

Economic Profile Series: Timmins, Ontario

Winter 2020

This series looks at communities across Canada and highlights key labour market statistics and the role that immigration has played or could play to help these communities flourish. It is important to note that predicting future labour market demand can be challenging, as economies are always evolving. This profile uses current population and labour market trends to give a profile of how immigration might play a role in this community.

Ensuring Timmins has the workforce it needs to thrive: the role of immigration

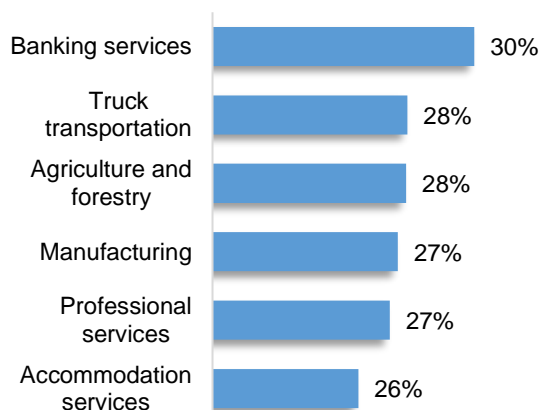
The looming workforce challenge

The 2016 Census reported that 5,300 people in the Timmins workforce were over the age of 55. Thirty per cent of everyone working in the banking sector was 55 and older at the time of the census, as was 28% of everyone working in agriculture, forestry and truck transportation (Figure 1).

The manufacturing, professional services and accommodation services sectors all had more than 1 out of every 4 workers nearing retirement. In 2019, the Far Northeast Training Board warned that upwards of [40% of the workforce](#) could retire within the next decade.

There are not enough young people coming through the education system to meet the demand of the current labour market, let alone provide the workforce required for potential future economic growth.

Figure 1: Share of the Timmins workforce over the age of 55 – selected industries



Source: Statistics Canada 2016 Census.

Timmins plays an important economic role

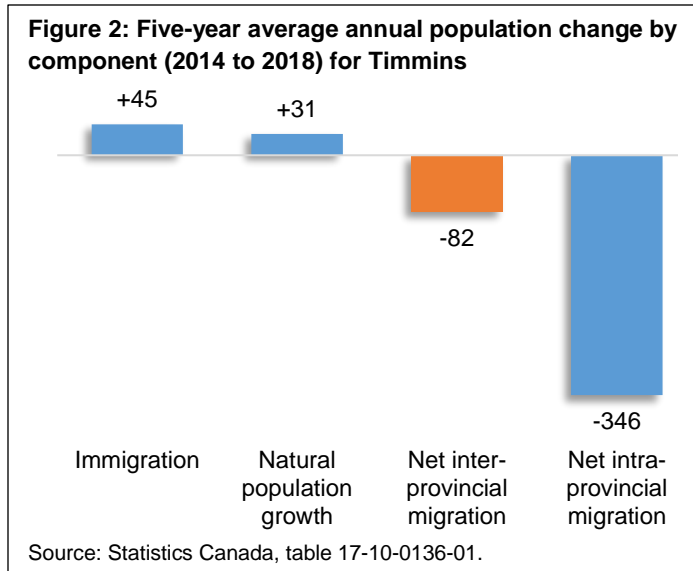
Timmins (population 41,200) is a city in northern Ontario, about 3 hours by road north of Greater Sudbury and 3.5 hours west of Val-d'Or, Quebec. It is a services hub for the Cochrane District, a large area in Northern Ontario with a population of 80,000. The Timmins Economic Development Corporation is [promoting the community](#) for mining, agri-food and beverages, value-added forestry, cold weather testing, scientific research and winter film and television production, as well as a location for data centres.

The population is aging fast

In the past 5 years, the population of Timmins has declined by nearly 3%. At the same time, the number of people in the community over the age of 60 is increasing.

In 2009, there were 133 people under the age of 20 for every 100 over the age of 60. Now there are more over the age of 60. Compounding the issue further, the community is also seeing its population decline on a net basis each year due to intra- and inter-provincial migration.

Between 2014 and 2018, the population lost through migration to other parts of Canada was an annual average of 428. Figure 2 shows the average annual population change by component for Timmins between 2014 and 2018.



The aging workforce: a risk for the economy

This demographic shift has hit the workforce and there are signs it is starting to impact the economic potential of the community. The number of people in Timmins reporting employment income dropped by 7% between 2008 and 2017, while the number reporting Canada Pension Plan income rose by 20%¹. As shown in Table 1, between 2014 and 2019, the number of people active in the labour market has declined by 3,100. The participation rate, which is the share of the adult population active in the labour market, has declined from 69.6% in 2014 to 66.6% in 2019.

