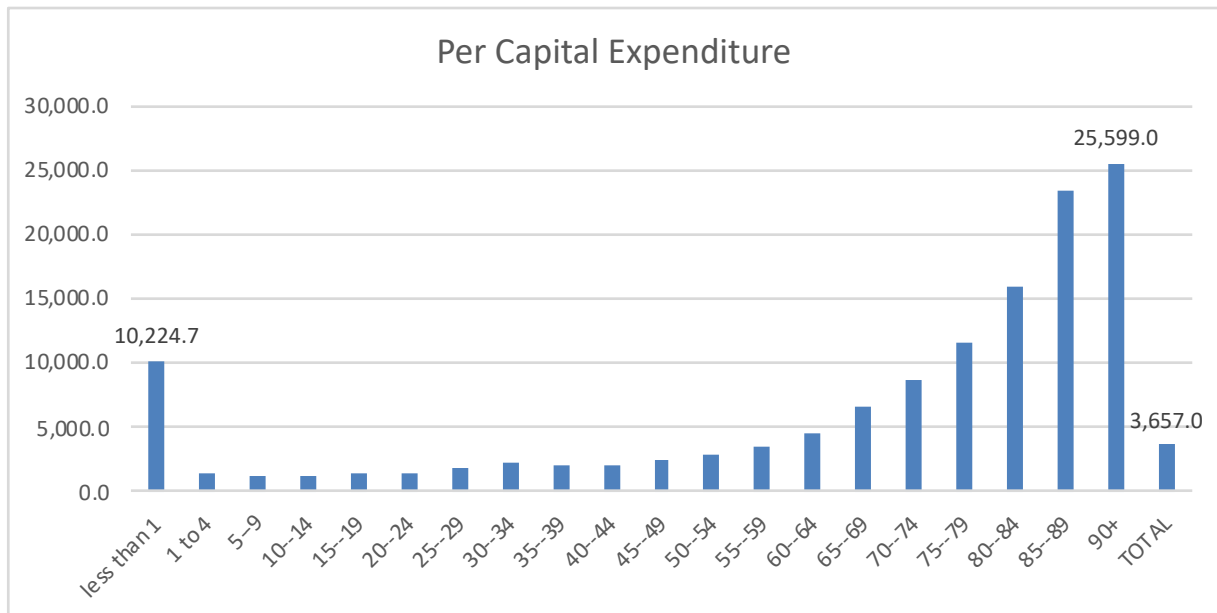
To estimate the growth component of demand, we need to estimate indicators that track demand for healthcare workers in Northwestern Ontario. The growth-demand component reflects the need for more workers to accommodate the rising demand for healthcare services caused by changes in the size and age distribution of the population. We assume that the ratio of workers to patients/residents/clients remains the same during the forecast period. It is important to note that the aging profile of the population affects demand for different occupations differently. For example, the demand for workers employed in long-term care services is expected to rise rapidly as a result of relatively faster growth of the population age 60 and older. The aging of the population may not affect demand for healthcare workers serving a younger population cohort.

¹⁸ Health Services Blueprint: "Building our Future," (PriceWaterhouseCoopers, February 2012). PriceWaterhouseCoopers.

The indicators developed in this part of the study address the need to quantitatively measure the impact of demographic changes on demand for healthcare workers in Northwestern Ontario and Rainy River District. A recent study by the Canadian Institute for Health Information provides estimates of per capita provincial health expenditures by age in Ontario for 2011.¹⁹ This is shown in Figure 19. It shows that per capita health expenditures increase significantly as the population ages. In other words, demand for healthcare resources is positively correlated

with age. Thus, per capita health expenditures by age can be used as a proxy for demand for healthcare services by different age groups. Therefore, using size and age distribution of the population in Rainy River, we can estimate an index that tracks changes in demand for healthcare services between 2015 and 2030. These healthcare demand indicators measure expected growth in demand for healthcare services, and therefore healthcare providers in the district.

