

For Immediate Release

# Get educated and get connected, those are the keys to success in the North

March 31, 2015, Thunder Bay, ON - A new report released by Northern Policy Institute and the North Superior Workforce Planning Board examines demographic changes in Northern Ontario. The report, It's what you know (and where you can go); Human capital and agglomeration effects on demographic trends in Northern Ontario was researched and written by Dr. Bakhtiar Moazzami, professor of economics at Lakehead University in Thunder Bay, ON.

The report finds that variations in "human capital" and "economic agglomeration" are driving income disparity between the rural and urban areas in our region. Explained in simple terms "human capital" is the level of educational attainment by people living in your community and "economic agglomeration" is related to the number of people living in your community but working in a larger centre.

"Examination of facts and figures in this study suggests that rural areas are declining in terms of population as well as their ability to develop and/or participate in the economy," says Moazzami. "Absent changes in these patterns, further decline seems likely."

The report observes that in Northeastern Ontario there is much greater connectivity of rural areas to larger centres than in Northwestern Ontario. This difference likely contributes to many of the significant variances that were found between the two regions including: lower average earnings, higher rural unemployment, and lower educational attainment among the aboriginal population.

The report also highlights that, especially in the rural northwest, educational attainment is key to individual success and collective prosperity:

"Human capital is an important determinant of the rural-urban earnings gap in Northern Ontario," Moazzami writes. "Given that the stock of human capital affects productivity and earnings capacity of the rural population, one approach to reducing unemployment and out-migration from rural areas is to enhance the productive capacity of the rural population by investing in human capital."

Also included in the report are some interesting findings about broader demographic trends here in the north. Among them are that: our urban populations are both growing and are highly educated; our aboriginal population is growing; our francophone, immigrant and rural populations all continue to decline; and, we have higher dependency ratios here in the north than does the province as a whole. On a percentage basis we have fewer workers supporting more dependents (seniors and children) than is the case province wide.

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Moazzami's paper is the third report released this year by Northern Policy Institute that examines population and labour in Northern Ontario.

It's what you know (and where you can go); Human capital and agglomeration effects on demographic trends in northern Ontario, as well as commentaries Settling Down in the Northwest: Stability and Opportunity in the Northwestern Ontario Labour Market, and Diversify, Innovate, Invest, and Grow: Population Change by Northern Ontario District 2001-2013 can be found on the Northern Policy Institute website at www.northernpolicy.ca.

Media Interviews: Author, Dr. Moazzami, North Superior Workforce Planning Board executive director Madge Richardson, and Northern Policy Institute president and CEO, Charles Cirtwill, are available for comment. To arrange an interview, please contact:

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#### 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 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 North Superior Workforce Planning Board:

The North Superior Workforce Planning Board (NSWPB) is one of twenty-five Workforce Planning zones across Ontario, mandated through the Ministry of Training, Colleges and Universities to identify, assess and prioritize the skills and knowledge needs of community, employers and individual participants/learners in the local labour market through a collaborative, local labour market planning process.

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