



Federal Economic Development  
Agency for Northern Ontario

Agence fédérale de développement  
économique pour le Nord de l'Ontario

# Federal Economic Development Agency for Northern Ontario 2024-25 Departmental Results Report

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for the Federal Economic Development Agency for  
Northern Ontario

Canada 

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# Federal Economic Development Agency for Northern Ontario's 2024-25 Departmental Results Report

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## At a glance

This departmental results report details Federal Economic Development Agency for Northern Ontario's actual accomplishments against the plans, priorities and expected results outlined in its [2024–25 Departmental Plan](#).

- [Vision, mission, raison d'être and operating context](#)

## Key priorities

Federal Economic Development Agency for Northern Ontario (FedNor) identified the following key priorities for 2024-25:

- Advance short-and long-term job creation, business growth and community economic development in Northern Ontario to support an innovative, diversified and sustainable economy.
- Reduce systemic barriers for equity-deserving groups to grow an economy inclusive of all Canadians, including those living in rural and remote areas, Indigenous communities, and official language minority communities.
- Build on strategic partnerships with regional stakeholders, including federal, provincial and municipal governments, Indigenous partners, regional businesses and community organizations, to advance key government priorities for the benefit of the region.
- Advance initiatives aligned with [the Prosperity and Growth Strategy for Northern Ontario](#), while actively seeking opportunities to refresh and modernize the strategy. This includes fostering cross-government collaboration and engaging with regional partners and stakeholders to ensure that the strategy remains responsive to the evolving needs of businesses and communities and drives a new era of economic growth.

- Enhance the department's capacity to deliver on its mandate by strengthening its processes and human resources capacity to support a healthy and diverse workplace. This includes examining ways to streamline internal procedures, adopting best practices for program delivery; and strengthening the workforce through strategic recruitment efforts, on-the-job training and succession planning.

### Highlights for FedNor in 2024-25

- Total actual spending (including internal services): \$64,063,131
- Total full-time equivalent staff (including internal services): 100

For complete information on FedNor's total spending and human resources, read the [Spending and human resources section](#) of its full departmental results report.

### Summary of results

The following provides a summary of the results the department achieved in 2024-25 under its main areas of activity, called "core responsibilities."

Core responsibility 1: Economic Development in Northern Ontario

Actual spending: \$56,815,774

Actual full-time equivalent staff: 64

Promoted community economic development, diversification and industrial and business growth contributing to a more innovative and sustainable economy

Through its programs and services, and its financial support of projects that lead to job creation and economic growth, FedNor works with businesses and community partners to build a stronger Northern Ontario.

In 2024–25, the department invested in growing the region's economy by supporting job creation and sustainable development. In its funding capacity, FedNor provided support to projects across the region to promote local economic resiliency and catalyze long-term growth. In total FedNor provided more than \$47.9 million in grants and contributions in support of 293 projects led by municipalities, Indigenous communities, businesses, not-for-profits, and other key regional organizations and institutions including academia. These projects leveraged \$222.2 million from other sources, with 22.6% of the total project financing contributed by provincial and other federal sources.

Through its core programming, FedNor supported communities of all sizes, including First Nations, small, rural and remote communities, to plan and mobilize their resources, enhance business growth, and pursue new opportunities. The department also delivered targeted investments and support for businesses at various stages of development, helping them accelerate growth, improve efficiency, and adopt innovative technologies. Additionally, FedNor focused on strengthening regional innovation ecosystems, enabling business communities to collaborate on ideas, develop productivity-enhancing solutions, boost global competitiveness, and attract new talent. These contributions, funded through the [Northern Ontario Development Program](#), the [Regional Economic Growth through Innovation Program](#), the [Community Futures Program](#), and the [Economic Development Initiative](#) for Official Language Minority Communities, provided \$43.5 million in support of 267 projects in 2024-25.

FedNor also delivered important temporary initiatives to increase economic diversification and growth including the [Tourism Growth Program](#), the [Regional Homebuilding Innovation Initiative](#), the [Regional Artificial Intelligence Initiative](#), and the [Black Entrepreneurship Program](#). Altogether, FedNor provided \$4.4 million in support of 26 projects through its temporary programming in 2024-25.

### Promoted and strengthened an inclusive and sustainable economy for all people in Northern Ontario

Over the past year, FedNor supported projects focused on addressing barriers and promoting the economic participation of equity-deserving groups, including Indigenous peoples, members of official language minority communities, Black entrepreneurs and other racialized groups, persons with disabilities, newcomers to Canada, women, youth, and 2SLGBTQI+ individuals. Of the total funding provided in 2024–25, \$17.5 million (36%) was provided to projects where the activities and/or outcomes specifically benefitted one or more equity-deserving groups. Specifically, 26.9% of all funding was provided to projects where the activities and/or outcomes benefitted Indigenous peoples, 4.4% was provided to projects focused on youth, 2.9% to women, 1.9% to Francophones, 0.2% to newcomers, and 0.2% to Black communities<sup>1</sup>.

Building on these targeted investments, FedNor delivered specialized programs dedicated to promoting inclusive economic development across Northern Ontario, such as the [Economic Development Initiative](#) for Official Language Minority Communities and the [Black Entrepreneurship Program](#). Collectively, these initiatives provided approximately \$977,000 in targeted contributions to projects that support economic opportunities for Francophone communities and Black entrepreneurs, facilitating their full participation in the economy.

FedNor also took several steps to support the economic development and diversification of Indigenous communities. In alignment, with the implementation of the *United Nations Declaration on the Rights of Indigenous Peoples Act*, the department deepened collaboration with First Nations communities, Indigenous-led organizations and other government departments to advance economic reconciliation.

Working alongside other funders, FedNor prioritized capacity-building initiatives, assisting Indigenous communities in planning, developing, and executing projects that support long-term growth. This involved providing pathfinding support to help Indigenous communities secure government funding for Indigenous-led projects and for organizations offering services to Indigenous Peoples.

For example, FedNor secured approval for the [Strategic Partnerships Initiative \(SPI\)](#) proposal aimed at helping Indigenous communities access emerging economic opportunities in clean energy sector. Internally, FedNor also strengthened department-wide engagement on program delivery to Indigenous applicants through the creation of an Indigenous Projects Working Group.

To advance the development of key sectors throughout the region, FedNor supported projects across priority and emerging sectors outlined in the Prosperity and Growth Strategy for Northern Ontario, such as mining, forestry, tourism, manufacturing, agri-food and health and life sciences. Of the total funding across all programs, \$20.0 million (41.7%) was dedicated towards these sectors.

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<sup>1</sup> Projects may benefit more than one equity-deserving group, meaning these figures are not mutually exclusive.

In line with its commitment to inclusive and sustainable development, FedNor also invested \$5.1 million towards clean energy projects to facilitate the transition to a green economy and encourage adoption of clean technologies.

FedNor also allocated most of its program funding, over 36.2 million (75.7%), towards projects located in small, rural, and remote communities<sup>2</sup> across Northern Ontario.

To improve access and service delivery, FedNor launched a new grants and contributions program management system and client portal in 2024-25. This new platform enables users to submit funding requests online and manage their profiles independently. It also provides the option to voluntarily self-identify as a member of an equity-deserving group, reinforcing FedNor's commitment to inclusivity and enabling analysis of participation across diverse population demographics.

The new system enhances accessibility, strengthens data collection and reporting, and improves the department's capacity to measure program performance. It also supports FedNor's Gender-Based Analysis Plus (GBA Plus) practices by embedding equity considerations into program design, delivery, and evaluation.

**Cultivated strong and strategic partnerships to advance government priorities for the benefit of the region**

Throughout 2024-25, FedNor prioritized outreach and collaboration across all levels of government, as well as with local and regional stakeholders, to better respond to the evolving needs of Northern Ontario. By deepening strategic relationships with municipal leaders, Indigenous organizations and governments, businesses, and not-for-profits, the department positioned itself as a vital connector, advisor, and facilitator for a wide range of economic initiatives.

In its advisor and pathfinder role, FedNor helped organizations and businesses navigate government funding programs, regulatory frameworks, and strategy partnership opportunities. Through hands-on guidance, it supported clients in accessing not only the department's own programs but also in connecting with complementary resources across provincial, federal, and private sectors. This comprehensive approach aimed to maximize impact and promote long-term sustainability.

As a convener, FedNor organized roundtables, workshops, and networking events to bring together experts, innovators, and community members from across the region. These gatherings provided platforms for sharing regionally specific knowledge, best practices, and emerging trends, ensuring that federal departments and stakeholders remained well-informed about the unique challenges and opportunities in Northern Ontario.

FedNor also supported clients in accessing specialized business expertise and resources, helping businesses and communities navigate emerging economic uncertainties and accelerate growth. Through tailored advisory services and targeted programming, the department provided clients with the tools needed to adapt to evolving market conditions and pursue long-term success. These efforts contributed to building a more resilient, agile, and competitive regional economy.

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<sup>2</sup> Rural projects are defined by projects located outside of Northern Ontario's two census metropolitan areas (CMAs) of Greater Sudbury / Grand Sudbury and Thunder Bay.

## Led efforts to refresh of the Prosperity and Growth Strategy for Northern Ontario

The [Prosperity and Growth Strategy for Northern Ontario \(PGSNO\)](#), led by FedNor, reflects a whole-of-government approach to catalyze strong economic development in the region. Launched in 2018, the PGSNO recognizes that place-based strategies are essential for addressing the unique needs and challenges of the region. The strategy serves as a guide for federal investments, encouraging greater collaboration amongst federal departments to deliver the best results for Northern Ontario.

In 2024-25, FedNor initiated a refresh of the strategy to better reflect the current economic context and establish a renewed direction focused on maximizing the economic potential of businesses and communities in the region.

To support this refresh, FedNor released the [Progress Report 2018-23: Results at a Glance](#) in spring 2024, outlining federal efforts and year-over-year changes across the Northern Ontario economy. This report highlighted areas of progress since the launch of the PGSNO and identified where further efforts are needed. It also served as the foundation for developing updated priorities and outcomes for the strategy.

Several key themes for further engagement emerged from the report, including:

- Sustainable development and growing the green economy;
- Infrastructure; transportation and housing;
- Strengthening labour markets through immigration, talent attraction, retention, and up-skilling;
- Enhancing access to capital for equity-deserving groups;
- Improving targeted supports for Northern Ontario's priority sectors; and,
- Advancing economic reconciliation and supporting Indigenous-led economic development.

From July to October 2024, FedNor organized targeted engagement sessions with over 300 stakeholders. These sessions provided an opportunity to review the progress to date, identify regional gaps and opportunities, and discuss refreshed priorities and actions for the future. Following the sessions, FedNor conducted a validation survey to confirm key themes and further prioritize areas of action. This process resulted in the development of the [What We Heard Report](#).