Figure 19: Per Capita Health Expenditures in Ontario by Age Category



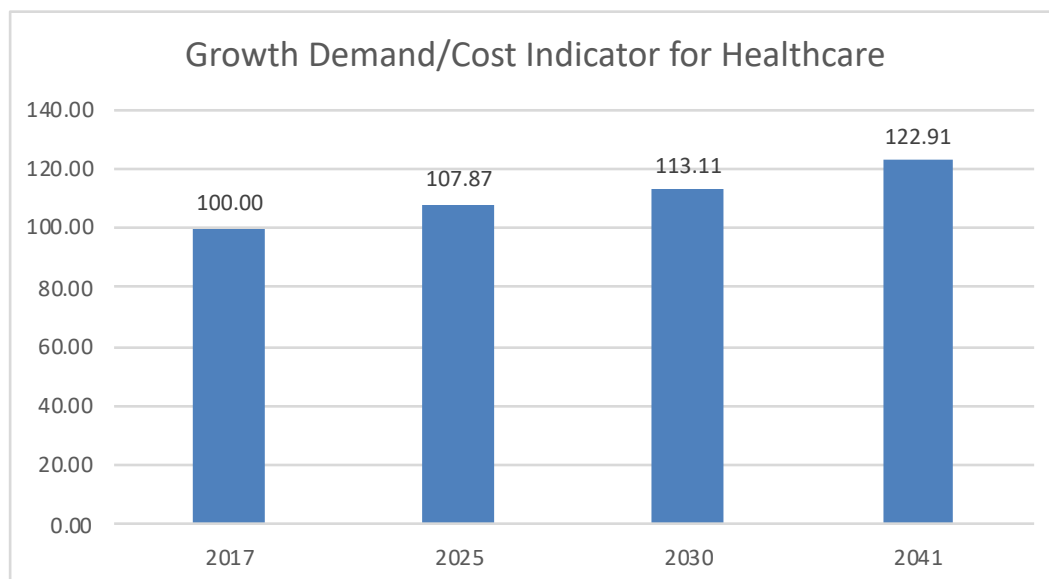
Source: Canadian Institute for Health Information, "National Health Expenditure Trends, 1975 to 2013," 2013

Using the information provided in Figure 19 and the population projections for Rainy River, Figure 20 shows the estimated growth-demand indicator for healthcare services

in Rainy River between 2015 and 2030. We have used demand for healthcare services in 2017 as the benchmark against which we measure growth and cost indicators.

¹⁹ Canadian Institute for Health Information, "National Health Expenditure Trends, 1975 to 2013," 2013.

Figure 20: Projected Growth of Health care Demand in Rainy River District



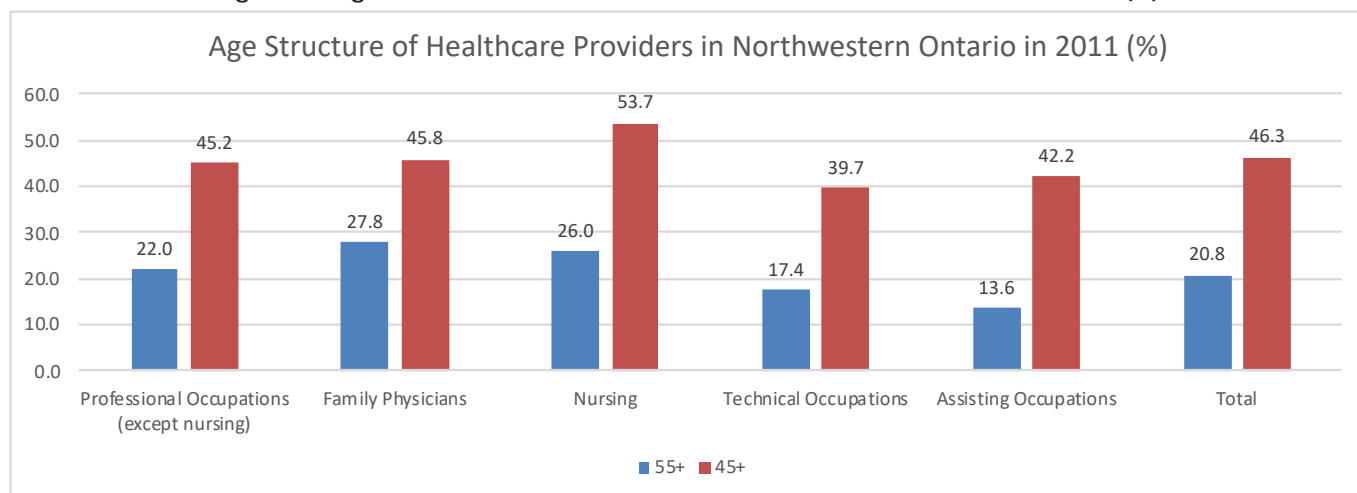
Source: Author's estimate based on Ministry of Finance population projections and census data

