



For Immediate Release

Northern Policy Institute explores the multiplication effect on Northern Ontario's Economy

March 22, 2019 – Northern Policy Institutes latest report, *Income and Employment Multipliers for 20 Industries in 11 Census Divisions in Northern Ontario*, by author Dr. B. Moazzami, provides accurate and reliable estimates of income and employment multipliers. Along with this report, NPI is launching a new online Economic Impact Calculator allowing any district to know what the effects of investment in a certain sector will have as an impact to their district through income and employment multipliers.

Often, decision makers in both the private and public sector are interested in the economic impact, or the contribution to the local economy of certain local companies, their current operations, or investment projects. Multiplier numbers set out to determine how much of an initial investment will remain in the community, and how much it will generate overall in the community.

The commentary focuses on two multipliers, income and employment. The income multiplier demonstrates how an investment towards a company will affect the total amount of spending and income on the local economy. The employment multiplier shows how much more employment opportunities are created by an initial investment. Private and public sector investment in a local economy will have different impacts based upon the industry or sector, the strength of regional interindustry linkages as well as the expenditure habits of consumers in the region.

The estimates provided in this report are the first set of such estimates produced for Northern Ontario regions. To estimate various multipliers, the author incorporated the detailed industry structure in each region, the detailed consumer expenditure patterns in each region and the average level of wages and income by detailed industry in various regions

The paper found that in Northern Ontario, the greatest income multipliers are retail, professional, scientific and technical services as well as the arts entertainment and recreation industries. The greatest employment multiplier in the Northeast are Mining, utilities and professional scientific and technical services.

In addition to this report, NPI is introducing a one of a kind investment calculator tool. "The online Economic Impact Calculator will make it easier for communities to evaluate and assess their current situation and through using income and employment multipliers will be able to evaluate the impact of sector specific investments on the community" explains Charles Cirtwill, President and CEO of Northern Policy Institute. To view and use the online Economic Impact Calculator visit: <https://www.northernpolicy.ca/ei-calculator>





Media Interviews: Author Dr. Moazzami and NPI President & 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 the author:

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 Aboriginal people and Northern Aboriginal 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.