

Focus on the Northeast Region

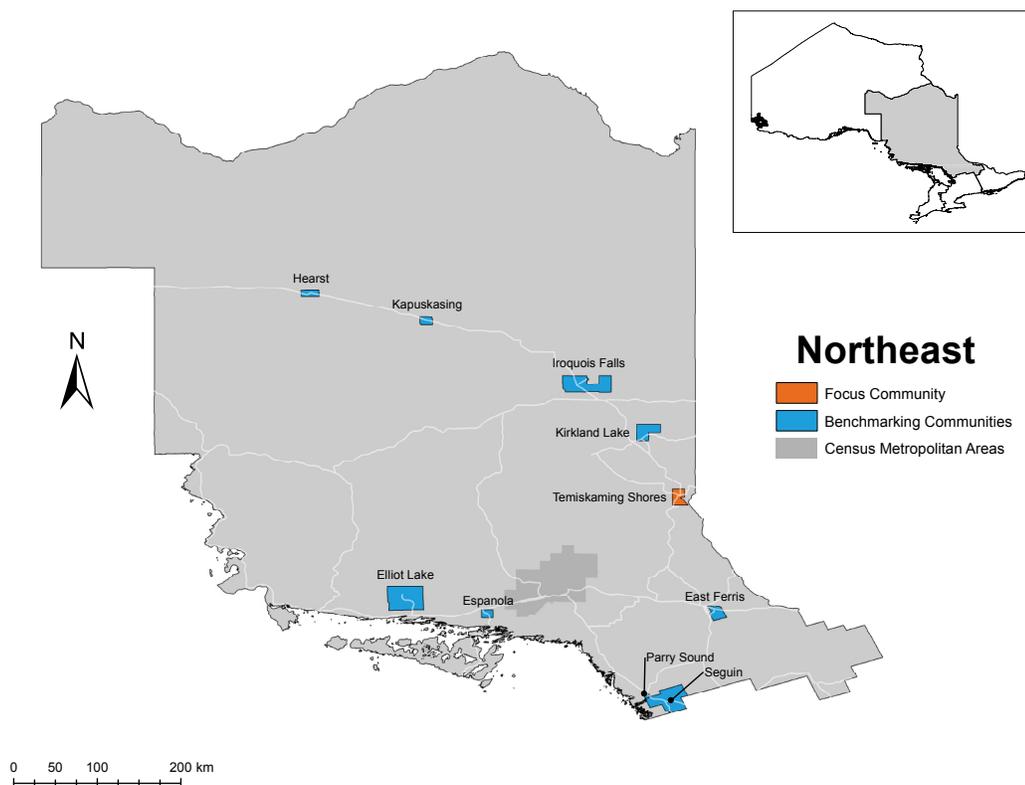
The Martin Prosperity Institute recently completed a large scale research project for the Economic Developers Council of Ontario, funded in part by the Ontario Ministry of Agriculture, Food and Rural Affairs, which provided benchmarking and analysis of Ontario's rural creative economy. The project divided the province into five regions, within which one focus community was selected and compared to nine benchmarking communities. Each community was compared across a host of indicators from creative class share to population density, to the number of arts and entertainment facilities. This is the fourth insight in a series of six, which will examine each region one by one, and will discuss the overall findings of the report, with the full report available online at <http://martinprosperity.org/research-and-publications/publication/benchmarking-the-creative-economy-in-rural-ontario>. This week, we will take a look at the Northeast Region and the benchmarking community of Temiskaming Shores, Ontario.

Temiskaming Shores

Temiskaming Shores is a small community located on the Quebec border within an economic region that includes neighbouring towns in both Ontario and Quebec. The closest regional centers include Sudbury, 3.5 hours away, and Timmins which is approximately 3 hours away. The

Northeast region

Exhibit 1



local post secondary institutions include the Collège Boréal in New Liskeard, the Haileybury campus of Northern College of Applied Arts and Technology and the Haileybury School of Mines. With respect to post-secondary institutions, the closest are a considerable distance away, with York University and the University of Ottawa, which are each approximately 6.5 hours away. In examining the labour force of Temiskaming Shores, service class occupations account for half of the entire occupational share. Major employers include Boart Longyear (mineral drilling), Miller Paving and Grant’s Transport Limited. Temiskaming Shores is facing a host of economic challenges common to many rural communities. Despite this, we believe there are still key strengths which can be leveraged to lead to the community’s success.