Despite the declining regional population, Figure 20 shows that demand for healthcare services is expected to increase between 2017 and 2041. The reason is that the regional population is aging, and demand and thus cost for healthcare services rises by age. In fact, the existing data reveal that demand by seniors age 65 and older is approximately three times greater than the overall average demand.

Turning our attention to the retirement-replacement component of demand for healthcare providers, Figure

21 shows the age structure of healthcare providers in Northwestern Ontario in 2011. Overall, 20.8 per cent of healthcare providers in Northwestern Ontario were older than 55. Approximately 27.8 per cent of the family physicians and 26.0 per cent of those in nursing occupations were older than age 55. The youngest group appears to be those in the assisting occupations, with 13.6 per cent older than age 55. Approximately 46.3 per cent of all healthcare providers were older than 45. Again, those in nursing and professional occupations had the largest share of persons older than 45.

Figure 21: Age Structure of Healthcare Providers in Northwestern Ontario in 2011 (%)



Source: Author's estimate based on Ministry of Finance population projections and census data

Assuming an average retirement age of 65, Table 8 shows the retirement replacement and expansion demand for healthcare providers in Northwestern Ontario.

Table 8: Total Demand for Healthcare Providers in Northwestern Ontario

	Expansion Demand 2011-2020	Replacement Demand 2011-2020	Total Demand 2011-2020	Expansion Demand 2011-2030	Replacement Demand 2011-2030	Total Demand 2011-2030
Professional occupations (except nursing)	124	285	409	346	585	931
Family physicians	34	100	134	96	165	261
Nursing occupations	268	730	998	751	1,510	2,261
Technical occupations	206	375	581	576	855	1,431
Assisting occupations	158	225	383	444	700	1,144
Total Numbers	755	1,645	2,400	2,117	3,670	5,787
Percentage Demand (per cent)	31.5	68.5	100	36.6	63.4	100

Source: Author's estimate based on Ministry of Finance population projections and census data