To support increased collaboration with other federal departments and agencies, FedNor led the creation of the Interdepartmental PGSNO committee. The committee's collective responsibilities included supporting engagement sessions with key stakeholders, identifying initiatives for potential alignment and sharing information.

The insights gathered through these engagement activities helped FedNor and its partners better understand how to address challenges and seize opportunities in Northern Ontario's evolving economic landscape. In collaboration with the Interdepartmental PGSNO committee, FedNor worked to develop a refreshed, place-based, and comprehensive whole-of-government [strategy](#), released in 2025-26. This new and ambitious strategy will guide federal investments in Northern Ontario over the next five years.

For more information on FedNor's [Economic Development in Northern Ontario](#) read the 'Results – what we achieved' section of its departmental results report.

## From the Minister

It is my privilege to present the 2024–25 Departmental Results Report for the Federal Economic Development Agency for Northern Ontario (FedNor). The Department Results Report outlines how FedNor’s investments and activities over the past year have supported business growth, promoted innovation in emerging sectors, and diversified local economies, including rural, remote, and First Nations communities, to boost economic development across the region.

As the federal department dedicated to Northern Ontario, FedNor is focused on strengthening economic growth, diversification, and innovation through strategic investments and partnerships. For decades, FedNor has been a catalyst for prosperity, empowering communities, entrepreneurs, and Indigenous peoples to build sustainable futures. This year, our mandate has never felt more vital.

In 2024–25, businesses and communities in Northern Ontario faced new challenges including changing trade relations, new workforce needs, and a demand for sustainable growth, innovative solutions and a teamwork approach to grow the economy. Even with these challenges, Northern Ontario’s economy stayed strong, with measurable growth in key sectors such as mining and manufacturing. In 2024, the region’s gross domestic product was worth about \$34.6 billion. This growth comes from the region’s close-knit communities of dedicated workers, innovators, and entrepreneurs who remain committed to improving themselves, their families, and the region.

As I reflect on the last year, I am proud to highlight several key accomplishments that underscore FedNor’s contributions to this growth. During the last year, FedNor delivered \$47.9 million in funding in support of 293 projects led by municipalities, Indigenous communities, businesses, non-for-profits, and other organizations, including post-secondary institutions. These projects leveraged \$222.2 million from other sources, with 22.6% of the total project financing contributed by provincial and other federal sources.

Northern Ontario’s economy is diversifying, and FedNor has played a critical role in supporting this transformation. This included sector-specific support through new programs announced as part of Budget 2024. Delivered alongside Canada’s other regional development agencies (RDA’s), the [Regional Artificial Intelligence Initiative \(RAII\)](#) provided AI productization and commercialization as well as support for the adoption of applications across critical sectors in the region. While the [Regional Homebuilding Innovation Initiative](#) focused on helping businesses and organizations enhance the local housing supply chain and advance innovation in the residential construction sector in Northern Ontario.

FedNor also worked to remove barriers for groups who face challenges, aiming to build an economy that includes all Canadians—especially those in rural and remote areas, Indigenous communities, and official language minority groups. Deepening relationships with regional stakeholders, including federal, provincial and municipal governments, Indigenous partners, regional businesses and community organizations, FedNor worked diligently to advance key government priorities for the benefit of the region. For example, over the last year, FedNor advanced the work to refresh [the Prosperity and Growth Strategy for Northern Ontario](#). Hearing directly from a wide variety of community and industry leaders, FedNor collected feedback during engagement sessions, using these insights to guide revisions to the whole-of-government strategy.

FedNor also remained deeply committed to furthering reconciliation and economic self-determination for Indigenous communities in the region. This past year, FedNor invested in Indigenous-led organizations, supporting initiatives in capacity development, new partnerships, and economic infrastructure. These partnerships have enabled Indigenous communities to harness their unique strengths, create jobs, and build pathways to lasting prosperity. For example, FedNor secured approval for a [Strategic Partnerships Initiative \(SPI\)](#) proposal aimed at helping Indigenous communities seize emerging economic opportunities in the clean energy sector.

Finally, FedNor also worked to enhance the department's capacity to deliver on its mandate by strengthening how it works by making its processes better and building a stronger, more diverse team. This includes simplifying internal administrative processes, using best practices for programs, and hiring and training staff to prepare for the future.

On behalf of FedNor, I extend sincere thanks to our regional stakeholders for their dedication to Northern Ontario's success. This report is a testament to the collective effort that propels our region towards a better economic future.

I invite you to read this report to learn more about FedNor's efforts to build a diverse and resilient economy in Northern Ontario and Canada. Thank you for your continued support and partnership.



**The Honourable Patty Hajdu, P.C., M.P.**

Minister of Jobs and Families and Minister responsible for the Federal Economic Development Agency for Northern Ontario

## Results – what we achieved

Core responsibilities and internal services

- [Core responsibility 1: Economic Development in Northern Ontario](#)
- [Internal services](#)

### Core responsibility 1: Economic Development in Northern Ontario

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- [Progress on results](#)

- [Details on results](#)
- [Key risks](#)
- [Resources required to achieve results](#)
- [Related government priorities](#)
- [Program inventory](#)

#### Description

FedNor promotes an innovative, diversified and inclusive Northern Ontario economy through investments in regional growth, including commercialization and adoption of technologies, as well as community economic diversification.

#### Quality of life impacts

This core responsibility contributes to the “Prosperity” domain of the [Quality of Life Framework for Canada](#), and more specifically, “Employment” through the activities mentioned in the core responsibility description.

#### Progress on results

This section details the department’s performance against its targets for each departmental result under Core responsibility 1: Economic Development in Northern Ontario. Of note, FedNor implemented a new Departmental Results Framework in 2024-25. The new Framework includes indicators that are more specific to Northern Ontario when, prior to the creation of FedNor as a separate agency in 2021, previous indicators were based on a national targets developed by Innovation Science and Economic Development Canada (ISED). As such, past results are not applicable for most new indicators. The 2024-25 results are reflective of agreements where result forms were received at the time of reporting. To develop targets, FedNor examined ten-year averages of historical results data across all core programs. To enhance future reporting and better reflect ongoing progress, the department is actively refining its performance tracking methodologies. This includes interim reporting approaches for multi-year projects to support more accurate and timely interim assessments.

Table 1: Communities are economically diversified in Northern Ontario

Table 1 shows the target, the date to achieve the target and the actual result for each indicator under Communities are economically diversified in Northern Ontario in the last three fiscal years.

| Departmental Result Indicator                                                                                                     | Target | Date to achieve target | Actual Result                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------|--------|------------------------|--------------------------------------------------------------------|
| Amount leveraged per dollar invested by FedNor in community projects                                                              | \$1.95 | March 2025             | 2022–23: \$2.08<br>2023–24: \$1.61<br>2024–25: \$2.19              |
| Number of jobs created or maintained as a direct result of project activities                                                     | 4,600  | March 2025             | 2022–23: Not available<br>2023–24: Not available<br>2024–25: 7,153 |
| Number of physical community or regional assets developed, modernized or expanded as a direct result of FedNor project activities | 60     | March 2025             | 2022–23: Not available<br>2023–24: Not available                   |

| Departmental Result Indicator                                                                                                                                      | Target | Date to achieve target | Actual Result                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|------------------------|--------------------------------------------------------------------|
|                                                                                                                                                                    |        |                        | 2024–25: 41 <sup>3</sup>                                           |
| Percentage of FedNor recipients reporting improved capacity to address economic and business development needs and opportunities two years after the project ended | 90%    | March 2025             | 2022–23: Not available<br>2023–24: Not available<br>2024–25: 92.2% |

Table 2: Businesses invest in the development and commercialization of innovative technologies in Northern Ontario

Table 2 shows the target, the date to achieve the target and actual result for each indicator under Businesses invest in the development and commercialization of innovative technologies in Northern Ontario in the last three fiscal years.

| Departmental Result Indicator                                                                                                             | Target    | Date to achieve target | Actual Results                                                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------|-----------|------------------------|---------------------------------------------------------------------------------------|
| Number of value-added products, processes, services or technologies <i>developed</i> as a direct result of FedNor project activities      | 230       | March 2025             | 2022–23: Not available<br>2023–24: Not available<br>2024–25: 101 <sup>4</sup>         |
| Number of value-added products, processes, services or technologies <i>commercialized</i> as a direct result of FedNor project activities | 65        | March 2025             | 2022–23: Not available<br>2023–24: Not available<br>2024–25: 42 <sup>5</sup>          |
| Number of patents, licenses or copyrights filled as a direct result of FedNor project activities                                          | 15        | March 2025             | 2022–23: Not available<br>2023–24: Not available<br>2024–25: 28                       |
| Value of exports of goods (in dollars) from Northern Ontario                                                                              | 7,962,500 | March 2025             | 2022–23: 7,617,334 (2021)<br>2023–24: 11,049,830 (2022)<br>2024–25: 10,035,120 (2024) |

Table 3: Businesses are innovative and growing in Northern Ontario

Table 3 shows the target, the date to achieve the target and actual result for each indicator under Businesses are innovative and growing in Northern Ontario in the last three fiscal years.

<sup>3</sup> The target was not achieved due to several factors: some intended results were initially overstated and included indirect outcomes; final results remain outstanding for four related projects; and three projects were either amended or cancelled.

<sup>4</sup> The target was not achieved due to several factors: some intended results were initially overstated and included indirect outcomes; annual results for ongoing multi-year projects are not included, as outcomes are only reported in the year of project completion.

<sup>5</sup> The target was not achieved due to several factors: some intended results were initially overstated and included indirect outcomes; final results remain outstanding for four related projects; additionally, annual results for ongoing multi-year projects are not included, as outcomes are only reported in the year of project completion.

| Departmental Result Indicator                                                                                                                                                                         | Target                     | Date to achieve target | Actual Results                                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------|---------------------------------------------------------------------------------|
| Number of assets in support of innovation created, acquired/adopted or enhanced/adapted as a direct result of FedNor project activities                                                               | 170                        | March 2025             | 2022–23: Not available<br>2023–24: Not available<br>2024–25: 53 <sup>6</sup>    |
| Number of businesses created, maintained, expanded or modernized as a direct result of FedNor project activities                                                                                      | 2,260                      | March 2025             | 2022–23: Not available<br>2023–24: Not available<br>2024–25: 2,035 <sup>7</sup> |
| Percentage of FedNor-assisted entities that are majority owned or majority-led by underrepresented groups <sup>8</sup>                                                                                | Not available <sup>9</sup> | March 2025             | 2022–23: Not available<br>2023–24: Not available<br>2024–25: 43.1%              |
| Percentage of funding recipients reporting their projects led to improvements in exports, market share, profits, sale growth, employment growth or tourism receipts two years after the project ended | 30%                        | March 2025             | 2022–23: Not available<br>2023–24: Not available<br>2024–25: 52.4%              |

The [Results section of the Infographic for FedNor on GC Infobase page](#) provides additional information on results and performance related to its program inventory.

