



POSITIONS ON PROVINCIAL AND FEDERAL ISSUES

2009

This booklet contains the final approved version of all resolutions adopted by the voting members of the Northwestern Ontario Associated Chambers of Commerce, September 26, 27, 28, 2008 at the N.O.A.C.C 73rd Annual General Meeting in Kenora, Ontario.

The 2008 policies, approved at the 2007 Annual General Meeting in Fort Frances are in effect for two years, and are also included.

The resolutions were drafted originally by individual Chambers and Corporate members throughout Northwestern Ontario. In accordance with the By-laws, a majority of the votes cast from member Chambers are necessary to approve each resolution.

The Northwestern Ontario Associated Chambers of Commerce is registered as a provincial lobby organization. (Registration #: OLOO26-19990921094644-0)

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NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

ROSEHART RECOMMENDATIONS PRIORITY

Background:

A much anticipated report has been passed and delivered from the province's Northwestern Ontario Economic Facilitator to the hands of the Province. The former Lakehead University president met with over 120 groups and organizations, representatives of 16 municipalities and more than 20 Aboriginal leaders, including the Grand Chiefs of two major Treaty Organizations.

While the report's recommendations include actions to assist the current economy, they also identify opportunities to build for the new economy in the Northwest. This includes opportunities in areas such as education, skills training, research and innovations, economic development, and growth opportunities.

Issue:

In order for the region to be successful there must be both strong political will, at all levels to support Northwestern initiatives, and aggressive regional championing by organizations such as the northwestern Ontario Municipal Association (NOMA), the Northwestern Ontario Associated Chambers of Commerce (NOACC), First Nation Organizations, Labour, Training Organizations, Industry, and others.

RECOMMENDATION:

Be it resolved that the Rosehart recommendations be implemented by NOACC priority, as it is fiscally responsible and that they receive high priority for consideration when Grow North policy is being formulated.

ENDANGERED SPECIES ACT

Background:

All harvesting on Crown land in Ontario is strictly regulated by the Government of Ontario. Ontario's forest management is globally recognized as among the best in the world.

Ontario's Crown Forest Sustainability Act (CFSA):

- Has been in place since 1994 and requires "that Forest Management Plans (FMP's) identify threatened and endangered species as "featured species" and provide for their protection within the area covered by the plan",
- Is built on a model of continuous improvement and adaptive management
- Forest management guides/guidelines must be reviewed at minimum of every 5 years to ensure they incorporate and reflect new science

Forest Management Plans (FMP's) provide a proven, effective and efficient means of providing for species at risk. As a matter of fact, as a result of solid planning and practices, the Bald Headed Eagle has been down listed from endangered to special concern status in Northern Ontario. Interestingly, however, it remains endangered in Southern Ontario. The FMP process within the CFSA is flexible and continually adapts to changing conditions and the most up to date science.

Issue:

In May 2007, the Minister of Natural Resources stated "specific recognition of the Crown Forest Sustainability Act (CFSA) and Forest Management Plans as equivalent processes which plan for species at risk (and) can be accomplished through Bill 184 (Endangered Species Act). Specifically, Section 54 (now section 55) allows regulations to be made which can provide for forest management activities that address protection of species at risk and their habitat".

In early 2008, the new Minister of Natural Resources changed the position of the government indicating that a new permitting system was to be implemented over and above the already recognized Forest Management Planning process that is completed under the Crown Forest Sustainability Act. This would create a massive duplication of effort, additional red tape, long delays and added costs which would likely lead to further layoffs and a long term climate that does not promote investment in Northwestern Ontario. The Minister of Natural Resources has allowed one year to be used by Government to develop a permit system that will require forest companies to apply for their planned work on each individual cutting block and perhaps each separate activity – reforestation, harvesting, road building, etc.

Using permits to authorize forestry activities will invoke a process that could be continuously challenged by special interest groups. This would land both the government and the forest industry in court, resulting in the delay or prevention of harvesting operations in the forest, and ultimately mill closures in Northwestern Ontario. Forest Management Planning would then be handed over to the courts, as it was for years in Oregon relative to the spotted owl. With legal shenanigans like that, industry would be focused on court challenges rather than successful transformation of the sector which is already plagued by significant challenges.

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ENDANGERED SPECIES ACT.....Continued

Additional strain, in both resources and dollars, will be incurred by companies already faced with potentially closing their doors. The ramifications of a mill ceasing operations in Northwestern Ontario, either indefinitely or temporarily, are extremely detrimental to the local economies that thrive on the ripple effects of a single industry community. Additionally, the multitude of smaller independent forestry contractors in Northwestern Ontario, will be significantly affected by the legal delays and do not have the means and resources to wait out decisions or do battle in court.