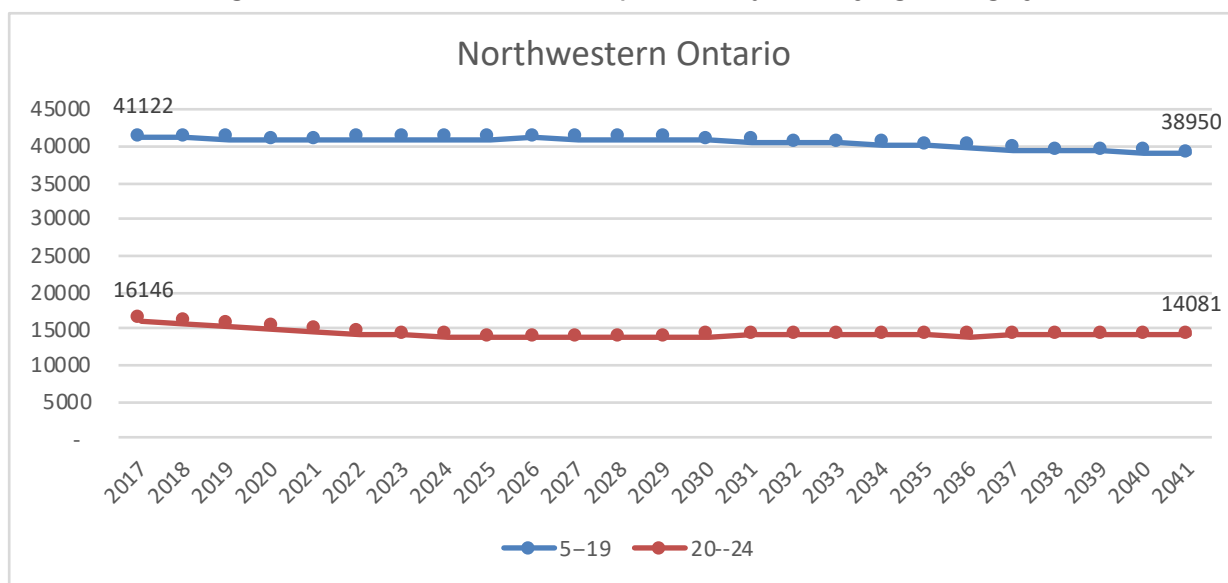
Demand for Educational Services

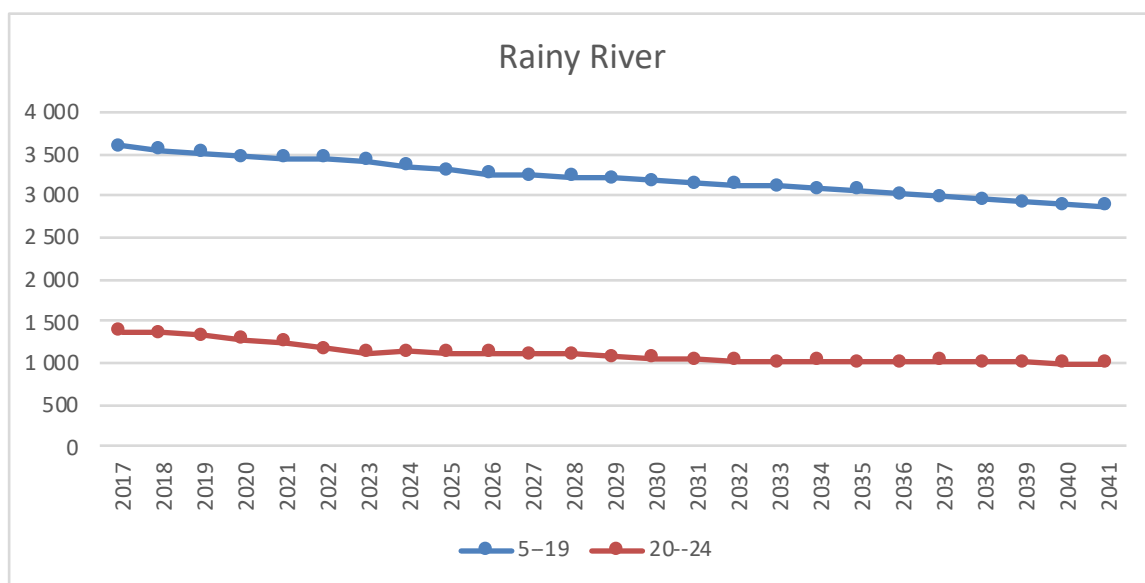
Using Ontario's Ministry of Finance population projections, Figure 22 shows projections for different age groups in Northwestern Ontario and Rainy River District. It shows that the population ages five to 19 years is expected to decline by 11.7 per cent between 2017 and 2041. Based on the above population projections, the population ages five to 19 years in Rainy River is expected to decline from 3,595 in

2017 to 2,871 in 2041. This trend primarily affects primary and secondary school enrolment.

Similarly, total regional population ages 20 to 24 years is expected to decline by 12.8 per cent between 2017 and 2041. Declining youth population influences demand for postsecondary education in Northwestern Ontario.

Figure 22: Northwestern Ontario's Population Projection by Age Category





Source: Author's estimate based on Ministry of Finance population projections and census data

As mentioned before, Indigenous peoples are the only growing segment of the regional population. The number of Indigenous children between the ages of five and 19 in Rainy River is expected to increase slightly from 1,560 in 2015 to 1,575 in 2030. Similarly, the number of Indigenous youth ages 20 to 24 is expected to increase from 410 in 2015 to 502 in 2030.