Details on results

The following section describes the results for Economic Development in Northern Ontario in 2024–25 compared with the planned results set out in FedNor’s departmental plan for the year.

### **Communities are economically diversified in Northern Ontario**

Northern Ontario encompasses a vast and diverse geography, home to 150 municipalities and 106 First Nations spread across expansive rural areas, as well as the urban centers of Greater Sudbury and Thunder Bay. In 2024, Statistics Canada estimated that the region’s population grew substantially to approximately 944,000 individuals, which represented 5.3% increase compared to 2021. The region accounts for 6% of Ontario’s population while covering 90% of the province’s landmass.

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<sup>6</sup> This target was not met due to shifting priorities among applicants for FedNor programming. FedNor's continuous intake process ensures resources are distributed based on identified demands.

<sup>7</sup>This target was not met due to missing results reporting from three Community Futures Development Corporation (CFDC) quarterly reports, and three related projects.

<sup>8</sup> Underrepresented groups for the indicator “Percentage of FedNor-assisted entities that are majority-owned or majority-led by underrepresented groups” include 2SLGBTQ+; women; Indigenous Peoples; members of official language minority communities; youth; persons with disabilities; newcomers to Canada and immigrants; Black communities; and racialized communities.

<sup>9</sup> Target to be created through the new grants and contributions client portal after one full year of implementation (anticipated 2025-26).

Like many regions in Canada, Northern Ontario is experiencing the effects of an aging population. The region has a higher proportion of seniors (23%) compared to the province (18%) and Canada (19%). At the same time, it is seeing notable growth in immigration and international student enrollment, particularly in urban centers. The region is also seeing a rise in its Indigenous youth population, contributing to a dynamic and evolving demographic profile.

While the two urban centers account for a significant portion of the population (30%), the remainder resides in rural communities, many of which are situated in remote areas with limited access to services. Of the 150 municipalities in Northern Ontario, all but two are classified as rural, with the majority having populations of fewer than 2,000 people. A significant portion of these communities, consisting of 38 census subdivisions, are considered single-industry dependent, where the dominant local industry employs more than one third (33%) of the workforce.

In 2024, Northern Ontario's gross domestic product (GDP) was estimated to be \$34.6 billion, with projections indicating an average annual growth rate of 1 percent over the next 20 years. The region holds valuable natural resources critical to supporting Canada's economy, trade and exports, including minerals such as gold, nickel, and copper. Northern Ontario is home to 27 of Ontario's 28 active metal mines. In 2024, the largest sector in the region was mining, accounting for an estimated 15% of GDP. It is also a significant source of employment, supporting over 18,000 jobs. The sector accounted for 4.7% of all employment in Northern Ontario - four times the national average of 1.2%.

Northern Ontario's forestry sector is also a significant economic driver for many communities, with the region encompassing 95% of the province's productive forests. Between 2019 to 2024, the region experienced a reduction of 800 forestry related jobs. However, the sector continued to employ a sizable portion of the workforce, with around 9,000 workers. In 2023, half of all forestry employment in Ontario was in Northern Ontario, despite the region being home to only 6% of the province's population. Nationally, although Northern Ontario accounts for just 2% of Canada's population, it employs about 8% of all forestry workers in the country.

Other emerging sectors have helped to diversify local economies and present additional opportunities for growth and productivity. Notably the tourism sector has demonstrated strong gains; from 2020 to 2023 tourism-related employment grew by 34% - outpacing the province and Canada as a whole. This momentum in tourism complements other growth industries and underscores the region's potential beyond traditional resource-based sectors.

In addition to tourism, the agriculture sector continues to support local food production and enhance stability with key revenues from dairy, livestock and grain and other crop farming. Although employment declined from 6,700 in 2016 to 6,300 in 2021, national forecasts suggest growing demand for agri-food workers and products in the years ahead. There are also emerging opportunities for increased interprovincial trade, as provinces work collaboratively to make it easier for local producers to sell products across Canada and strengthen one Canadian economy.

Furthermore, advances in manufacturing have successfully broadened the regions' outputs and helped to maximize the value of natural resource sectors. In 2023, Northern Ontario was home to over 1,500 manufacturing businesses. About 80% of these were focused on value-added processing tied to the region's strengths in mining, forestry, equipment, and food production.

Recognizing the unique challenges and opportunities of the region, FedNor is committed to creating the right conditions for sustainable and inclusive economic growth. Through its roles as an advisor, convenor, guide, pathfinder and funder, the department promotes job creation, business growth, and community development.

Through its flagship [Northern Ontario Development Program](#), FedNor adopts a place-based approach that considers the region's unique economic, social, cultural, and environmental factors. By leveraging the strengths and assets of local communities, the department works to create conditions where people and communities can thrive, supporting inclusive growth, resilience, and long-term prosperity across Northern Ontario.

In 2024-25, FedNor provided over \$19.2 million in assistance through the community economic development stream of the Northern Ontario Development Program in support of 152 projects led by municipalities, non-profit organizations, Indigenous communities and other organizations and institutions. These contributions leveraged \$1.85 for every dollar invested by the department.

Of the assistance provided, nearly three quarters (73.6%) helped to strengthen the competitiveness of the region and local communities through the implementation of identified priorities to diversify and stimulate business investment and growth. Activities funded under this NODP stream also supported enhanced collaboration among stakeholders to achieve shared regional economic development goals; strategic and business planning and youth internships to assist with projects related to community economic and business development.

**Example of a Northern Ontario Development Program project in support of community competitiveness**

**Lac Seul First Nation** received \$514,960 from the Northern Ontario Development Program and secured \$1.3 million from Natural Resources Canada's Clean Energy for Rural and Remote Communities program to support its Bioenergy Pilot Project. This funding will enable the acquisition and installation of two biomass boilers—one at the Sioux Lookout fire hall and public works building, and one at the Lac Seul First Nation public works building and sawmill. This pilot project will also reduce diesel dependencies and serve as a demonstration model that could be replicated and scaled to meet the needs of other rural or remote First Nations communities.

Through the [Community Investment Initiative for Northern Ontario](#), the department provided financial support to municipalities and Indigenous communities to hire dedicated economic development staff. These efforts helped strengthen local capacity for planning, informed decision-making, and the implementation of regional economic development initiatives. In turn, these activities generated employment opportunities, attracted investment, catalyzed growth, and enhanced productivity. This funding represented 9.2% of the support provided through the [community economic development](#) stream of the Northern Ontario Development Program in 2024–25 and was recognized by key stakeholders during the Prosperity and Growth Strategy for Northern Ontario engagement sessions as a vital mechanism for advancing local economic development.

### Example of a Community Investment Initiative for Northern Ontario project

As a result of a \$300,000 contribution through the Community Investment Initiative for Northern Ontario (CIINO), **Mitaanjigamiing First Nation** advanced its economic development objectives. This funding enabled the hiring of a full-time economic development officer whose role focuses on implementing the community's economic development plan. Specifically, the officer will oversee initiatives to expand business activities and develop new tourism accommodations, supporting income generation and employment for community members. Project activities are anticipated to stimulate business growth at the proposed tourist facility site, introduce new commercial opportunities and services, and increase direct income and job opportunities for Mitaanjigamiing First Nation.

Part of the Government of Canada's [Action Plan for Official Languages 2023–2028](#), the [Economic Development Initiative](#) delivered by FedNor aims to enhance the economic vitality of Northern Ontario's official language minority communities (OLMCs) and strengthen the region's competitiveness through linguistic duality. Over the last year, FedNor contributed \$800,000 to 8 projects under this initiative, which helped to further economic development across Francophone communities. These projects helped support new skills development through innovation, diversification, partnerships and increased business support for francophone small and medium-sized businesses across the regions OLMCs.

Francophones comprise approximately 15% of Northern Ontario's population, compared to 4% in Ontario and 4% in Canada outside of Quebec. The percentage of Francophone-owned businesses is also higher in Northern Ontario (11%) than the rest of the province (3%). However, overall population decline remains a significant challenge for Francophone communities in the region. Estimates predict that 12,391 Francophone immigrants are needed annually for a decade to combat outmigration. This highlights both the significance of Francophone communities in Northern Ontario and the unique importance of targeted initiatives to support their vitality.

As a pathfinder and convenor, FedNor collaborates with a wide range of regional partners to cultivate an environment that enables communities, businesses, and individuals to succeed and thrive. This includes working with federal, provincial, municipal and Indigenous governments to advance key government priorities and diversify local economies by partnering on mining, forestry, tourism, agri-food, renewable energy and manufacturing projects. These efforts help to ensure the interests of Northern Ontario are represented in discussions surrounding resource development, and that the communities and businesses are well-connected to emerging opportunities.

Throughout 2024-25, FedNor supported the economic growth of Indigenous communities across the region by funding Indigenous-led projects through its core and temporary programming. In addition, FedNor:

- Strengthened partnerships with First Nations led-organizations, community leaders, and non-profit groups to advance Indigenous-led economic initiatives. This included funding Indigenous economic development conferences, attending events such as the Joint Gathering of Ontario First Nations Chiefs, hosting Indigenous-focused engagement sessions on the Prosperity and Growth Strategy for Northern Ontario, and travelling to remote First Nations communities to meet directly with leadership and economic development staff regarding emerging opportunities.

- Continued to collaborate with Natural Resources Canada, Indigenous Services Canada, the Province of Ontario, and First Nation communities on the implementation of the [Canadian Critical Minerals Strategy](#) and the federal approach in the Ring of Fire region. These efforts included advocating for greater relationship-building with impacted communities to ensure meaningful First Nation participation in decision-making processes. In particular, the department focused on supporting capacity building and strategic planning within First Nation communities, as well as facilitating infrastructure assessments and development activities.
- Supported Canadian participation in the [Organisation for Economic Co-operation and Development \(OECD\) Mining Regions and Cities Initiative](#) by contributing to a regional case study and supporting the 2024 Greater Sudbury Mining and Regions event. The event highlighted First Nations perspectives, co-development opportunities and policy recommendations.

Across Northern Ontario, and especially in rural and remote areas, communities face aging populations and shortages in available labour, including technical experts, and skilled tradespeople. With a larger senior population compared to the rest of the province and Canada, newcomers are crucial to support a stronger labour force for the region. Over the last year, FedNor collaborated with Immigration, Refugees and Citizenship Canada (IRCC) to support the delivery of the Rural and Northern Immigration Pilot and the transition to the [Rural and Francophone Community Immigration pilots](#) in 2025. These initiatives aim to help rural communities attract newcomers, address labour shortages, and enable local businesses to meet workforce needs. The Francophone Community Immigration Pilot, in particular, is designed to increase the number of French-speaking immigrants settling in Francophone minority communities. To support these efforts, the department provided financial assistance to [selected municipalities](#) across the region to hire dedicated staff to participate in and implement these programs.