RECOMMENDATIONS:

Be it resolved that the NOACC urges the Government of Ontario to:

- 1. Ensure that the “Endangered Species Act” (ESA) not replace the forest management planning process, but rather complement this process and provide opportunities to integrate species and habitat protection requirements into current and future forest management plans, and further that;**
- 2. Live up to the commitment made by the Minister of Natural Resources in May, 2007 when he stated “specific recognition of the Crown Forest Sustainability Act (CFSA) and Forest Management Plans as equivalent processes” which plan for species at risk.**

FEDERAL STANDING COMMITTEE ON NATURAL RESOURCES RECOMMENDATIONS

Background:

The Ontario Government is building on more than a \$Billion in assistance since 2005 to stimulate new investments in value added manufacturing and co-generation to help the forestry sector reposition itself in the global market place

The province is proposing to reduce the stumpage rate for poplar hardwood by \$ 2.76 per cubic meter to match the white birch rate, effective April 1, 2008. This initiative has an established value of \$6 Million in 2008-09. Also

- \$25 Million towards a centre for research and innovation in the bio-economy, to be located in Thunder Bay, which will undertake frontier research in the next generation of value forestry products.
- \$15 million over four years for a centre for invasive species management in Sault St Marie.
- Implementing forest bio-fibre pricing that will spur the development of new technologies while ensuring the renewal and protection of Ontario's forests.

Issue:

The Federal Standing Committee on Natural Resources released its report on the "Unique Opportunities and Challenges Facing the Forest Products Industry" June 2008. In 2005, the Federal Liberal Government committed nearly \$1.5 Billion to help the forestry industry make the transition to competitive strength and sustainability. The plan was cancelled by Prime Minister Harper in 2006.

The Federal Committee Report contains 23 recommendations to the Federal Government which encompass a wide range of areas of concern for the forest sector. There are three key recommendations that could assist Northern Ontario and Canada:

RECOMMENDATIONS:

Be it resolved that NOACC urges the Government of Ontario to:

- 1. Agree with The Committee and " believes that it would be in the public interest for the Prime Minister to convene a National Summit, with all stakeholders, on the future of the Canadian forest industry with a view to developing a national strategy to support the renewal of the industry."**
- 2. Be it resolved that the Committee report recommendations relating to the need for additional Research & Development including the need to "consider investments in innovative research and development programs that stimulate cooperation and facilitate the formation of industrial forest clusters" as well as a recommendation to "establish a national forest industry innovation fund". The report also recommends increased funding for research and development on bioenergy and bioproducts to assist in cutting greenhouse gas emissions and improving energy conservation.**

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**FEDERAL STANDING COMMITTEE ON NATURAL RESOURCES
RECOMMENDATIONS - *Continued***

- 3. Be it resolved that the Committee report recommendations of various tax measures to assist the forest industry in working through the recovery process. These recommendations include an improvement to the scientific research and experimental development (SR&ED) tax incentive program, a full extension for the next five years of the accelerated capital cost allowance (CCA) treatment for investments in manufacturing and processing machinery, and changes to income tax rules and regulations to facilitate the deduction of forest management expenses.**

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

INFRASTRUCTURE AS THE INITIAL ECONOMIC DEVELOPMENT BASIS FOR THE NORTHERN GROWTH PLAN

Background:

Northern Ontario is served by an extensive highway network, rail lines that connect to the U.S. and eastern and western Canada, the Great Lakes seaway, and 68 airports including Ontario's third busiest, located in Thunder Bay. As well, recent advances in broadband services have closed the gap in connectivity, with approximately 95% of northerners now able to connect to the internet. Parts of this region are bordered by two U.S. states (Minnesota and Michigan). With four U.S. border crossings and two international ports, Northern Ontario is considered a "gateway to the American mid-west" and to the commodity rich western Canada. This is an asset for the region.

Northern Ontario is a major portion of the Saint Lawrence Seaway major harbours The Seaway is important to SSM and TB. SSM has embarked on north south transportation strategy

Thunder Bay has always carried bridge traffic to the west. Now the western boom has enhanced the significance of this route and the transportation bridge has higher value. The City of Thunder Bay has embarked on a dynamic and comprehensive economic development strategy with a strong transportation infrastructure component to capitalize on this western boom.

Sault St Marie has a North south intermodal plan to move containers from Asia to the US mid west. This is vision requires support and to play an important role in the Grow North plan. Timmins has an air transportation boom and a long-term view to connect to James Bay shipping traffic as climate change makes it practical.

Sudbury and North Bay are being connected by 4-lane high way to southern Ontario, which gives them greater advantage, and opportunity is part of southern Ontario economy because of travel time and safety. There is an advantage of geographic proximity.

Issue:

In any society, reliable and reasonably priced transportation that provides needed access is vital to a successful economy. The lack of significant road infrastructure is an impediment to progress in light of the changing economic circumstances in Northwestern Ontario, particularly with respect to the interests of First Nations and Aboriginal people in becoming more significant players in the local economy and their interests in the resource sector (particularly mining). Winter road systems are increasingly unreliable and expensive to maintain, in part because of climate change, and are subject to potential environmental liabilities.

