



For Immediate Release

Renewed Approaches to Education and Workforce Engagement needed in Algoma

District should focus on efforts to combat a declining demographic dependency ratio (DDR)

April 6, 2017 – A sustainable Algoma District would benefit from reevaluating how education is delivered and the workforce is engaged, particularly for the Indigenous population.

This is the main conclusion coming out of the eighth installment of the *Northern Projections: Human Capital Series*. Authored by James Cuddy and Bakhtiar Moazzami, the evidence-based series is a partnership between Northern Policy Institute and the Northern Ontario Workforce Planning Boards.

Algoma's overall population is in decline, and is projected to continue to drop over the next few decades. According to the latest 2016 census figures found within the report, the population has decreased by 13.5 percent in the last 30 years from 131,841 in 1986 to 114,094 in 2016.

The share of working-age people (aged 20 to 64) is also expected to decline from 58.8 percent in 2013 to 47.7 percent in 2041. Add the fact that the share of individuals in the district below the age of 20 has declined from 30 percent in 1991 to 20 percent in 2011, while the share of seniors has risen from 11 percent to 21 percent in this same time period, and the 'perfect storm' is brewing known as a declining demographic dependency ratio (DDR).

A combination of factors including migration patterns, low immigration, rising life expectancy, and a shift away from the goods-producing sector are all cited as playing a role.

“Not unlike the situation faced by most other districts in Northern Ontario, Algoma is dealing with an aging population which impacts the labour market and has resulted in a declining demographic dependency ratio (DDR)”, said Jonathan Coulman, Executive Director of the Algoma Workforce Investment Corporation. “This new report offers several ways in which we, as a district, could respond to this trend.”

As the report highlights, where there are challenges, there are also opportunities. For Algoma, they can be found in a growing Indigenous population, which is expected to increase at a rate of 23.2 percent, and make up 16.8 percent of the labour force by 2041. As it currently stands, however, this population is experiencing a lower human capital composition, the level of knowledge and skills, than the total working-age population in Algoma.

“Given that the Indigenous share of the population is increasing, future labour productivity will decrease if education levels do not rise among this segment of the population,” said Charles Cirtwill, President and CEO of Northern Policy Institute. “There is strong evidence showing that higher skill levels increase the likelihood of participation in the workforce and reduce unemployment rates. Addressing these issues for the Indigenous population will have positive benefits for the entire region.”



Based on these findings, the authors make several recommendations to promote the long-term sustainability of the district:

1. Implement a well-rounded migration strategy

Algoma District should confront its demographic challenges by implementing a well-rounded migration strategy. Similar to other regions in Northern Ontario, a declining and aging population is one of the most fundamental challenges moving forward. These trends are a due in part to out-migration among younger cohorts, and low and declining levels of immigration. In fact, total net domestic out-migration from 2014 to 2015 equaled nearly 480 individuals who moved out of the region, while in 2015, the district attracted only 76 immigrants, which is equivalent to roughly 10 times less immigrants per capita across Ontario. It is imperative that the region seeks to enhance its population levels by implementing strong immigration strategies, in combination with strategies to attract domestic in-migrants.

2. Respond to the needs of the Indigenous population

The human capital indexes for the Indigenous labour force in this district, while below the rest of the population, are higher than in Canada. Given that the Indigenous share of the population is increasing, and given that their human capital composition is lower than total working-age population in the Algoma District as a whole, future labour productivity will decrease if education levels do not rise among this segment of the population.

3. Continue to build on the regional growth in workforce participation of women

The shift in the economy from manufacturing and resource related jobs to service and knowledge based jobs has had a positive impact for the female population in the Algoma District. With declining population and the need for greater participation and higher levels of education, this trend should be sustained and expanded upon where possible. Ongoing efforts to knock down traditional barriers to education for this group should continue. These interventions have usually included: family supports, child care, transportation and housing investments, as well as high quality primary and secondary education.

The full report, *Northern Projections: Human Capital Series – Algoma District*, is available on our websites:

Northern Policy Institute www.northernpolicy.ca

Algoma Workforce Investment Corporation www.awic.ca

Far Northeast Training Board www.fnetb.com

The Labour Market Group – Nipissing Parry Sound www.thelabourmarketgroup.ca

Northwest Training and Adjustment Board www.ntab.on.ca

North Superior Workforce Planning Board www.nswpb.ca

Sudbury and Manitoulin Workforce Planning Board www.planningourworkforce.ca

Northern Projections: Human Capital Series highlights all of the 11 districts in Northern Ontario, and is part of an ongoing, collaborative effort between the *Northern Policy Institute* and





Northern Ontario Workforce Planning Board to provide evidenced based analysis for effective decision making in the region.

Reports will examine past and present characteristics and trends in each district's economy in order to forecast future challenges and opportunities.

Media Interviews: Northern Policy Institute President & CEO, Charles Cirtwill and Jonathan Coulman, Executive Director of the Algoma Workforce Investment Corporation, are both available for comment.

To arrange an interview, please contact:

Katie Elliott
Communications Coordinator
705-542-4456
kelliott@northernpolicy.ca

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, Sault Ste. Marie, 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 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 about the supply and demand side of the local labour market 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).