Additionally, FedNor continued to support talent attraction and retention in 2024-25 by funding [youth internships](#). FedNor provides financial support for youth interns under three funding programs: Regional Economic Growth through Innovation (REGI), Northern Ontario Development Program (NODP) and the Economic Development Initiative (EDI). These internships provide Northern Ontario employers with the vital human resources and offer youth valuable work experience, strengthening the region's economic development capacity.

Over the past year, FedNor strengthened its partnerships with both federal and provincial agencies to improve service delivery and achieve greater impact in its initiatives. For instance, FedNor strategically utilized its extensive network of regional development agencies to facilitate effective coordination of programming, including the implementation of new initiatives and independent evaluations. Working alongside regional development agencies, FedNor coordinated responses to emerging issues such as trade diversification, and built a unified presence in global economic forums such as the International Organisation for Economic Co-operation and Development (OECD). Collaboration across the regional development agencies was essential for sharing best practices, including those pertaining to Gender-based Analysis Plus, internal services, performance measurement and data analysis.

FedNor also re-instated the Northern Ontario Management Group to promote horizontal dialogue and collaboration, encourage the sharing of best practices and to address issues of common interests in Northern Ontario across management teams in other federal departments and the province.

Additionally, FedNor strengthened its federal strategic partnerships over the past year, notably with Innovation, Science, and Economic Development Canada (ISED) through initiatives such as the Accelerated Growth Service and the Strategic Innovation Fund. The department also collaborated with the National Research Council's Industrial Research Assistance Program to support technology assessments for innovation-driven projects. Additionally, FedNor renewed its partnership with Public Service Procurement Canada to leverage its expertise for project evaluations and the implementation of the *Impact Assessment Act*.

At the provincial level, FedNor maintained ongoing collaboration with the Northern Ontario Heritage Fund Corporation, the Ministry of Northern Economic Development and Growth, and the Ministry of Energy and Mines to deliver project-based funding. The department met regularly with these partners to ensure that funding initiatives complemented other federal and provincial measures and responded effectively to the unique needs of the region.

### **Results achieved**

In total, FedNor contributed over \$20.0 million towards 160 projects for this departmental results in 2024-25. Within this departmental result:

- The majority (96.0%) was distributed through the Northern Ontario Development Program, followed by the Economic Development Initiative (4.0%).
- Most 71.0 % of funding provided was in support of rural and remote projects in the region<sup>10</sup>
- Approximately two thirds of the funding (65.9%) was provided to projects that specifically benefit one or more equity-deserving group (Indigenous Peoples, youth, Francophone communities, newcomers to Canada, or women).
- Just over one third of FedNor contributions (36.0%) supported projects within a priority and emerging sector identified in the Prosperity and Growth Strategy for Northern Ontario. Priority and emerging sectors include mining, forestry, tourism, manufacturing, agri-food and health and life sciences. A total of 10.4% helped communities and businesses implement clean technology initiatives.

### **Businesses are innovative and growing in Northern Ontario**

Small businesses are at the heart of communities across Northern Ontario. They shape the identity of towns and cities, and are essential to the region's economic vitality and long-term growth. Small and medium-sized enterprises (SMEs) represent 99.7% of all employee-based businesses in the region, with fewer than 100 companies employing more than 500 people. The majority of the region's businesses are in rural areas, where they contribute significantly to job creation, local development and community sustainability.

As of 2024, the number of businesses has grown to over 74,000<sup>11</sup>. Although the majority of businesses continue to report positive growth, small and medium-sized enterprises encounter challenges including labour recruitment and retention, securing financing and adopting new technologies. Additionally Northern Ontario's vast geography and low population density present further challenges for businesses

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<sup>10</sup> Rural projects are defined by projects located outside of Northern Ontario's two census metropolitan areas (CMAs) of Greater Sudbury / Grand Sudbury and Thunder Bay.

<sup>11</sup> Figure includes both employee-based businesses, and the indeterminate businesses.

related to deteriorating and inadequate infrastructure (transportation, broadband and housing), long distances to markets, and higher operational costs for energy, labour, capital, and raw materials. These barriers can limit investment opportunities and hinder growth, particularly for equity-deserving groups who may experience additional barriers. Participants throughout the Prosperity and Growth Strategy for Northern Ontario engagement sessions confirmed that these challenges support the need for place-based, targeted supports to promote an inclusive entrepreneurial environment in which Northern Ontario businesses can thrive.

Over the past year, the region demonstrated resilience and growth despite ongoing global market uncertainties and escalating trade tensions. These challenges required businesses to adapt to changing trade dynamics. According to the latest data, the region's exports reached 10.1 billion in 2023. While this represents a slight decline from the \$11 billion reached in 2022, it remains significantly higher than in previous years.

FedNor supports the advancement of small and medium-sized businesses by delivering funding and services to spur economic development within the region. The department implements regionally tailored strategies designed to capitalize on diverse growth opportunities, stimulate job creation, and promote inclusive prosperity among businesses.

Over the past year, FedNor provided \$6.6 million in support of 25 projects through the [business scale up and productivity stream](#) of the [Regional Economic Growth through Innovation \(REGI\)](#) program. Funding provided through this stream helped Northern Ontario businesses accelerate business growth through productivity, technology demonstration and adoption, trade expansion and export development, as well as commercialization and market development. For every dollar invested, \$2.71 was leveraged from other sources, amplifying the impacts of these projects. Nearly one third (28%) of the total funding supported initiatives focused on trade and export development, integration into domestic and global value chains, and market expansion.

#### **Example of a Regional Economic Growth through Innovation commercialization project**

Through the Regional Economic Growth through Innovation (REGI) program **Tobler dairy farm** in New Liskeard received a \$600,000 investment to support the expansion and modernization of its operations. This investment enables the construction of a new barn, renovations to existing facilities, and the acquisition of advanced equipment, including a milking robot, collector, bale chopper and mixer, feed pusher, and manure pump. These upgrades are designed to increase production, promote animal health, and reduce carbon emissions, positioning Tobler dairy farm to meet new opportunities and challenges while enhancing sustainability and productivity in the region.

Manufacturing and processing play a vital role in Northern Ontario's economy, driving innovation, creating high-quality jobs, and adding value to the region's abundant natural resources. In 2023, there were approximately 1,522 manufacturing establishments, with 80% of these firms concentrated in value-added processing related to mining, forestry, equipment and food. Through the [Targeted Manufacturing Initiative for Northern Ontario \(TMINO\)](#), the department invests in the modernization of manufacturing equipment for small-medium sized enterprises and assists businesses with operational assessments to explore further enhancements to manufacturing capabilities and production. In the past fiscal year, FedNor provided \$2.9 million towards 11 projects under the TMINO, supporting innovation, business growth and the creation of local jobs in the region. This assistance represents 44.4% of the total funding provided through the [business scale up and productivity stream](#) in 2024-25.

#### **Example of a Targeted Manufacturing Initiative for Northern Ontario (TMINO) project**

**Masters Fibre Mill and Alpaca Farm** on St. Joseph Island received a \$47,752 contribution, through FedNor's Targeted Manufacturing Initiative for Northern Ontario (TMINO), to enhance its operations and expand market reach. The investment supported the acquisition of an automated 3D knitting machine, facility upgrades, and specialized training for staff. These enhancements enabled Masters Mill to diversify its product offerings—including knit sweaters, toques, and mitts—while using exclusively Canadian fibre, making it the only company in Canada producing these items with fully domestic materials. The project is expected to increase revenues, open new markets, and strengthen the region's fibre manufacturing sector.

The department also provided \$5.9 million in funding through the business growth and competitiveness stream of the Northern Ontario Development Program to support business development. This funding, which was distributed across 23 projects, leveraged \$16.8 million from other sources, boosting economic growth and fostering competitive advantages for the region.

#### **Example of a Northern Ontario Development Program project in support of business and sector development**

With a \$1.8 million investment through the Northern Ontario Development Program to **Northern Ontario Angels**, FedNor supported the organization's ongoing growth and regional reach. This three-year commitment allows Northern Ontario Angels to collaborate closely with high-potential businesses, investors, and community partners across the region to increase early-stage investment opportunities for start-ups—fostering business expansion and job creation throughout Northern Ontario. The funding specifically enhances investment readiness by offering training and advisory services, resulting in the creation of 75 new Accredited Northern Ontario Angels and a targeted 120 closed investment deals over the duration of the project.

Initiatives supported through the Northern Ontario Development Program and the Regional Economic Growth through Innovation program over the last year have helped small and medium-sized enterprises form new partnerships and expand professional networks. These efforts have led to increased sales, new investment opportunities, and access to broader markets. For instance, by supporting participation in large-scale networking events, FedNor has facilitated SME integration into major industrial supply chains. Key events supported included, but is not limited to, the Royal Agricultural Winter Fair, the Prospectors and Developers Association of Canada convention, the Canadian Institute of Mining (CIM)

convention, the Wahkohtowin Indigenous Lands Symposium, and the annual Northern Ontario Road to Defense conference. These events play a critical role in fostering connections, visibility, and opportunities for Northern Ontario's businesses. In 2023, 93.8% of small and medium-sized businesses in the region reported selling primarily within their local municipality or region, with only 11% engaged in international export. Given the geographic vastness and remote Nature of Northern Ontario, such events are essential in helping businesses overcome isolation and limited access to investments.

In alignment with the priority and emerging sectors identified through the Prosperity and Growth Strategy engagement exercise, FedNor provided targeted, industry-specific support to stimulate business growth and diversify the region's economy over the past fiscal year. This included strategic investments for projects in mining, forestry, tourism, manufacturing, agri-food and health and life sciences sectors. Through the [Tourism Growth Program \(TGP\)](#), FedNor provided \$2 million in funding across 20 projects in 2024-25, supporting tourism operators in enhancing their services and experiences to attract new visitors. As a key element of the [Federal Tourism Growth Strategy](#), the TGP leverages Canada's unique strengths and adopts a whole-of-government approach to unlock the full potential of the tourism industry. Investments provided through the program aim to help diversify local economies, reduce reliance on single industries, and generate additional revenues for communities through visitor spending on accommodations, dining, and local products.