RECOMMENDATIONS:

- 1. Be it resolved that transportation infrastructure form the basis of the Northern Growth Plan.**
- 2. Be it resolved that the transportation strategies of Thunder Bay, Sault Ste. Marie and Timmins be emphasized in the Grow North Plan.**
- 3. Be it resolved that the "Federal Infrastructure" funding be utilized for the economic development of Northern Ontario.**
- 4. Be it further resolved that northern communities are supported with infrastructure development.**

DOING BUSINESS WITH THE PROVINCE

Background:

It is a considerable cost burden for (Small & Medium Enterprises) SME's that wish to submit a bid because they are required to have \$5 million in liability insurance in order to participate, regardless of level of risk or the successful outcome of the bid.

Other financial requirements, such as large performance bonds, that are not indexed to the value of the contract;

- A lack of information from government to assist SME's in identifying opportunities
- Difficulty for SME's to gain entry into the process because they do not have an established track record

Issue:

Ontario businesses see the provincial government as an important market for their products and services. However, it is commonly felt that the Ontario Government's procurement process is unduly costly and complicated, and that it excludes participation of Small and Medium Enterprises (SMEs). Businesses experience difficulty in understanding the process, identifying the point of contact and complying with government regulations.

RECOMMENDATIONS:

Be it resolved that the NOACC urges the Government of Ontario to:

- 1) Prorate the level of liability insurance with the level of risk, and the amount of other financial requirements (e.g. performance bonds) to the value of the contract.**
- 2) Incorporate a clause into the terms and conditions to state that:**

Awarding of the contract is subject to the successful bidder having satisfactory insurance coverage and/or;
Bids must be supported by an "undertaking of insurance letter" from the bidder's insurance provider confirming their insurability to the level required by the contract.
- 3) Provide more transparent guidelines and province-wide marketing of the government procurement process.**

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

CREATING A FAIR PAPER PROCUREMENT POLICY

Background:

In 2004, David Ramsay, then Minister of Natural Resources, announced that all Ontario forest companies operating under sustainable forest licenses would have to be certified by 2007 through any of the three major certifying bodies recognized by the Ontario government: the Sustainable Forestry Initiative (SFI), the Forest Stewardship Council (FSC), or the Canadian Standards Association (CSA). Certification with an independent auditor is done to ensure that the forest operations comply with recognized sustainable forestry practices in their day-to-day operations, and was seen as a way to make Ontario's forest industry more competitive. However, in September 2007, Gerry Phillips, as Minister of Government Services, announced a paper procurement policy that would give preference to one certification standard over the others. This new government policy stated that next year 30% of all paper purchased by the Ontario government would come from FSC-certified forests only, and move toward 50% by 2012. We question why the Ministry of Government Services decided to exclusively award a portion of the government's business to companies certified by one standard, when the Ministry of Natural Resources agreed to recognize all three certification standards.

Ontario has world class forest management practices, and local forestry companies such as Domtar, Tembec, Norbord, and Abitibi Bowater have all become certified to one or another of these three independent, internationally accepted certification processes at considerable expense. This policy suggests that the SFI or CSA certification processes are somehow inferior, or do not result in sustainable forestry practices.

Issue:

At a time when many forestry companies in Ontario are in dire straits financially, the Ontario government plans to change its policy for the procurement of paper to exclude two of the three previously approved certification processes from access to 30% of the supply.

RECOMMENDATION:

Be it resolved that NOACC urges the Ontario Government to act immediately to amend the Ministry of Government Services' 2007 procurement policy and instead, adopt a policy requiring the Ontario government's paper come from forests certified by any one of the three standards they endorse.

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

ENHANCEMENT OF THE ROLE OF THE NORTHERN DEVELOPMENT COUNCILS

Background:

Minister Michael Gravelle, Member of Provincial Parliament for Thunder Bay-Superior North states, "We look forward to an action-focused plan that will help to retain our youth, attract new investment and continue the work we have started related to diversification of our economy. Our government recognized the importance of initiatives like this with the establishment of the Northern Development Councils (NDC). We will take their input as well as that of others and move forward expeditiously on these ideas."

Issue:

NDC's are an important component of the Northern Growth Plan and an enhanced role would greatly increase the long-term value of the Northern Growth Plan.

RECOMMENDATIONS:

- 1) Be it resolved to expand the transparency of the Northern Development Council (NDC) systems by publishing all reports including monthly reports, minutes of meetings held and annual reports.**
- 2) Be it resolved that the NDC's are enhanced and play an important role in the Grow North Plan.**
- 3) Be it resolved that the NDC's be utilized to build policy capacity in the North and ensure northerners have a strong voice in the policy development process**
- 4) Be it further resolved that a Pilot Project policy think tank be attached to the Northern Development Council system for the Northwest and be adopted as the model once the Northwestern model has proven to be viable.**

BUILDING A POLICY INSTITUTE OR POLICY CAPACITY IN THE NORTH

Background:

If Northern Ontario were a province, only British Columbia and Quebec would be larger. Northern Ontario covers over 800,000 square kilometres; nearly 90 percent of the Province of Ontario's land area. It extends across two time zones, from Quebec in the east to the Manitoba border in the west. It stretches from Georgian Bay to Hudson Bay and James Bay. It is indeed a vast and magnificent land, an empire within a province. There is a "growing awareness of the need to build policy capacity in the North and ensure northerners have a strong voice in the policy development process"

Northwestern Ontario Municipal Association (NOMA) and the Common Voice Initiative have recommended the formation and implementation of a Northwestern Ontario Policy Institute as contained in the Enhancing the Economy of Northwestern Ontario January, 2007.