To estimate the number of employed teachers and instructors in Northwestern Ontario in the future, we need

to make two assumptions. First, we assume an average retirement age of 65. However, even though the normal retirement age is 65, one cannot be forced to retire at that age. Second, we assume that, in the long-term, the number of educators in the region is proportional to the number of students. Based on these two assumptions and using information on the age structure of education service providers in Northwestern Ontario, Table 9 shows the retirement replacement and expansion/contraction demand for educators in Northwestern Ontario.



Table 9: Demand for Educators in Northwestern Ontario

Occupations	2011-2020 Replacement Demand	2011-2020 Expansion Demand	2011-2020 Total Demand	2011-2030 Replacement Demand	2011-2030 Expansion Demand	2011-2030 Total Demand
401 University professors and postsecondary assistants	-78	145	68.81	-132	325	193
402 College and other vocational instructors	-53	110	57.29	-89	305	216
403 Secondary and elementary school teachers and educational counsellors	-242	535	293.48	-255	1,570	1,315

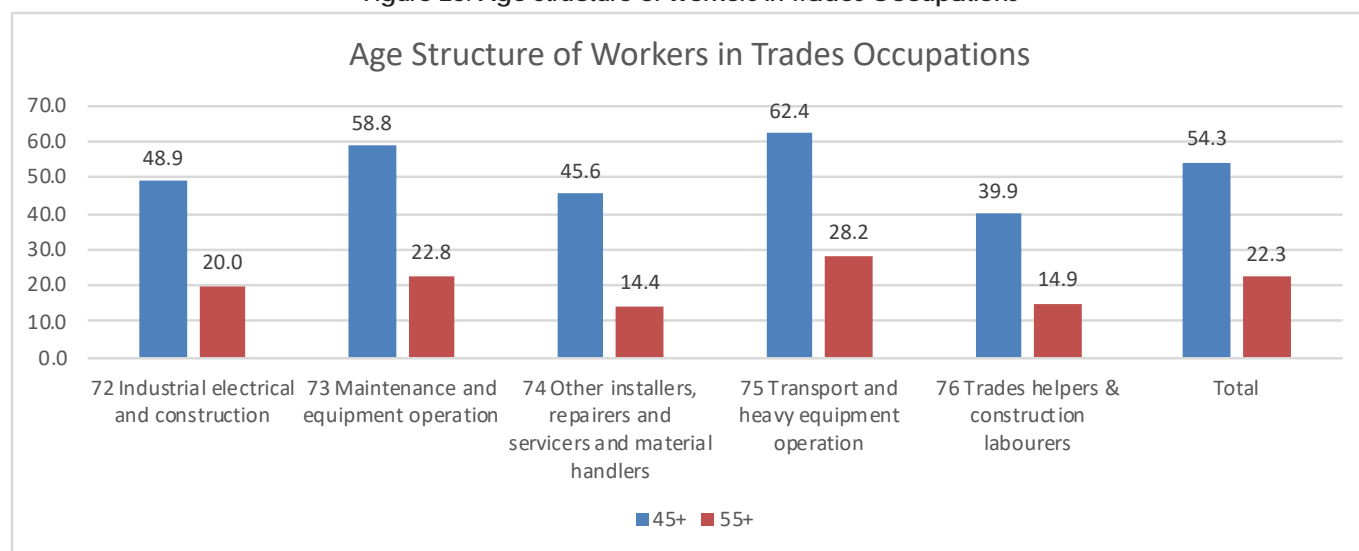
Source: Author's estimate based on Ministry of Finance population projections and census data

Demand for Trades Occupations in Northwestern Ontario

Assuming demand for trades occupations stays at its current level implies that the future demand is solely related to retirement replacement needs of different employers. Figure 23 shows the age structure of trades workers in Northwestern Ontario in 2011. On average, 22.3 per cent of all workers engaged in trades occupations were age 55

and older. Approximately 54.3 per cent of them were 45 and older. Transportation equipment operators and related workers had the highest percentage of people older than age 55 and trades helpers and other installers, repairers, and material handlers had the lowest share of people older than age 55.

Figure 23: Age Structure of Workers in Trades Occupations



Source: Author's estimate based on Ministry of Finance population projections and census data

Based on the assumption of no future employment growth, Table 10 shows the retirement replacement demand for trades occupations in Northwestern Ontario.