Table 1: Summary of labour market indicators, Timmins

	2014	2019	# change
Labour force	29,800	26,700	-3,100
Employment	28,200	25,300	-2,900
Participation rate	69.6%	66.6%	
Employment rate	65.9%	63.1%	

Source: Statistics Canada, table 14-10-0102-01.

There has been relatively little immigration to Timmins

Despite the tightening labour market and the aging population, there has been limited immigration in recent years. In the past 5 years, the community has attracted, on average, 45 immigrants per year. There are more non-permanent residents than immigrants living in Timmins—for example, in 2017, there were 49 non-permanent residents and in 2018 there were more than 150. However, adjusted for population size, Timmins has one of the lower recent immigration / non-permanent resident rates among small urban centres in Canada. There were 48 new immigrants and non-permanent residents in 2018 per 10,000 people living in Timmins, compared to 116 in Greater Sudbury and 91 in Thunder Bay.

¹ Source: Statistics Canada, table 11-10-0007-01.








If there are not enough workers to replace the retirees, what could be the impact on the economy?

Predicting future labour market demand is not easy, but the community clearly understands the need for population growth and the attraction of new workers. But what industries are at risk if labour market needs can't be addressed?

Table 2 shows the industries for which Timmins has a much higher concentration of workers compared to the rest of the country. Adjusted for size, there are 28 times as many people working in the mining sector compared to the country overall. There are 3 times as many working in forestry and related sectors. There are 82% more working in general merchandise stores, pointing to the importance of the retail sector.

Timmins has a well-above-average concentration of workers in air transportation, as well as nursing and residential care facilities. If the workforce continues to tighten, many of these strategically important industries could struggle to find workers, and some of this economic activity could move to other communities with a stronger talent pipeline.

Table 2: Timmins' dominant industries: employment share compared to the national economy*

 Forestry and logging—3 times as many	 Wood product manufacturing—52% more
 Support activities for forestry—3.7 times	 General merchandise stores—82% more
 Mining—28 times as many	 Air transportation—twice as many
 Support activities for mining—3.9 times as many	 Nursing and residential care facilities—62% more

*For example, adjusted for size, Timmins has 82% more people employed in general merchandise stores compared to the national economy. Source: Statistics Canada, 2016 Census.

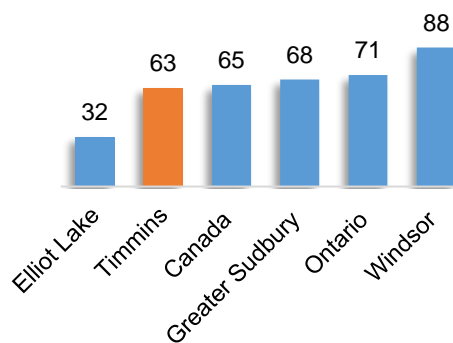
Timmins' aging entrepreneurs

The community's entrepreneurs and small business owners are getting closer to retirement, which is an additional challenge for the local economy. There are 1,400 self-employed people in Timmins and well over 40% of them are over the age of 55. Timmins could benefit from the attraction of a new generation of entrepreneurs to replace those who retire and to help drive growth in important industries such as trade, transportation and tourism.

Critical to sustained economic growth: ensuring there is a talent pipeline

The Timmins workforce is aging and the pipeline for younger workers is shrinking. There are a number of ways that the community can expand the number of available workers in the years ahead:

Figure 3: High school and post-secondary school population* per 100 in the workforce aged 55+



*Aged 15 to 24. Source: Statistics Canada, 2016 Census.

Attract more students to the region

An evaluation of the population in school shows that, compared to many other smaller and larger urban centres, the community is at a disadvantage. In 2016, there were only 63 young people aged 15 to 24 in school for every 100 people in the workforce over the age of 55 (Figure 3). Windsor, by contrast, has 88 young people in school for every 100 in the workforce over the age of 55. Timmins is home to a campus of Northern College, Collège Boréal and Université de Hearst. Algoma University offers some courses in the community as well. If the community is able to attract more Canadian and international students, it will help to build a larger local talent pipeline to address workforce needs in the years ahead.

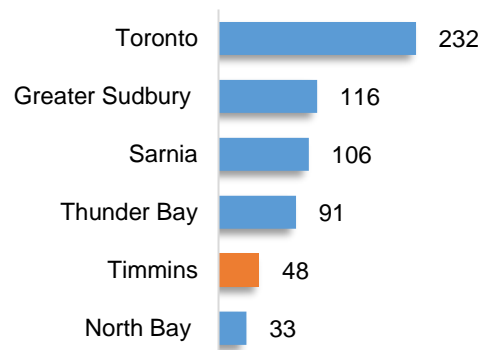
Encourage more people to join the workforce

The tightening labour market creates employment opportunities for people who previously struggled to participate in the labour market, such as women re-entering the workforce or those with disabilities. In 2016, Timmins was comprised of about 11% Indigenous people, of which 48% were First Nations and 49% were Métis. The indigenous population accounts for 11% of the total workforce in Timmins, and the unemployment rate among this group was 12.6% in 2016. This group provides an additional potential source for talent for the workforce. Persons aged 55 and older who are not in the labour market could also be enticed back in by being offered flexible work and other benefits.