The Ministry of Northern Development & Mines (MNDM) is primarily responsible for much of Northern Ontario policy and the Northern Development Councils (NDC) exist and are an effective Northern Ontario Policy capacity to build on. The Policy Institute would be a valuable NDC partner.

Issue:

The issue in Northwestern Ontario is that many of the important decisions are being made thousands of kilometers away by people who are not familiar with the issues of the North.

RECOMMENDATIONS:

- 1) Be it resolved that Northwestern Ontario be proactive by the establishment of a Northwestern Ontario Policy Institute that would assist with the development of Growth North policies. The policy institute would be non-partisan.**
- 2) Be it resolved that senior government support the establishment of a Northwestern Ontario Policy Institute that would operate at arm's length from government and have a mission to analyze data on economic, business, technological, scientific and social issues; and generate policy advice that can be applied to the region's economic and social development.**
- 3) Be it resolved that examples of Arm's Length relationships such as Fire Marshall's Office to MCSCS or the Niagara Escarpment Commission to MNR be considered.**
- 4) Be it resolved that the Rosehart Recommendation 5.2.1 be adopted, and that once the Northwestern model has proven to be valuable, it becomes a pan northern program.**

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

TWINNING OF THE TRANS CANADA HIGHWAY 11-17

Background:

It is estimated that upwards of 70% of all truck traffic traveling through Thunder Bay is passing through - providing goods, including perishables and manufacturing goods moving from Southern Ontario to the West and vice versa. These goods are primarily handled by truck through the Northwest and every time there is a significant closure of the single lane, the economic well being of the province as well as the region suffers. This route is clearly Ontario's only trans-Canada trade corridor. A closure of this section of the Trans-Canada Highway, which is vulnerable to a debilitating accident or intentional destruction, is not in anyone's best interest. We want to see our fuel tax dollars used to create a divided highway in all of those sections where 11 & 17 are together. We believe that in the long term it makes economic sense. As a country and as a province we cannot afford to have our east west commerce held hostage.

We understand that the twinning of this section of the highway is an expensive proposition. The estimated price tag is well over \$500 million. Setting aside the construction jobs this would create, the majority of the benefits of twinning this section of the highway will accrue to businesses and consumers throughout the province. We also understand that a significant amount of planning needs to be done before the project can begin. We urge this government and the Transportation Ministry to accelerate the planning process and establish construction targets for the commencement of the twinning. We would also encourage the Province, along with the Federal Government to develop a ten-year plan that would see the project completed in a way that would provide stability in the highway construction industry in the area for a significant period of time. Ontario should not solely responsible for this major undertaking. The initial construction of the Trans-Canada Highway was only possible through a major financial contribution by the Government of Canada by designating the project as a matter of national importance. We believe that this contribution would be consistent with previous efforts by the Federal Government to assist the Prairie Provinces in their twinning effort - the construction and ongoing upgrading of the Yellowhead Route, which parallels the Trans-Canada Highway. We further understand that the Federal Government will accept applications for partial funding for this project. The Province has every right to expect the Federal Government to come on board for the funding for the Trans Canada Highway. Residents from Northwestern Ontario, and across the province, also have every right to expect safe roads.

The Province of Ontario is investing significant funds, both capital and operating in enhancing the tourist opportunities of this region. Private sector developments in the forestry and mining sectors will continue to add traffic volumes on the area highways. A further investment in the transportation infrastructure will ensure that there is a maximum benefit to both the region and entire province of Ontario over the life of the project, and beyond.

Here in Northern Ontario we do not have the transportation alternatives readily available in other parts of Ontario, therefore we must rely more heavily on personal transportation vehicles for the economic and personal well being of the area. We need roads that are not only safe but accessible at all times. There has been some improvement to the Northwestern Ontario Highway system in the past few years with some additional passing lanes, however, safety and commerce continues to be the issue. The time for the Province to act on this is now. If the Province commits its own funding to this project in the next year's budget, it'll be in a strong position to bargain with the federal government to provide support the Trans-Canada Highway in Ontario.

TWINNING OF THE TRANS CANADA HIGHWAY 11-17 - *Continued*

Issue:

The province of Ontario requires safe highways for commerce and consumers. The starting point should be where both 11 & 17 share the same roadbed and there is no alternative to use to keep our east-west commerce functioning.