Table 10: Retirement Replacement Demand for Trades Occupations

NOC 2011 Classification	Replacement Demand 2011-2020	Replacement Demand 2021-2030
72 Industrial, electrical, and construction	1,100	2,690
73 Maintenance and equipment operation	1,055	2,725
74 Other installers, repairers and servicers, and material handlers	140	445
75 Transport and heavy equipment operation	1,300	2,875
76 Trades helpers & construction labourers	230	605
All Trades	3,825	9,340

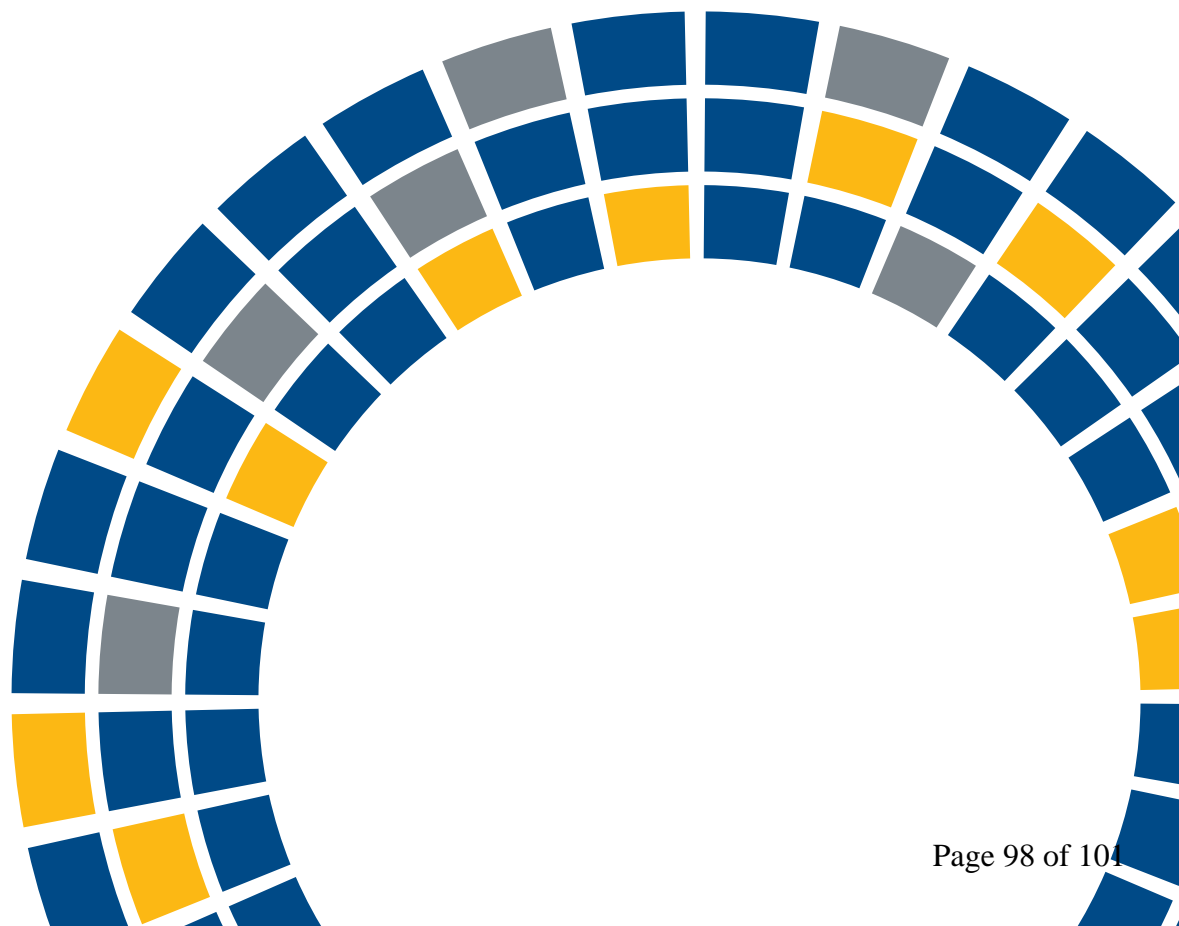
Source: Author's estimate based on Ministry of Finance population projections and census data

Table 10 shows that there is a need for 3,855 trades workers to replace the retiring tradespeople between 2011 and 2020. Transport and heavy equipment operators (1,300) represent the largest number of potential retirees between 2011 and 2020, followed by industrial, electrical, and construction trades workers (1,100), and maintenance

and equipment operators (1,055). The number of trades workers required to replace those who will potentially retire increases significantly when we extend the projection period to 2030.