#### **Example of a Tourism Growth Program Project**

With a \$35,500 contribution through the Tourism Growth Program (TGP), **the Algoma Kinniwabi Travel Association** advanced the Algoma Country Cruise Ship Readiness Plan. This initiative focused on growth destination development across rural areas along the North Channel of Lake Huron—from Spanish, Ontario to St. Joseph Island—and extending north of Lake Superior, from Batchawana to Wawa. Identifying potential tourism assets such as marinas, businesses, local transportation, and attractions, the strategy focuses on enhancing cruise and land excursion experiences in these rural regions. This investment is expected to broaden tourism opportunities, support local economies, and position the region as a welcoming destination for both cruise passengers and land-based visitors.

Artificial intelligence (AI) is reshaping every sector of the Canadian economy, offering significant potential for commercialization, innovation, productivity gains, and social and environmental benefits. To maintain Canada's global leadership in AI, Budget 2024 committed \$200 million to regional development agencies through the [Regional Artificial Intelligence Initiative \(RAII\)](#). This initiative supports both the commercialization of AI technologies and the adoption of AI by small and medium-sized enterprises, with a particular focus on key sectors such as agriculture, health sciences, manufacturing, mining supply and service, and forestry. RAI is designed to bridge the gap between research and real-world application by addressing challenges including funding, talent acquisition, data management, and regulatory compliance. In 2024-25 FedNor provided \$1 million in assistance through this program to help Northern Ontario businesses and organizations invest in and adopt innovative AI technologies with the goal of driving growth, competitiveness, and long-term economic resilience.

#### **Example of a Regional Artificial Intelligence Initiative (RAII) project**

With a \$700,000 FedNor investment through the Regional Artificial Intelligence Initiative (RAII), **NORCAT** will provide advisory services and funding to innovative small- and medium-size enterprises (SMEs) in order to support the adoption, integration, and commercialization of AI tools, products, and services. This project will help companies address skill and productivity gaps related to AI technologies and grow in-house expertise in Northern Ontario, enabling SMEs to enhance efficiency, innovation and competitiveness. This funding will also enable capital purchases and expansion, including servers and cloud infrastructure; targeted training, commercialization expenses, professional services.

Access to affordable and suitable housing, as emphasized by regional stakeholders during the Prosperity and Growth for Northern Ontario engagement sessions, remains a key concern for businesses and communities in Northern Ontario. Recognizing both the economic benefits and growing demand for homes, the Government of Canada launched the [Regional Homebuilding Innovation Initiative](#) in 2024-25 to help businesses and organizations enhance the local housing supply chain and advance innovation in the residential construction sector. Delivered by FedNor and the other regional development agencies, the initiative supports new approaches for homebuilding, including modular design, 3D printing, mass timber, panelized construction, and the adoption of net-zero and climate-resilient practices. During the past fiscal, FedNor distributed nearly \$1.2 million in assistance, supporting the development of advanced homebuilding solutions that aim to improve construction efficiency, reduce environmental impact, and accelerate the delivery of affordable housing in Northern Ontario.

FedNor strives to prioritize inclusivity, accessibility, and sustainability in its efforts to promote economic growth. Over the last year, activities in support of this commitment have included funding projects to increase entrepreneurial opportunities for members of equity-deserving groups through core and temporary programming. Notably, approximately 15% of the funding provided through the Tourism Growth Program in 2024-25 supported Indigenous-led tourism initiatives, reinforcing the department's commitment to inclusive and sustainable growth. The department also continued to implement the [Black Entrepreneurship Program](#) to support the long-term success of Black entrepreneurs and business owners.

#### **Example of an diversity, equity, and inclusivity project**

**LaCloche Manitoulin Business Assistance Corporation** received a contribution of \$999,620, through the Northern Ontario Development Program, to continue the delivery of the "Northern Ontario Women (NOW)" program across the region. The investment enables the northern Community Future Development Corporations (CFDCs) to provide up to \$5,000 in support to women-owned and women-led small businesses, covering the costs of professional services and training designed to help them grow. The program is designed to enhance business development resources, promote new business formation, and help existing women-led enterprises expand their operations. Partnering with the PARO Centre for Women's Enterprise's women's enterprise initiative, the program shares referrals and assists clients in preparing strong applications. The investment is expected to create new opportunities, grow strategic partnerships, and increase women's economic participation across Northern Ontario.

As key delivery partners, Community Futures Development Corporations (CFDCs) are crucial for localized economic development across Canada, particularly in rural and remote regions. They provide financial assistance, business advice, and strategic planning support to local businesses, helping to create jobs and generate community growth. CFDCs are locally managed and tailored to the specific needs of their communities, making them effective partners in building stronger economies and place-based economic development. In 2024-25, FedNor provided approximately \$8.3 million through the [Community Futures Program](#) to support the regions 24's Community Futures Development Corporations, including three Indigenous-specific CFDCs. In total CFDCs in the region supported 257 closed deals, valued at \$26.4 million over the last year<sup>12</sup>.

### **Results achieved**

In total, FedNor contributed nearly \$25 million towards 109 projects under this departmental result in 2024–25. Of the total funding provided:

- Most was delivered through the Community Futures Program (33.3%), the Regional Economic Growth through Innovation Program (26.4%) and the Northern Ontario Development Program (23.7%), followed by the Tourism Growth Program (8.2%).
- The majority (80%) was in support of rural and remote projects in the region<sup>13</sup>.
- A significant amount, 42.2%, was directed towards projects within a priority and emerging sector identified in the Prosperity and Growth Strategy for Northern Ontario (mining, forestry, tourism, manufacturing, agri-food and health and life sciences).
- FedNor invested 15.2 % in projects where the activities and/or outcomes specifically benefitted one or more equity-deserving groups (Indigenous Peoples, Francophone communities, women and/or youth).
- A notable portion, 8.3%, helped communities and businesses implement clean growth initiatives.

### **Businesses invest in the development and commercialization of innovative technologies in Northern Ontario**

Northern Ontario has a growing innovation ecosystem in which individuals, institutions, businesses, and communities work together to turn new ideas into marketable products, processes, and services. Innovation activity among small and medium-sized enterprises (SMEs) in the region increased to 25.8% in 2023, compared to 20.8% in 2020. Despite this growth, the figure remains below the level reported in 2017, which was 30.7%. The most common type of innovation activity identified by Northern Ontario SMEs in 2023 was product innovation, with 13.5% of businesses reporting new or significantly improved goods or services. The most notable change between 2020 and 2023 was the rise in organizational innovation, which grew from 4.0% to 8.4%.

During engagement sessions for the Prosperity and Growth Strategy for Northern Ontario, participants noted the importance of promoting innovation and advanced manufacturing in priority and emerging sectors. These efforts were seen as a way to increase the value of regional products and strengthen the local economy. Participants also emphasized the need to build partnerships and foster collaboration.

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<sup>12</sup> Amounts derived from 2024-25 CFDC quarterly reports received at the time of reporting.

<sup>13</sup> Rural projects are defined by projects located outside of Northern Ontario's two census metropolitan areas (CMAs) of Greater Sudbury / Grand Sudbury and Thunder Bay.

They noted that improving access to financing and supporting skill development would help small and medium-sized enterprises adopt new technologies, including environmentally friendly and advanced technologies, and strengthen the regional innovation ecosystem.

To encourage greater innovation across the region, FedNor supported the creation and expansion of regional networks that promote on the exchange of ideas, technologies, and solutions. By working closely with key innovation stakeholders across the region, including regional innovation centres, post-secondary institutions, research centres and business accelerators, FedNor focused on reinforcing the region's innovation ecosystem. The department also maintained its relationships with other government funding programs and granting councils to ensure coordinated, efficient and regionally responsive support for projects.

In 2024-25 FedNor provided over \$2.6 million towards 23 innovation projects through the [Regional Innovation Ecosystem](#) stream of the Regional Economic Growth through Innovation program, leveraging \$1.26 from other sources for every dollar invested by the department. These projects focused on building ecosystem capacity, access to capital, promoting growth of innovative businesses, and strengthening the innovative capabilities of strategic clusters.

Most (56.0%) of the funding allocated through the Regional Innovation Ecosystems stream was directed toward post-secondary institutions, innovation hubs, accelerators, and incubation centers. The remaining funding went to municipalities and municipal economic development corporations (19.0%), innovation focused businesses (14.3%), community futures organizations (10.7%), These entities play a critical role in fostering creativity, collaboration, and growth for start-ups and entrepreneurs across all stages of the business cycle.

**Example of a Regional Economic Growth through Innovation project – regional innovation ecosystem development and innovative capacity building**

**Sault College of Applied Arts and Technology** received a \$378,000 contribution through the Northern Ontario Development Program (NODP), to support the ongoing roles of Industrial Liaison and Research Technician. The investment enables the college to expand both local and collaborative applied research and development activities in key areas such as automation, advanced manufacturing, robotics, and information and communications technology (ICT), in partnership with private sector organizations.

**Results achieved**

In total, FedNor contributed over \$2.8 million towards 24 projects under this departmental result in 2024–25. Of the total funding provided:

- Nearly all of the funding (92%) was delivered through the Regional Economic Growth through Innovation program under the regional innovation ecosystem funding stream.

- Nearly three-quarters (71.2%) was in support of rural and remote projects in the region<sup>14</sup>.
- A significant portion (44.3%) supported a priority and emerging sector identified in the Prosperity and Growth Strategy for Northern Ontario (mining, forestry, tourism, manufacturing, agri-food and health and life sciences).
- Just over one third (35.4%) helped communities and businesses implement clean growth initiatives.
- FedNor delivered 12.3% of the funding to projects where the activities and/or outcomes specifically benefitted one or more equity-deserving groups (Indigenous Peoples, Francophone communities, women and/or youth).

#### Key risks

FedNor identified several key risks in its 2024-25 Departmental Plan, including an aging workforce, hiring and staffing delays, and increasing workloads and change. These factors were highlighted as potential threats to the retention, recruitment, and resilience of the department's skilled and qualified staff, which could ultimately affect the delivery of its mandate.

In response to these risks, FedNor undertook several mitigation measures over the past year. This included focused efforts related to strategic workforce and succession planning to prepare for current and future staffing needs. Efforts to enhance recruitment and onboarding processes included managing an influx of new employees and managers, expanding expertise across the organization, and streamlining human resources processes. These measures helped ensure that new hires were effectively integrated into the department, contributing to long-term workforce sustainability.

Equity and accessibility also remained key priorities over the last fiscal year, with the continued implementation of FedNor's Accessibility Action Plan and the establishment of Employment Equity (EEE) targets to improve representation and support a diverse workforce.

Additionally, employee engagement and learning were strengthened through values and ethics sessions, management training, and expanded mental health initiatives, including workshops on psychological well-being. The department also fostered a learning culture with targeted training which included official languages support. These efforts aimed to equip employees with the skills and knowledge needed to thrive in their roles, promoting resilience and career development.