A key area of concern is that both Highway 11 and Highway 17 share a single road bed for a significant portion of the link between the junction of 11 & 17 just east of Nipigon to Thunder Bay. Over the last number of years, significant weather events and traffic accidents have forced the closure of sections of the highway for long periods of time.

When Highway 17 north of Lake Superior is closed, commercial travelers can access the northern Highway 11 with a minimum loss of time. The same is not the case between Nipigon and Thunder Bay. When the section between Thunder Bay and Nipigon is closed, or the section between Sistonens Corners and Shabaqua, west of Thunder Bay is shut down, nothing moves between Manitoba and Southern Ontario, unless they go through the United States. In addition some Canadian commercial traffic is prohibited from traversing U.S.A. highways due to local State restrictions.

RECOMMENDATIONS:

Be it resolved that the Province of Ontario develop and implement a long range plan including the commitment of specific sums of money over the long term to create a four-lane divided highway through Northern Ontario.

Be it further resolved that the Province of Ontario partner with the Federal Government to plan to twin all sections of the Trans Canada Highway, starting where there is no alternate Canadian highway route. This planning stage should be targeted for completion within two years. Subsequent to that development to begin by spring of 2010.

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

FAR NORTH ROAD DEVELOPMENT

Background:

In any society, reliable and reasonably priced transportation that provides needed access is vital to a successful economy. The lack of significant road infrastructure is an impediment to progress in light of the changing economic circumstances in Northwestern Ontario, particularly with respect to the interests of First Nations and Aboriginal people in becoming more significant players in the local economy and their interests in the resource sector including the Mining sector. Winter road systems are increasingly unreliable and expensive to maintain, in part because of climate change, and are subject to potential environmental liabilities.

Issue:

The time has come to explore the opportunity of a limited series of looping access roads for the Far North. All-weather road systems in Quebec and the western provinces go considerably further north than all-weather roads in Ontario, offering those provinces considerable access to small and remote communities in their respective Norths. Manitoba is currently working with Nunavut and the federal government on a Route Selection Study for an all-weather road that would link Rankin Inlet to the Manitoba road network, including an all-weather road link to the Port of Churchill. Improved access to currently remote areas of Ontario is seen as a critical step to stimulating and sustaining economic development in the region. While any new road developments would have to meet the strictest environment requirements, it is difficult to see why, if they have been successfully constructed in other provinces, an all-weather road system could not also be built to serve the Northern reaches of Ontario.

First Nations that wish to be connected to an all-weather road could realize the benefits of easier access to traditional areas and to the region of Northwestern Ontario. This would create a significant economic advantage by lowering transportation costs of goods and services. As well, job creation and capacity-building opportunities would be presented during the construction phase and the maintenance of such all-weather roads. In addition to these economic benefits, there would increasingly appear to be social, cultural, health and educational benefits for remote Northern communities by being better connected to the rest of the region and province.

RECOMMENDATIONS:

- 1) Be it resolved that as an interim measure to developing all-weather roads in Ontario's Far North, the senior levels of government support the realignment of winter roads to routes less dependent on ice roads and to locations more suitable to all weather road alignments.**
- 2) Be it further resolved that Ontario commit in principle to supporting the Far North all-weather road development initiative, and make funding available in each of the next two years to lead a consultation process with environmental groups, communities, other levels of government and industry groups to work towards a detailed implementation plan that could be agreed upon by all stakeholders.**

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

DEMOGRAPHICS AND POPULATION DECLINE CHALLENGE - BUILDING OPPORTUNITY FOR ALL IN NORTHERN ONTARIO

Background:

At more than 800,000 square kilometers, Northern Ontario covers almost 90% of the province's land base. More than half of the region's population lives in the five largest cities (North Bay, Sault Ste. Marie, Sudbury, Thunder Bay and Timmins) while 35% live in rural communities, many of which are extremely remote and accessible only by boat or air. Northwestern Ontario's population density is less than half a person per square kilometre. That compares with more than 100 people per square kilometre in southern Ontario.

Over the last two census periods, Ontario as a whole, experienced population growth of 6.4%. In contrast, the population of the North declined up to 4.5% from 1996 to 2001, and remained unchanged from 2001 to 2006 (although there was modest population growth in Thunder Bay and Greater Sudbury). It is projected that by 2031, the North's population will decline by 4.5% reflecting current migration trends and age structure in the North⁷.

Another key trend is the projected slower growth rate of the region's core working-age population (age 15-64). With 15.8% of people at 65 years of age or older in 2006, Northern Ontario's population is older in comparison to the provincial 13.6% averages. Conversely, the Aboriginal population is far younger and faster growing than the overall population of Ontario.

In contrast to its vast land base, about 6% (786,000) of the province's population lives in Northern Ontario. It is home to almost 26% of the province's Francophone population and 40% of Ontario's Aboriginal population. Northern Ontario is home to the majority of Ontario's woodlands and to most of the Great Lakes Heritage Coast. Some of the richest mineral deposits in the world are found in the region.