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Glossary of Terms

Census Agglomeration (CA): adjacent communities that have strong workplace commuting flows to a population centre 'core.' The core must have a population of at least 10,000 in the most recent census.

Census division (CD): is the general term for provincially legislated areas (such as county, municipalité régionale de comté and regional district) or their equivalents. Census divisions are intermediate geographic areas between the province/territory level and the municipality (census subdivision).

Census Metropolitan Area (CMA): adjacent communities that have strong workplace commuting flows to a population centre 'core.' A CMA must have a total population of at least 100,000, at least half of which must live in the core.

Census Sub-Division (CSD): Municipalities or equivalent areas for census purposes. First Nations and unincorporated territories are both counted as CSDs.

Economic Region (ER): A grouping of census divisions aggregated into a standard geographic unit in order to analyze regional economic activity.

Emigrant: a person who moves from their country to permanently settle in another.

Employment Rate: The per cent of the total population over the age of 15 that is working for pay.

Human Capital: The stock of knowledge, skills, and abilities an individual acquires through education and experience that directly affects their level of productivity.

Immigrant: A person who currently is, or ever has been, a landed immigrant or permanent resident, including those who have received Canadian citizenship through naturalization.

Indigenous and Northern Affairs Canada (INAC): The name of the federal ministry that oversaw the federal government's obligations to Indigenous treaty partners. Formerly was Indian and Northern Affairs. INAC was dissolved in 2017 and restructured into two departments: Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada.

Interprovincial Migration: the movement of people from one province to another.

Intra-provincial Migration: The number of people who move from one region (CD or ER) to elsewhere in the same province.

Metropolitan Influenced Zone (MIZ): A measure of the effect an urban area has on rural CSDs, based on commuter flows.

Strong MIZ: Rural CSDs where at least 30 per cent of the employed labour force commutes to any CMA or CA.

Moderate MIZ: Rural CSDs where five to less than 30 per cent of the employed labour force commutes to any CMA or CA.

Weak MIZ: Rural CSDs where more than 0 but less than five per cent of the employed labour force commutes to any CMA or CA.

No MIZ: Rural CSDs where none of the employed labour force commutes to any CMA or CA, including CSDs with an employed labour force smaller than 40 total people.

Net Immigration: The number of immigrants who came to settle permanently in a region (CD or ER) minus the number of immigrants who left that region.

Net Interprovincial Migration: The total number of people who came from other provinces or territories to settle permanently in a region (CD or ER) minus the total number of people who left that region to settle permanently in any other province or territory.

Net Intra-Provincial Migration: The total number of people who came from other parts of the same province to settle permanently in a region (CD or ER) minus the total number of people who left that region to settle in other parts of the same province.

Net Migration: The total number of people who relocated to a region (CD or ER) minus the total number of people who left that region.

Participation Rate: The per cent of the working age population employed or unemployed and actively seeking work.

Rural and Small Town (RST): CSDs that are not part of a CMA or a CA, meaning they do not have strong commuter flows to a nearby population centre 'core' of at least 10,000 people.

Total Fertility Rate: the average number of children a woman will have in her lifetime.

Unemployment Rate: The per cent of those participating in the labour force who are not working but are actively seeking paid work.

About Northern Policy Institute

Northern Policy Institute is Northern Ontario's independent think tank. We perform research, collect and disseminate evidence, and identify policy opportunities to support the growth of sustainable Northern Communities. Our operations are located in Thunder Bay, Sudbury, and Sault Ste. Marie. We seek to enhance Northern Ontario's capacity to take the lead position on socio-economic policy that impacts Northern Ontario, Ontario, and Canada as a whole.

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