Lastly, efforts to attract new talent were reinforced through targeted outreach to students and the use of social media platforms and internal networks such as the Northern Ontario Management Group, enhancing visibility and talent acquisition. By engaging with potential future employees early, the department aimed to build a pipeline of qualified candidates ready to join the workforce.

#### Resources required to achieve results

Table 4: Snapshot of resources required for Economic Development in Northern Ontario

Table 4 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

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<sup>14</sup> Rural projects are defined by projects located outside of Northern Ontario's two census metropolitan areas (CMAs) of Greater Sudbury / Grand Sudbury and Thunder Bay.

| Resource              | Planned      | Actual       |
|-----------------------|--------------|--------------|
| Spending              | \$50,629,184 | \$56,815,774 |
| Full-time equivalents | 78           | 64           |

[The Finances section of the Infographic for FedNor on GC Infobase page](#) and the [People section of the Infographic for FedNor on GC Infobase page](#) provide complete financial and human resources information related to its program inventory.

Related government priorities

This section highlights government priorities that are being addressed through this core responsibility.

Gender-based Analysis Plus

FedNor remains committed to promoting diversity, inclusivity, and equitable economic opportunities throughout Northern Ontario through the delivery of its programs and services.

Internally, FedNor has placed a strong emphasis on gender-based analysis plus (GBA Plus) training and staff awareness initiatives to enhance organizational understanding and application of GBA Plus principles, as well as the integration of GBA Plus practices across the department. As part of the commitment to build FedNor's GBA Plus center of excellence, a GBA Plus organizational needs assessment was conducted to identify areas for further improvement. This assessment will guide the annual GBA Plus Action plan and help to identify short-term objectives for the upcoming fiscal year.

In 2024-25, the organization also focused on developing tools to facilitate the implementation of a new GBA Plus data collection via the new grants and contributions client portal. The new system provides applicants with the ability to specify whether they identify with equity-deserving groups. This enhancement enables FedNor to assess program participation among different demographic populations and to develop data-driven recommendations that promote greater access to underserved communities.

United Nations 2030 Agenda for Sustainable Development and the Sustainable Development Goals  
More information on FedNor's contributions to Canada's Federal Implementation Plan on the 2030 Agenda and the Federal Sustainable Development Strategy can be found in our [Departmental Sustainable Development Strategy](#).

Program inventory

Economic Development in Northern Ontario is supported by the following programs:

- Community Economic Development and Diversification
- Regional Innovation Ecosystem
- Business Development

Additional information related to the program inventory for Economic Development in Northern Ontario is available on the [Results page on GC InfoBase](#).

Internal services

In this section

- [Description](#)

- [Progress on results](#)
- [Resources required to achieve results](#)
- [Contracts awarded to Indigenous business](#)

#### Description

Internal services refer to the activities and resources that support a department in its work to meet its corporate obligations and deliver its programs. The 10 categories of internal services are:

- Management and Oversight Services
- Communications Services
- Legal Services
- Human Resources Management
- Financial Management
- Information Management
- Information Technology
- Real Property
- Materiel
- Acquisitions

#### Progress on results

This section presents details on how the department performed to achieve results and meet targets for internal services.

In 2024–25, FedNor undertook a series of strategic initiatives aimed at enhancing its capacity to deliver on its mandate. These efforts were focused on strengthening governance, optimizing human resources, advancing service delivery and data management, expanding communications, modernizing information technology and management, and improving transparency, processes, and accountability. The following activities highlight the department's commitment to continuous improvement and operational excellence:

#### Governance

- Over the past year, the department reinforced key governance structures and established strategic working groups to enhance collaboration. It also stabilized organizational units, ensuring alignment with evolving legislative responsibilities and accountabilities.
- Additionally, collaboration was strengthened through the Northern Ontario Management Group, a forum of federal directors, managers, and supervisors across Northern Ontario. This platform promoted horizontal dialogue, encouraged the sharing of best practices, and addressed common regional priorities.

#### Human Resources

- In 2024-25, FedNor strengthened human resources management by implementing strategic workforce and succession planning, fostering a diverse and inclusive workplace, and prioritizing employee well-being. It successfully managed an influx of new employees and managers, expanding expertise across the organization while enhancing recruitment, onboarding, and retention strategies. Operational independence increased through reduced reliance on shared

services and streamlined human resources processes, and efforts to ensure long-term workforce sustainability.

- Equity and accessibility remained key priorities, with continued implementation of FedNor's Accessibility Action Plan to create a barrier-free workplace and address structural accessibility issues across offices. The department also established Employment Equity (EEE) targets to improve representation. In response to the Clerk's Call to Action, the department advanced diversity, inclusion, equity, and anti-racism initiatives through mandatory training, revised staffing policies, and the development of a new policy on Indigenous cultural competency.
- Employee engagement and learning were strengthened through values and ethics sessions, management training, and expanded mental health initiatives, including workshops on psychological well-being, workplace harassment prevention, and Employee Assistance Program advocacy. The department also fostered a learning culture with targeted training programs, including the Security Awareness & Onboarding Refresher course, management development sessions, and official languages support through a French teacher and twinning program.
- Efforts to attract new talent were reinforced through targeted outreach to students, enhancing visibility and talent acquisition. Additionally, long service awards and recognitions were processed to ensure timely acknowledgment of employee contributions.

#### Service Delivery & Data

- Over the past year, FedNor advanced service delivery and data management by successfully deploying a new grants and contributions program management system with an external client portal. This initiative significantly enhanced client interactions by streamlining processes, improving accessibility, and providing a more user-friendly experience. As part of this exercise, the FedNor Information Technology team fully assumed responsibility for the support, maintenance, and further development of this solution, ensuring seamless integration into various systems. By enhancing data access, tracking, and reporting, the portal has made service delivery more efficient, responsive, and aligned with the Policy on Service and Digital.
- Efforts to improve data accessibility also strengthened the availability and reliability of information, supporting evidence-informed decision-making. Additionally, collaboration was enhanced through the development of strategic economic intelligence products, leveraging stakeholder-driven insights and analysis to improve planning and operational effectiveness. This included, but was not limited to, the development of priority sector profiles, tariff-impact analysis, economic overviews, and facilitator packages to support the refresh of the Prosperity and Growth Strategy for Northern Ontario.

#### Communications

- The department strengthened its communications strategy, expanding its digital presence and engagement with key audiences. The successful launch of the LinkedIn profile enhanced visibility, bolstered recruitment efforts, and fostered connections, accumulating 2,000 followers, over 145 posts, and 80,000 impressions by April 30, 2025. Broader social media growth further reinforced the department's presence across communities, supporting stakeholder engagement and affirming its role as a trusted, local partner.
- Internal and external communication channels were also strengthened, improving the publication of departmental reports and refining processes for consistency in messaging. The

public-facing website was updated to align with the new client portal and programming, ensuring accessibility and relevance for clients, proponents, and stakeholders. Additionally, the department executed numerous project announcements and events, reinforcing transparency and outreach.

#### Information Technology and Information Management

- FedNor enhanced its information technology and management capabilities over the past year to modernize operations and improve service delivery. An internal ticketing system, launched in August 2024, streamlined support requests, processing over 500 cases since its introduction.
- Digital governance and development capacity were also strengthened with the onboarding of a dedicated IT development team, reducing reliance on contractors, and the establishment of the Digital Architecture Review Board, improving oversight and alignment of digital initiatives.
- Service and operational efficiency improved through the development of a fleet vehicle booking application. Additionally, the department worked to strengthen information management efforts, raising awareness of best practices and providing staff with tools and training to improve data organization and accessibility.

#### Transparency, Processes, and Accountability

- Over the past year, the department strengthened governance, reporting, and procurement processes to improve transparency, accountability, and operational efficiency. Key policies and procedures were developed, implemented, and updated across areas such as departmental and financial reporting, performance management, repayable contributions, Access to Information and Privacy, impact assessments, staff training, and security reporting. The department also executed the new directive on prescribed presence in the workplace.
- Reporting requirements were consistently met, facilitating timely access to information, leadership briefings, and key departmental reports. Further improvements in proactive disclosure increased the availability of information on open government platforms, while new forecasting tools and dashboards optimized planning, collaboration, and accounting processes for greater efficiency. Additionally, an evergreen internal control plan and a Risk Management Framework were developed to enhance ongoing risk assessment, compliance, and stewardship.
- Procurement capacity was also strengthened with the recruitment and onboarding of the department's first procurement officer, supporting internal processes and reducing reliance on external procurement channels.
- Furthermore, the department completed the Office of the Comptroller General's Internal Audit of the Management Control Framework Over Monitoring of and Reporting on Transfer Payments in Regional Development Agencies, reinforcing its commitment to transparency, accountability, and continuous improvement in the administration of transfer payment programs.

#### Resources required to achieve results

Table 5: Resources required to achieve results for internal services this year

Table 5 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

| Resource              | Planned   | Actual    |
|-----------------------|-----------|-----------|
| Spending              | 4,512,390 | 7,247,357 |
| Full-time equivalents | 41        | 36        |

The [Finances section of the Infographic for FedNor on GC Infobase](#) and the [People section of the Infographic for FedNor on GC Infobase](#) provide complete financial and human resources information related to its program inventory.

Contracts awarded to Indigenous businesses

Government of Canada departments are required to award at least 5% of the total value of contracts to Indigenous businesses every year.

#### **FedNor results for 2024-25:**

Table 6: Total value of contracts awarded to Indigenous businesses<sup>1</sup>

As shown in Table 6, FedNor awarded 8.8% of the total value of all contracts to Indigenous businesses for the fiscal year.

| Contracting performance indicators                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 2024-25 Results |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Total value of contracts awarded to Indigenous businesses <sup>2</sup> (A)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$28,250.00     |
| Total value of contracts awarded to Indigenous and non-Indigenous businesses <sup>3</sup> (B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$319,580.95    |
| Value of exceptions approved by deputy head (C)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$0             |
| Proportion of contracts awarded to Indigenous businesses $[A / (B - C) \times 100]$                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 8.8%            |
| <ul style="list-style-type: none"> <li>- <sup>1</sup>“Contract” is a binding agreement for the procurement of a good, service, or construction and does not include real property leases. It includes contract amendments and contracts entered into by means of acquisition cards of more than \$10,000.00.</li> <li>- <sup>2</sup>For the purposes of the minimum 5% target, the data in this table reflects how Indigenous Services Canada (ISC) defines “Indigenous business” as either: <ul style="list-style-type: none"> <li>○ owned and operated by Elders, band and tribal councils</li> <li>○ registered in the <a href="#">Indigenous Business Directory</a></li> <li>○ registered on a modern treaty beneficiary business list.</li> </ul> </li> </ul> |                 |

In its 2025–26 Departmental Plan, FedNor estimated that it would award 6.0 % of the total value of its contracts to Indigenous businesses by the end of 2024–25.