While the majority of the region's communities have less than 10,000 people, seven communities have populations between 10,000 and 100,000, and two of its major cities (Sudbury and Thunder Bay) have populations over 100,000¹. Of Ontario's 134 First Nations, 106 are in Northern Ontario.

Issue:

The Northwest, the Aboriginal population increased 33.9 % from 1996-2006, and Aboriginal people represent 15.2 % of the regional population (2006).

According to the province's "*Places to Grow*" initiative, the projected growth for Ontario over the next 25 years is expected to represent a 33% increase in population. In Northwestern Ontario, it is estimated that the population will decline by 5.8% during the same time period. However, this projection masks the fact that simultaneously, there will be significant growth in the Aboriginal population. Although it is difficult to give accurate estimates, the Aboriginal populations in communities like Sioux Lookout and Thunder Bay continues to grow significantly. Recent Statistics Canada information (2006 Census) indicates an Aboriginal population growth rate of 20% over five years in the city of Thunder Bay.

In terms of immigration, during the period 2001 to 2006, there were 28% more immigrants to Northern Ontario than the previous five-year period. Recent immigration levels have increased; however, they are still less than half of what they were a decade ago.

DEMOGRAPHICS AND POPULATION DECLINE CHALLENGE - BUILDING OPPORTUNITY FOR ALL IN NORTHERN ONTARIO - *Continued*

RECOMMENDATIONS:

- 1) **Be it resolved that the positive growth and the increase of aboriginal population be recognized as a key factor in the economic future of Northern Ontario.**
- 2) **Be it resolved that there is recognition that the population of Ontario over the next 25 years will increase by 33%, while in Northern Ontario it is estimated that the population will decline by 5.8% during the same time period.**
- 3) **Be it further resolved that additional enhanced programs (health and education) be formulated and implemented to support the aboriginal population increase that translates into economic development for Northern Ontario.**

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

NORTHERN ONTARIO IMMIGRATION

Background:

During the course of meetings in Northwestern Ontario, the idea of using immigration as an economic development tool was raised by several groups. In other jurisdictions (especially in western Canada) there appears to be successful examples using immigration as part of their economic development strategies. In the context of the economy of Northwestern Ontario, immigration will only be successful if it has the potential for job creation as a direct outcome, either through the Immigrant Entrepreneur Program and/or providing specialized needed skill sets for the Northwest economy. Simply adding more people in a region offering few job opportunities would further exacerbate a difficult situation, unless either one or both of the preceding criteria were met.

Under-serviced areas in Ontario, specifically Northern Ontario face challenges to meeting the skilled labour shortage and immigration demands. Immigration in Northern Ontario is not happening to the extent that it is in Southern Ontario, as it is not a primary immigration port, incentives to relocate do not exist as they do for Southern locations, resources to promote and provide effective immigration supports are limited, and there are cultural issues. In addition, the incentives immigrants gain initially when entering Canada are lost when they move outside of major Canadian cities to their Northern locations.

By assessing current local immigration efforts and processes, communities can determine ways to better collaborate and successfully adapt immigrants. Many northern communities are being proactive to develop strategies, resources and tools to attract immigrants to fill the job shortages that currently exist and to prepare for future demands. Several newcomers are recognizing the advantage of Northern communities - a safe environment to raise a family and maintain a balanced lifestyle. Northern communities require the capacity, resources and financial support to provide the assistance employers and immigrants need to implement and build on the strategies and plans initiated.

Issue:

The western provinces have used the *Provincial Nominee Program* (PNP) to enhance their ability to attract immigrants. In Ontario (which receives more than 50% of immigrants coming to Canada) the need for a Provincial Nominee Program has been less pressing. A pilot PNP initiative for 500 openings in Ontario was launched in May of 2007 and is focused on identifying immigrants for recruitment in support of specific company staffing needs. The PNP mechanism and other immigration tools could potentially support immigration to Northwestern Ontario with a focus on entrepreneurs.

A comprehensive immigration strategy that embraces local and regional needs would assist in addressing systemic and operational approaches to immigration and recruitment and ensure the community attains and retains skilled labourers and professionals. By taking steps to improve the attraction, integration and retention of immigrants, communities could build the foundation for continued economic growth. Ontario's Minister of Immigration, Mike Colle, announced plans to invest \$1.75 million to [promote the hiring of skilled immigrants](#)... Such represent 97 per cent of Ontario businesses but may be reluctant to hire immigrants because they don't have the resources or expertise to evaluate their foreign education and job experience.

NORTHERN ONTARIO IMMIGRATION - *Continued*

Temporary work permits are also available to help potential immigrants to start and operate a business in Canada prior to obtaining permanent residency. The current mobility of skilled workers is also a complicating factor in the viability of existing and future businesses in the Northwest because of the 'fly out to work' draw of western and eastern Canada's oil and gas sectors.