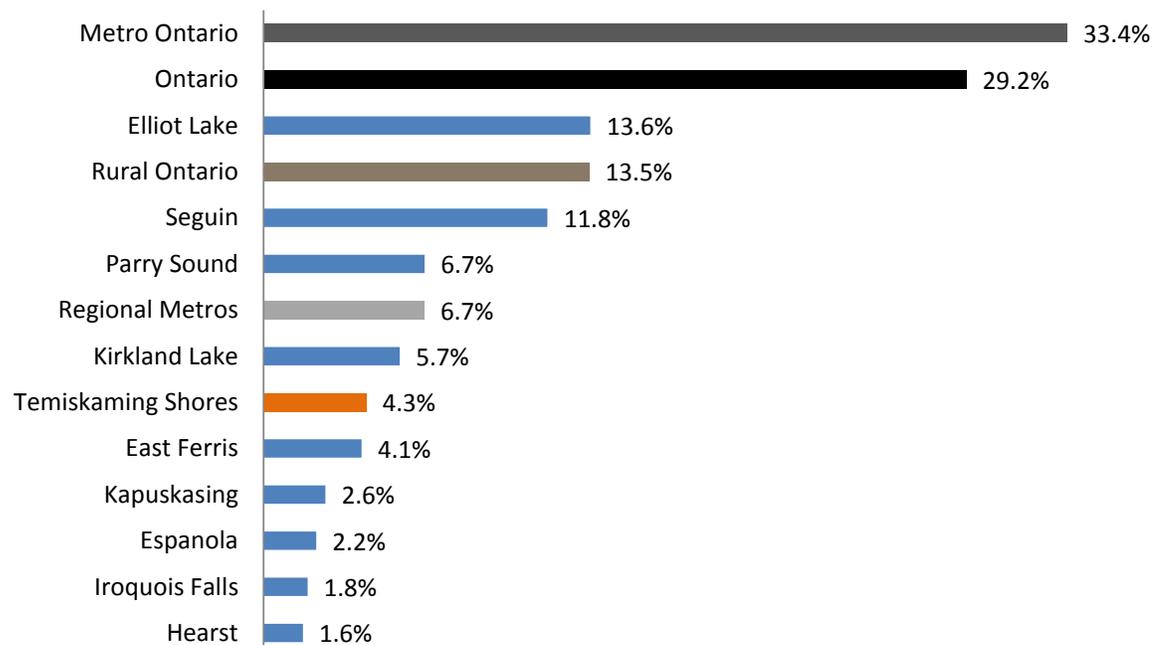
Temiskaming Shores was compared to the benchmarking communities of: Elliot Lake, Kapuskasing, Kirkland Lake, Parry Sound, Hearst, Espanola, Iroquois Falls, Seguin and East Ferris. This region has a total population of around 564,649 with the metropolitan region of Sudbury making up 27.7% of the region’s population. Temiskaming Shores has a population of 10,732. An issue with the Northeast region when looking at growth is the region’s decline in overall population. Every benchmarking community in this region except for Temiskaming Shores and Seguin have been experiencing population decline. Population decline is an issue facing many rural communities, but it was found to be most apparent within the Northeast and Northwest communities.

The Challenges Faced by Rural Economies

There are many rural communities that typify the challenges of economic growth within a knowledge based economy, and the Northeast region has a number of communities that display this. Temiskaming Shores is not immune to this, as the community faces some of the problems that many rural communities are facing compared to Metros. It is worth highlighting some of these attributes as they should be the focus of change. A key issue facing this region is the level of population decline, with Temiskaming Shores experiencing minimal population growth. The poor growth can partially be attributed to Temiskaming Shores low immigrant population share as it was the lowest of the 5 benchmarking focus communities and 29.1% lower than the Metro Ontario average. A possible reason for the low immigrant share and population growth could

Immigrant population share (2006)

Exhibit 2



be attributed to the local demographics of the community, as Temiskaming Shores has a visible minority population share of only 1.0%.

Temiskaming Shores also suffers from some of the economic troubles that are reflective of many struggling rural communities. First, the community has a low average employment income, which was found to be one of the lowest in the Northwest region. This is coupled with a low average value of dwelling. The low average income and growing unemployment rates display a struggle within the creative economy as communities like Temiskaming Shores have small amounts of High Tech Industries and low High Tech Location Quotients, leading to lower amounts of professional creative occupations. These low scores are due to another one of this community's issues in regards to education, which can partially be attributed to the lack of a University within close proximity. Temiskaming Shores along with most communities in the region were found to have low rates of individuals with a BA or above, much lower than Ontario. In Temiskaming Shores, around 30% of the entire population does not have a high school diploma.

Recommendations: Building on Existing Strengths

While there are many issues facing Temiskaming Shores and its development and growth, there is the possibility for change in this rural community. While Temiskaming Shores has a fairly high service class share, it also has a Creative class occupational share that is higher than Rural Ontario's average. This share can be attributed partially to the amount of "Med's and Ed's" occupations that take up a large percentage of Temiskaming Shores Creative class. This is a familiar trend in the Creative class occupational breakdown of many rural communities, but Temiskaming Shores differs from many rural towns in the percentage of its Creative class share within certain professional occupations. When looking at professional occupations in business and finance and specialist managers, Temiskaming Shores has almost as high a percentage of its Creative class falling within these positions as the Ontario average. This is unlike most other rural communities. When looking at the Creative breakdown of occupations within positions such as lawyers, judges, psychologists and social workers, Temiskaming Shores was found to have a higher percentage than Ontario. Since Temiskaming Shores already has a good share of its Creative class within certain professional occupations, it would be advantageous to develop these and other professional positions.

Another possible avenue for economic development would be to build upon Temiskaming Shores higher than average occupational share of jobs within farming, fishing and forestry. By developing professional and research occupations within this category, this could help develop a new set of higher paying jobs for the community. The University of Guelph's New Liskeard Agricultural Research Station specializing on agronomy, beef and horticulture that is located in Temiskaming Shores can act as a great example for possible further research and development that could take place in Temiskaming Shores. Despite the challenges that Temiskaming Shores faces, there are avenues for change in place. The current and further development in professional occupations are an opportunity to attract newcomers (businesses and people), which could help fuel population growth, and higher employment rates and incomes.

The Martin Prosperity Institute at the University of Toronto's Rotman School of Management is the world's leading think-tank on the role of sub-national factors—location, place and city-regions—in global economic prosperity. We take an integrated view of prosperity, looking beyond economic measures to include the importance of quality of place and the development of people's creative potential.