## Spending and human resources

In this section

- [Spending](#)
- [Funding](#)
- [Financial statement highlights](#)
- [Human resources](#)

### Spending

This section presents an overview of the department's actual and planned expenditures from 2022–23 to 2027–28.

### Refocusing Government Spending

In Budget 2023, the government committed to reducing spending by \$14.1 billion over five years, starting in 2023–24, and by \$4.1 billion annually after that.

As part of meeting this commitment, FedNor identified the following spending reductions.

- 2024-25: \$168,000
- 2025-26: \$410,000
- 2026-27 and after: \$505,000

In 2024-25, FedNor worked to realize these reductions through the following measures:

- Improving efficiencies in its operating base, such as managing travel by leveraging hybrid meetings and reducing its underutilized fleet, and by scaling back on centralized services provided by other government departments.
- Taking a balanced approach that maintains flexibility with available program funds to minimize impacts on program delivery.

### Budgetary performance summary

Table 7: Actual three-year spending on core responsibilities and internal services (dollars)

Table 7 shows the money that FedNor spent in each of the past three years on its core responsibilities and on internal services.

| Core responsibilities and internal services | 2024–25 Main Estimates | 2024–25 total authorities available for use | Actual spending over three years (authorities used)                                                                                                     |
|---------------------------------------------|------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Economic Development in Northern Ontario    | 50,629,184             | 60,742,551                                  | <ul style="list-style-type: none"><li>• 2022–23: 125,009,965</li><li>• 2023–24: 64,901,521</li><li>• 2024–25: 56,815,774</li></ul>                      |
| <b>Subtotal</b>                             | <b>50,629,184</b>      | <b>60,742,551</b>                           | <ul style="list-style-type: none"><li>• <b>2022–23: 125,009,965</b></li><li>• <b>2023–24: 64,901,521</b></li><li>• <b>2024–25: 56,815,774</b></li></ul> |
| Internal services                           | 4,512,390              | 5,248,021                                   | <ul style="list-style-type: none"><li>• 2022–23: 7,067,901</li><li>• 2023–24: 6,874,858</li><li>• 2024–25: 7,247,357</li></ul>                          |

| Core responsibilities and internal services | 2024–25 Main Estimates | 2024–25 total authorities available for use | Actual spending over three years (authorities used)                                                                                    |
|---------------------------------------------|------------------------|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| <b>Total</b>                                | <b>55,141,574</b>      | <b>65,990,572</b>                           | <ul style="list-style-type: none"> <li>• 2022-23: 132,077,866</li> <li>• 2023-24: 71,776,379</li> <li>• 2024-25: 64,063,131</li> </ul> |

Analysis of the past three years of spending

The budgetary performance summary in table 7 provides for the following:

- Main Estimates for 2024-25;
- Total authorities available for use in 2024-25, reflects the authorities received including in-year funding; and,
- Actual expenditures from 2022-23 to 2024-25, as reported in the Public Accounts of Canada.

Actual spending for 2023-24 was \$71.78 million, a year-over-year decrease of \$60.3 (46%) million from 2022-23 actual spending. This decrease is mainly due to the fact that FedNor received significant temporary grants and contribution funding in response to COVID-19 and for the delivery of recovery initiatives as announced in Budget 2021. Most of the funding for these initiatives ended in 2023 and accounts for the majority of the actual and planned spending decrease beginning in 2023-24.

Actual spending for 2024-25 was \$64.1 million, a year-over-year decrease of \$7.7 million (11%) from 2023-24 actual spending. This decrease is mainly due to the sunseting of temporary programs such as Aerospace Regional Recovery Initiative (ARRI) and Jobs and Growth Fund (JGF) in 2023-24.

The increase of \$10.8 million between planned spending of \$55.1 million and total authorities of \$65.9 million in 2024-25 is primarily attributed to in-year funding received for Northern Ontario Development Program (NODP), Regional Economic Growth through Innovation (REGI), and the Regional Artificial Intelligence Initiative through Budget 2024.

The variance between total authorities available for use and actual spending is partly due to differences in the basis used for planning versus actual expense allocation. Planned amounts were determined using full-time equivalent (FTE) counts, which assumed a direct alignment of costs with program activities. However, as FedNor continues to rely on other departments for the provision of internal services through Memorandum of Understanding (MOUs) during its transition to becoming a standalone agency, many expenses have been appropriately coded to Internal Services rather than being tied to program-specific FTEs. Additionally, the variance in Economic Development in Northern Ontario is attributable to staffing activities at FedNor not progressing as quickly as planned, along with an unexpected level of staff turnover. These factors collectively contributed to the variance.

The [Finances section of the Infographic for FedNor on GC Infobase](#) offers more financial information from previous years.

Table 8:Planned three-year spending on core responsibilities and internal services (dollars)

Table 8 shows FedNor’s planned spending for each of the next three years on its core responsibilities and on internal services.

| Core responsibilities and internal services | 2025–26 planned spending | 2026–27 planned spending | 2027–28 planned spending |
|---------------------------------------------|--------------------------|--------------------------|--------------------------|
| Economic Development in Northern Ontario    | 64,957,500               | 55,149,252               | 55,131,867               |
| <b>Subtotal</b>                             | <b>64,957,500</b>        | <b>55,149,252</b>        | <b>55,131,867</b>        |
| Internal services                           | 6,846,991                | 6,692,773                | 6,710,158                |
| <b>Total</b>                                | <b>71,804,491</b>        | <b>61,842,025</b>        | <b>61,842,025</b>        |

Analysis of the next three years of spending

Compared to 2026-27 and 2027-28, planned spending in 2025-26 is higher due to the temporary funding for Northern Ontario Development Program (NODP), Regional Economic Growth through Innovation (REGI), and Tourism Growth Program sunsetting in 2026.

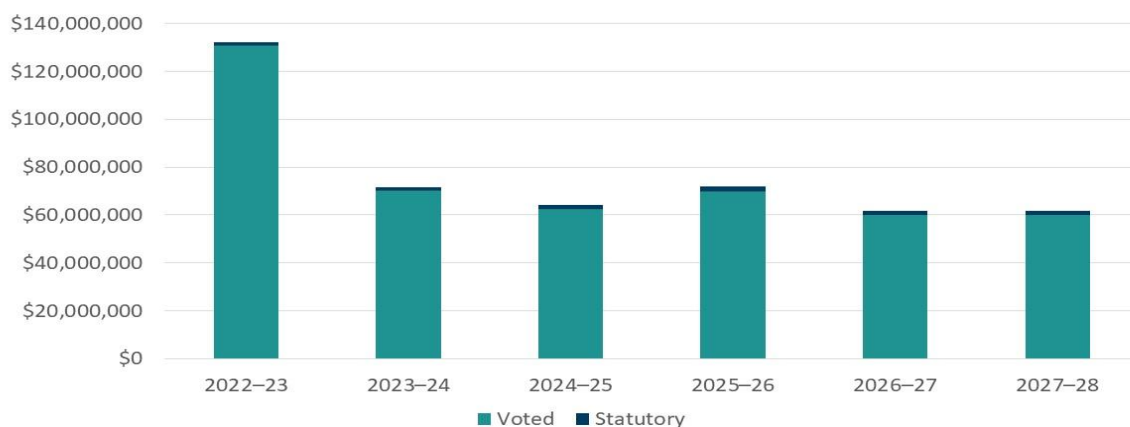
The Finances section [of the Infographic for FedNor](#) on GC Infobase offers more detailed financial information related to future years.

### Funding

This section provides an overview of the department's voted and statutory funding for its core responsibilities and for internal services. Consult the [Government of Canada budgets and expenditures](#) for further information on funding authorities.

Graph 1: Approved funding (statutory and voted) over a six-year period

Graph 1 summarizes the department's approved voted and statutory funding from 2022-23 to 2027-28.



## Text version of graph 1

Graph 1 includes the following information in a bar graph:

| Fiscal year | Statutory | Voted       | Total       |
|-------------|-----------|-------------|-------------|
| 2022-23     | 1,384,206 | 130,693,661 | 132,077,866 |
| 2023-24     | 1,470,868 | 70,305,511  | 71,776,379  |
| 2024-25     | 1,610,892 | 62,452,239  | 64,063,131  |
| 2025-26     | 2,054,114 | 69,750,377  | 71,804,491  |
| 2026-27     | 2,004,342 | 59,837,683  | 61,842,025  |
| 2027-28     | 2,004,342 | 59,837,683  | 61,842,025  |

Analysis of statutory and voted funding over a six-year period

FedNor received significant temporary grants and contribution funding in response to COVID-19 and for the delivery of recovery initiatives announced in Budget 2021. The majority of the funding for these initiatives ended in 2022-23 and accounts for the decrease in 2023-24 and ongoing years. The table also reflects a slight increase in 2025-26 compared to 2024-25 which is primarily attributed to the termination of an internal repayment agreement between FedNor and Innovation, Science and Economic Development Canada.

Planned spending in Voted authorities from 2025-26 to 2027-28 is declining, mainly due to sunseting of additional funding received through Northern Ontario Development Program (NODP), the Regional Economic Growth through Innovation (REGI), and Tourism Growth Program. Sunseting funding could be renewed pending future budgetary decisions.

Consult the [Public Accounts of Canada](#) for further information on FedNor's departmental voted and statutory expenditures.

## Financial statement highlights

FedNor's [Financial Statements \(Audited/Unaudited\) for the Year Ended March 31, 2025](#)

Table 9: Condensed Statement of Operations (unaudited or audited) for the year ended March 31, 2025 (dollars)

Table 9 summarizes the expenses and revenues for 2024–25 which net to the cost of operations before government funding and transfers.

| Financial information         | 2024–25 actual results | 2024–25 planned results | Difference (actual results minus planned) |
|-------------------------------|------------------------|-------------------------|-------------------------------------------|
| Total expenses                | 58,541,124             | 55,681,331              | 2,859,793                                 |
| Total revenues                | 43,419                 | 0                       | 43,419                                    |
| Net cost of operations before | 58,497,705             | 55,681,331              | 2,816,374                                 |

| Financial information            | 2024–25 actual results | 2024–25 planned results | Difference (actual results minus planned) |
|----------------------------------|------------------------|-------------------------|-------------------------------------------|
| government funding and transfers |                        |                         |                                           |

Analysis of expenses and revenues for 2024-25

FedNor’s actual revenues and expenses for the reporting period were consistent with planned results.

The 2024–25 planned results information is provided in FedNor’s [Future-Oriented Statement of Operations and Notes 2024–25](#).