RECOMMENDATIONS:

- 1) Be it resolved that a working group composed of federal, provincial and community representatives be established and resourced to review opportunities and identify actions needed, for immigration to play a role in providing a skilled and entrepreneurial workforce to meet the future needs of diversifying the economy of Northwestern Ontario.**
- 2) Be it resolved that incentives are provided to under serviced communities in Northwestern Ontario, to attract immigrants to the area and remove barriers to entry for immigrants.**
- 3) Be it resolved to establish processes and resources to assist under serviced communities, in Ontario, to ensure effective and coordinated settlement of newcomers. For instance, establish positions and/or organizations that serve as immigration support agencies to coordinate, facilitate and deliver services to employers and immigrants.**
- 4) Be it further resolved that immigration be promoted and integrate evaluative mechanisms to recommend potential immigrants who have the greatest opportunity for economic success. Develop evaluation tools (online) for instance a credential assessment database that employers can use to quickly obtain eligibility, for employers or immigration support agencies to ensure those immigrants who have a high rate of economic success are identified and accepted into Canada. Provide similar tools for accreditation and financial assistance to employers for immigrants to pursue additional training needed for them to meet Canadian standards.**

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

POVERTY REDUCTION/ABORIGINAL EDUCATION

Background:

In spite of a variety of focused initiatives over the last 25 years, much remains to be done to achieve higher secondary school success rates and quality elementary school experiences for Ontario's Aboriginal students living in First Nation communities. Constitutionally, this is an area of responsibility for the federal government through Indian and Northern Affairs Canada (INAC) and to date, although Ontario is more involved at the secondary level, provincial involvement in remote INAC-funded schools has been minimal.

Input to this study suggests that First Nation schools could benefit considerably from formal and informal support from Ontario schools. Setting aside constitutional and funding issues, a variety of initiatives between Ontario schools and First Nations schools would be beneficial to all students. Current funding from INAC (compared to small provincial boards) can be as low as one-third of comparable provincial funding levels. With such low funding levels, it is not difficult to understand that the INAC-funded schools face challenges. Recent good will between First Nations, INAC and the Ontario MEDU is encouraging, but may not be sustainable due to restrained funding and the jurisdictional responsibilities.

Issue:

To put this challenge in context, we can look at the striking progress that has been made in the past ten years in the establishment of both the public Francophone and Catholic Francophone regional education boards in Ontario. After only a ten-year period, significant improvements have been achieved in graduation rates and academic achievement. At the time, this was a bold and somewhat controversial initiative, but the wisdom of the decision is now clearly evident. For years, people have identified issues around Aboriginal education and a variety of approaches have had limited success, but have not dealt with the fundamental jurisdictional issues nor the physical magnitude of the challenge.

RECOMMENDATION:

Be it resolved that there be significant rethinking of the jurisdictional responsibilities and delivery of elementary school education, particularly in far north communities. Several Aboriginal school boards, having devolved funding from Indian and Northern Affairs Canada (INAC), would in a non-traditional way become formally part of the Ontario school system

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

SUPPORTING APPRENTICESHIP TRAINING

Background:

For Ontario's manufacturers, as well as economic sectors like the construction industry, one of the biggest problems today is the shortage of skilled Labour. This problem is particularly acute in trades that have traditionally developed new workforce entrants by means of apprenticeship programs. The supply of young people entering the workplace is decreasing; the total Labour force is aging; and the immigration to Canada of skilled trades-people has declined. Parents have not encouraged their children to enroll in job training programs such as apprenticeship programs, and instead want them to grow up to be lawyers, doctors or accountants. Statistics also show that employers do not invest in skilled trades training at the same levels as their competitors in other industrialized countries.

The provincial and federal governments are aware of these issues, and have launched a number of programs designed to inform and educate young people about opportunities in the skilled trades and apprenticeship, and to support and encourage employers to participate in apprenticeship programs. Businesses and business groups have also joined in promoting the skilled trades and apprenticeship programs, particularly in educating employers regarding existing programs to support such training.

Given the strategic importance to our economy of the skilled trades, and the fundamental role played by employers in providing education and training in those areas, we believe that more needs to be done. The Ontario government already supports employers by providing training opportunities through the "Co-operative Education" credit that provides up to \$6,000 per student over two years to employers training students in industries identified as "leading edge technologies". We believe that the role of employers in ensuring sufficient opportunities for Apprenticeship training in the skilled trades is equally important.

Issue:

An aging workforce, combined with a shortage of young people entering the skilled trades, threatens the future prosperity of Ontario's economy.

RECOMMENDATIONS:

Be it resolved that NOACC urge the Government of Ontario to:

- 1. Extend the existing Ontario "Co-operative Education" tax credit from industries defined as "leading edge technologies" to include all employers participating in apprenticeship training programs.**
- 2. Assess the economic impacts of the tax credit to determine if it is adequate to contribute positively to the desired outcome of reducing the skilled trades shortage.**

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

APPRENTICE TRAINING

Background:

At a time when Northwestern Ontario is in desperate need of tradesmen, provincial regulations are restricting the number of apprentices employers can train.