- **Attract people from outside the region**

There is no doubt the biggest opportunity involves the attraction of young people and families to Timmins. Since 2013, across Canada, all net growth in the labour market has come from immigrants². There is a direct correlation between immigrant attraction and workforce growth. The urban centres with the highest immigration rates have, by far, the fastest labour market growth. As shown in Figure 4, the immigration rate in Timmins is well below many of its peers. A focused effort to attract more immigrants and retain them in the community may serve to ensure economic growth in the years ahead.

Figure 4: Immigrants and net non-permanent residents arriving in 2018 per 10,000 population



Source: Statistics Canada, tables 17-10-0135-01 and 17-10-0136-01.

Immigration: boosting the Timmins talent pipeline

Along with other efforts to boost the workforce, increasing the number of immigrants settling in Timmins would be a strategic move to ensure that the talent pipeline is large and strong enough to meet local industry demands and provide a source of new entrepreneurs. These immigrants could come as students, workers and business owners filling important roles in the economy and boosting demand for local goods and services. Timmins is part of the new [Rural and Northern Immigration Pilot](#), which was established to help smaller rural and northern communities attract and retain foreign skilled workers to meet their economic development and labour market needs.

² The number of Canadian-born workers exiting the workforce is greater than the number of Canadian-born workers joining the workforce each year.

Supporting the French-speaking population

There is a large French-speaking community in Timmins. Nearly 16,000 people have French as their mother tongue (38% of the population) and more than half of the population can speak French, making Timmins one of the most bilingual cities in Canada. However, the Francophone population is older on average, with 36% over the age of 55 compared to only 25% among those with English as their mother tongue.

The good news is the community has a strong track record of attracting Francophones. Between 2011 and 2016, more than 700 people who speak French as their first language moved to Timmins from other communities in Canada. Immigration could be an important way to ensure Francophone population of Timmins continues to thrive.

Helping to grow the local economy

Attracting more immigrants in the coming years would create new demand for local products and services. Every 100 new immigrant families with an average household income directly generate more than \$9 million worth of new household expenditures—much of this spending in the local community³.

Statistics show that these 100 immigrant families would spend:

- \$2.1 million per year on housing costs such as mortgage payments, electricity and property taxes,
- \$1.3 million each year on transportation costs such as vehicle purchases and maintenance, and,
- \$870,000 on food expenditures at local grocery stores and restaurants.

These 100 new families would also generate some \$2.4 million worth of taxes per year for local, provincial and federal governments.

Other positive effects

Attracting more immigrants to Timmins would help support a vibrant economic and social life in many other ways. Civic and business groups would have a growing pool from which to draw members. Youth sports clubs and leagues around the region would benefit from an increasing population of young residents.

Retaining and integrating newcomers

Retention will be critical to long-term population growth. The local population in the region doesn't have much recent history with immigration. Over 88% of Timmins residents are at least third-generation Canadians, meaning that they were born in Canada, as were their parents and grandparents. In order to ensure the successful integration and retention of immigrants to Timmins, it is important that newcomers are welcomed into social life and quickly develop a strong sense of Canadian identity and social cohesion.

Helping to sustain high quality public services

There is a direct relationship between economic growth and provincial and local government capacity to provide high quality public services and public infrastructure such as roads, schools and hospitals. A growing economy and population in Timmins could lead to a greater public investment in services and infrastructure.

³ Assumes the new household spending conforms to the current spending pattern in Ontario.

Older residents play an important role in the community

Residents of all ages contribute to the well-being of their communities and their province by working, paying taxes and giving back through volunteer and charitable activities. As residents of Timmins retire and move into a new stage in their lives, it creates new economic opportunities in healthcare, personal services, and recreation industries.

But these industries should not be considered a replacement for Timmins' important export-oriented industries such as manufacturing and mining. In the years ahead, the community can benefit from the economic opportunities arising from more retirees and from attracting and growing the younger workforce.

Timmins in 2035

What will Timmins look like in 2035? Will it continue to be an important mining, manufacturing and services hub in northern Ontario?

In the years ahead, Timmins will have many opportunities to grow its local economy and build on existing successes. Increasing immigration may be a critical piece that will help to secure a strong and vibrant economy in the region—and drive innovation and growth for years to come.

For more information on how immigration matters across Canada, visit Canada.ca/Immigration-Matters.