Table 10: Condensed Statement of Operations (unaudited or audited) for 2023-24 and 2024-25 (dollars)  
Table 10 summarizes actual expenses and revenues and shows the net cost of operations before government funding and transfers.

| Financial information                                          | 2024–25 actual results | 2023–24 actual results | Difference (2024-25 minus 2023-24) |
|----------------------------------------------------------------|------------------------|------------------------|------------------------------------|
| Total expenses                                                 | 58,541,124             | 62,037,137             | (-3,496,013)                       |
| Total revenues                                                 | 43,419                 | 0                      | 43,419                             |
| Net cost of operations before government funding and transfers | 58,497,705             | 62,037,137             | (-3,539,432)                       |

Analysis of differences in expenses and revenues between 2023-24 and 2024-25

FedNor’s actual revenues and expenses for 2024–25 were consistent with results from 2023–24.

Table 11 Condensed Statement of Financial Position (unaudited or audited) as at March 31, 2025 (dollars)  
Table 11 provides a brief snapshot of the amounts the department owes or must spend (liabilities) and its available resources (assets), which helps to indicate its ability to carry out programs and services.

| Financial information      | Actual fiscal year (2024–25) | Previous fiscal year (2023–24) | Difference (2024–25 minus 2023–24) |
|----------------------------|------------------------------|--------------------------------|------------------------------------|
| Total net liabilities      | 13,044,955                   | 15,430,492                     | (-2,385,537)                       |
| Total net financial assets | 11,850,487                   | 14,362,935                     | (-2,512,448)                       |
| Departmental net debt      | 1,194,468                    | 1,067,557                      | 126,911                            |

| Financial information               | Actual fiscal year<br>(2024–25) | Previous fiscal year<br>(2023–24) | Difference (2024–25<br>minus 2023–24) |
|-------------------------------------|---------------------------------|-----------------------------------|---------------------------------------|
| Total non-financial assets          | 5,183,457                       | 5,325,209                         | (-141,752)                            |
| Departmental net financial position | 3,988,989                       | 4,257,652                         | (-268,663)                            |

Analysis of department's liabilities and assets since last fiscal year

FedNor's total net liabilities decreased in 2024–25 compared to 2023–24, primarily due to lower Grants and Contributions payables at year-end, as a result of reduced Vote 5 authorities available for use. This decrease was partially offset by higher salary accruals resulting from retroactive pay following the ratification of collective agreements. Net financial assets also declined, largely due to a lower Consolidated Revenue Fund balance, driven by reduced accrued liabilities and payables, offset in part by higher accounts receivable from contribution recipients. Taken together, these changes led to a modest increase in departmental net debt and a slight decrease in non-financial assets, resulting in a small reduction in FedNor's overall net financial position.

## Human resources

This section presents an overview of the department's actual and planned human resources from 2022–23 to 2027–28.

Table 12 : Actual human resources for core responsibilities and internal services

Table 12: shows a summary in full-time equivalents of human resources for FedNor's core responsibilities and for its internal services for the previous three fiscal years.

| Core responsibilities and internal services | 2022–23 actual full-time equivalents | 2023–24 actual full-time equivalents | 2024–25 actual full-time equivalents |
|---------------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Economic Development in Northern Ontario    | 51                                   | 58                                   | 64                                   |
| <b>Subtotal</b>                             | <b>51</b>                            | <b>58</b>                            | <b>64</b>                            |
| Internal services                           | 38                                   | 32                                   | 36                                   |
| <b>Total</b>                                | <b>89</b>                            | <b>90</b>                            | <b>100</b>                           |

Analysis of human resources for the last three years

The overall variance in full-time equivalents (FTE) is due to the fact that FedNor's staffing activities continue to progress as it establishes itself as a standalone agency to reflect the additional human resources required to effectively deliver on its mandate.

Table 13: Human resources planning summary for core responsibilities and internal services

Table 13 shows the planned full-time equivalents for each of FedNor's core responsibilities and for its internal services for the next three years. Human resources for the current fiscal year are forecast based on year to date.

| Core responsibilities and internal services | 2025–26 planned full-time equivalents | 2026–27 planned full-time equivalents | 2027–28 planned full-time equivalents |
|---------------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Economic Development in Northern Ontario    | 79                                    | 79                                    | 79                                    |
| <b>Subtotal</b>                             | <b>79</b>                             | <b>79</b>                             | <b>79</b>                             |
| Internal services                           | 43                                    | 43                                    | 43                                    |
| <b>Total</b>                                | <b>122</b>                            | <b>122</b>                            | <b>122</b>                            |

Analysis of human resources for the next three years

It is anticipated that FedNor will see its staffing activities bring the agency to a full staff complement starting in 2025-26.

### Supplementary information tables

The following supplementary information tables are available on FedNor's website:

- [Details on transfer payment programs](#)
- [Gender-based Analysis Plus](#)
- [Response to Parliamentary committees and external audits](#)

### Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the [Report on Federal Tax Expenditures](#). This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs as well as evaluations and GBA Plus of tax expenditures.

### Corporate information

Departmental profile

Appropriate minister(s): The Honourable Patty Hajdu, P.C., M.P.

Institutional head: Valerie Gideon

Ministerial portfolio: Federal Economic Development Agency for Northern Ontario

Enabling instrument(s):

[Order in Council P.C. 2021-0840](#) dated August 6, 2021, and coming into force on August 12, 2021, (1) transferring from the Department of Industry to the Federal Economic Development Agency for Northern Ontario the control and supervision of that portion of the federal public administration in the Department of Industry known as the Federal Economic Development Initiative for Northern Ontario; and (2) ordering the Minister of Economic Development and Official Languages to preside over the Federal Economic Development Agency for Northern Ontario.

[Order in Council P.C. 2021-0841](#) dated August 6, 2021, and coming into force on August 12, 2021, amending SCHEDULE IV TO THE FINANCIAL ADMINISTRATION ACT by adding Federal Economic Development Agency for Northern Ontario to the Schedule of that Act.

Other Orders in Council brought FedNor under relevant legislation, such as the *Public Service Employment Act*, *Access to Information Act* and *Privacy Act*.

The source of the FedNor's authority remains the *Department of Industry Act*, which must be read in conjunction with the relevant Orders in Council.

Year of incorporation / commencement: 2021

Other: Originally formed in 1987 as the "Federal Economic Development Initiative for Northern Ontario" as an initiative under Industry Canada (now Innovation, Science and Economic Development Canada).

Departmental contact information

Mailing address:

Federal Economic Development Agency for Northern Ontario

19 Lisgar Street, Suite 307

Sudbury, Ontario

P3E 3L4

Telephone: 1-877-333-6673

TTY: 1-866-694-8389

Fax: 1-705-671-0717

Website(s): <https://fednor.canada.ca>

## Definitions

### **appropriation** (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

### **budgetary expenditures** (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, departments or individuals; and payments to Crown corporations.

### **core responsibility** (responsabilité essentielle)

An enduring function or role of a department. The departmental results listed for a core responsibility reflect the outcomes that the department seeks to influence or achieve.

### **Departmental Plan** (plan ministériel)

A report that outlines the anticipated activities and expected performance of an appropriated department over a 3-year period. Departmental Plans are usually tabled in Parliament in spring.

### **departmental priority** (priorité)

A plan, project or activity that a department focuses and reports on during a specific planning period. Priorities represent the most important things to be done or those to be addressed first to help achieve the desired departmental results.

**departmental result** (résultat ministériel)

A high-level outcome related to the core responsibilities of a department.

**departmental result indicator** (indicateur de résultat ministériel)

A quantitative or qualitative measure that assesses progress toward a departmental result.

**departmental results framework** (cadre ministériel des résultats)

A framework that connects the department's core responsibilities to its departmental results and departmental result indicators.

**Departmental Results Report** (rapport sur les résultats ministériels)

A report outlining a department's accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

**Full-time equivalent** (équivalent temps plein)

Measures the person years in a departmental budget. An employee's scheduled hours per week divided by the employer's hours for a full-time workweek calculates a full-time equivalent. For example, an employee who works 20 hours in a 40-hour standard workweek represents a 0.5 full-time equivalent.

**Gender-based Analysis Plus (GBA Plus)** (analyse comparative entre les sexes plus [ACS Plus])

An analytical tool that helps to understand the ways diverse individuals experience policies, programs and other initiatives. Applying GBA Plus to policies, programs and other initiatives helps to identify the different needs of the people affected, the ways to be more responsive and inclusive, and the methods to anticipate and mitigate potential barriers to accessing or benefitting from the initiative. GBA Plus goes beyond biological (sex) and socio-cultural (gender) differences to consider other factors, such as age, disability, education, ethnicity, economic status, geography (including rurality), language, race, religion, and sexual orientation.

**government priorities** (priorités pangouvernementales)

For the purpose of the 2024–25 Departmental Results Report, government priorities are the high-level themes outlining the government's agenda as announced in the [2021 Speech from the Throne](#).

**horizontal initiative** (initiative horizontale)

A program, project or other initiative where two or more federal departments receive funding to work collaboratively on a shared outcome usually linked to a government priority, and where the ministers

involved agree to designate it as horizontal. Specific reporting requirements apply, including that the lead department must report on combined expenditures and results.

**Indigenous business** (entreprise autochtones)

For the purposes of a Departmental Result Report, this includes any entity that meets the Indigenous Services Canada's criteria of being owned and operated by Elders, band and tribal councils, registered in the [Indigenous Business Directory](#) or registered on a modern treaty beneficiary business list.

**non-budgetary expenditures** (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

**performance** (rendement)

What a department did with its resources to achieve its results, how well those results compare to what the department intended to achieve, and how well lessons learned have been identified.

**performance indicator** (indicateur de rendement)

A qualitative or quantitative measure that assesses progress toward a departmental-level or program-level result, or the expected outputs or outcomes of a program, policy or initiative.

**plan** (plan)

The articulation of strategic choices, which provides information on how a department intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead to the expected result.

**planned spending** (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to the amounts presented in Main Estimates. Departments must determine their planned spending and be able to defend the financial numbers presented in their Departmental Plans and Departmental Results Reports.

**program** (programme)

An Individual, group, or combination of services and activities managed together within a department and focused on a specific set of outputs, outcomes or service levels.

**program inventory** (répertoire des programmes)

A listing that identifies all the department's programs and the resources that contribute to delivering on the department's core responsibilities and achieving its results.

**result** (résultat)

An outcome or output related to the activities of a department, policy, program or initiative.

**statutory expenditures** (dépenses législatives)

Spending approved through legislation passed in Parliament, other than appropriation acts. The legislation sets out the purpose and the terms and conditions of the expenditures.

**target** (cible)

A quantitative or qualitative, measurable goal that a department, program or initiative plans to achieve within a specified time period.

**voted expenditures** (dépenses votées)

Spending approved annually through an appropriation act passed in Parliament. The vote also outlines the conditions that govern the spending.