Issue:

The ratios are regulated by the Ministry of Training, Colleges and Universities for the various disciplines in the construction field. For example 3 journeymen to 1 apprentice in electrical maintenance and 5 journeymen to 1 apprentice in carpentry. These ratios do not meet the training realities in our area. All other provinces with the exception of Ontario, Northwest Territories, Nunavut, and Prince Edward Island are on a 1-1 ratio.

Due to the complexity of “the system” and its processes there is a lack of understanding within the industry as to “who” makes/determines these policies and “who” has authority to change them.

Whether it is a Board or Committee, we have been unable to determine where their members come from. For example is there representation from Northwestern Ontario? Further to the extent that we have a direct interest in the matter, we should have representation.

RECOMMENDATION:

Be it resolved that the makeup of the boards need to have active representation from Northwestern Ontario people who are hands on and understand the working conditions in this area; and further that a change from the 3-1 ratio to a 1-1 ratio be made as soon as possible.

NORTHWESTERN ONTARIO ASSOCIATED CHAMBERS OF COMMERCE

APPRENTICESHIPS

Background:

Apprenticeship training allows employers to provide apprentice employees with on-the-job training and is based on provincial standards developed by the industry and endorsed by the Ontario government. Currently, there are over 200 apprenticeship trades in Ontario and employers assume about 85 per cent of the cost of training apprentices through wages and time invested into training. The Ontario Youth Apprenticeship Program (OYAP) allows high school students to complete studies for their high school diploma while they work at an apprenticeship for co-operative education credits.

Industry groups such as Ontario Forestry Association, the Auto Parts Manufacturers Association (APMA) and the Canadian Tooling and Machining Association (CTMA) have reported that approximately one-third of skilled trades people will need to be replaced, over the next 2 to 5 years, due to retirements. More needs to be done to ensure that Ontario has the necessary skilled workers to remain globally competitive.

We have traditionally relied on immigration to meet our shortage of skilled trades people. However, a "Made in Ontario" solution would allow the province to produce more of our own skilled workers through apprenticeship programs and would provide a better solution to the current skilled trade shortage.

It is interesting to observe that our government substantially funds our colleges and universities, but private industry bears the majority of apprenticeship training costs. In Europe, up to \$5,000.00 per employee is available from the government for training, and even larger credits are available in the southern United States. The availability of skilled Labour is a key factor when industry decides where to locate new investment.

Furthermore, more needs to be done to enhance the image of skilled trades. Skilled trades workers earn above average incomes and career earnings rival those of many accredited professions. Statistics Canada indicates that the unemployment rate for tool and die makers is less than 0.7 per cent, indicated a high demand.

NOACC believes that a review of the current funding for technological equipment at the elementary and secondary school level is required to ensure the competitiveness of Ontario's education system. The current funding benchmarks were set at 1997 levels and must be adjusted to reflect the advancements in technology, and the increased demand for computer and other similar learning materials, which represents an important component of student curriculum.

Issue:

The current education and training system in Ontario is not producing enough skilled trades people to meet current industry demand and this shortage could impede Ontario businesses' ability to compete and grow.

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RECOMMENDATIONS:

Be it resolved that NOACC urges the Government of Ontario to:

- 1. Sponsor a coordinated effort among all stakeholders to enhance the image of the skilled trades, with our youth, their parents and teachers.**
- 2. Redirect and target funds for technical education in Ontario's schools, including investing in pupil places, qualified teachers and modern equipment and technology, so that Ontario is positioned to provide world-class programs in technology education.**
- 3. Encourage business to offer experiential learning opportunities for cooperative education students (high school and college/university) and provide new opportunities and incentives to business to participate in providing classroom infrastructure and technical support.**

POLICY ENSURING FAIR AND EQUAL REPRESENTATION IN NORTHERN ONTARIO

Background:

In 2006 Northern Ontario was dropped from eleven (11) seats to ten (10) seats federally; In 2004 Northern Ontario was dropped from eleven (11) seats to ten (10) seats provincially;

Issue:

The current federal government has currently endorsed a bill that will reduce Northern Ontario's share of seats from ten (10) to nine (9); Sudbury Liberal Member of Parliament (MP) Diane Marleau has already introduced an unsuccessful private member's bill ensuring that Northern Ontario never has less than ten (10) seats in the federal House of Commons; and, the current Ontario Premier Dalton McGuinty has set precedent by making sure that Northern Ontario keep the ten (10) seats it currently has, rather than decrease to nine (9) during the 2007 provincial election despite a decreasing population; therefore,

RECOMMENDATION:

Be it resolved that NOACC urges the Government of Canada to have a policy that ensures that Northern Ontario have a minimum of ten (10) Members of Parliament regardless of population.

Be it resolved that NOACC urges the Government of Ontario to have a policy that ensures that Northern Ontario have a minimum of 10 (ten) Members of Provincial Parliament regardless of population.