

Memorandum to the Council of Corporation of the Municipality of Temagami

Subject: Summary of the Prosperity and Growth Strategy for Northern Ontario - Progress and Stakeholder Feedback

Memo No: 2025-M-027

Date: February 13, 2025

Attachment: None

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Recommendation

BE IT RESOLVED THAT Council receives Memo 2025-M-027 as presented.

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Executive Summary

The Prosperity and Growth Strategy for Northern Ontario (PGSNO) is a federal initiative aimed at fostering economic development, business expansion, and innovation in Northern Ontario. Since its launch in 2018, the strategy has driven significant investments in regional businesses, infrastructure, and workforce development. The recent 2018-2023 progress report highlights key accomplishments, including \$690M in business growth, \$420M in clean technology investments, and a 45% increase in regional exports.

As part of a 2025 strategy update, FedNor conducted stakeholder consultations to assess priorities such as housing shortages, workforce challenges, infrastructure gaps, access to capital, green economy investments, and sector-specific growth. Stakeholders emphasized the importance of enhanced funding mechanisms, streamlined application processes, and strengthened regional collaboration to ensure sustainable economic growth.

The updated PGSNO, set for release in 2025, offers an opportunity for the Municipality of Temagami to engage proactively with FedNor and secure funding for local economic initiatives.

Overview of PGSNO

The Prosperity and Growth Strategy for Northern Ontario (PGSNO) is a federal economic development plan launched in 2018. Led by FedNor (Federal Economic Development Agency for Northern Ontario), the strategy aligns with national priorities and fosters collaboration among municipalities, Indigenous communities, businesses, and regional organizations to address economic challenges and opportunities. The Strategic Pillars are defined as:

- Supporting Innovation – Strengthening regional innovation ecosystems, increasing access to capital, and commercializing new technologies.
- Growing Businesses – Supporting start-ups, technology adoption, exports, and key sectors such as mining, forestry, agriculture, and manufacturing.
- Building Stronger Communities – Investing in workforce attraction, infrastructure, Indigenous economic development, and community-led initiatives.

PGSNO Progress Report

The 2018-2023 progress report highlights major achievements, including:

- \$690M invested in business growth, supporting over 5,500 businesses.
- \$420M invested in clean technology, including Algoma Steel's transition to electric arc furnaces.
- 45% increase in exports from Northern Ontario (2021-2022).
- 19% growth in jobs in professional, science, and technology fields.
- \$436M invested in community infrastructure, enhancing broadband, transportation, and municipal assets.
- Rural and Northern Immigration Pilot (RNIP) attracted 3,527 skilled workers, addressing labor shortages.
- \$113M dedicated to Indigenous economic initiatives, fostering First Nations-led projects.

Stakeholder Feedback

To support the 2025 PGSNO update, FedNor engaged over 300 stakeholders through 22 roundtable discussions and a validation survey conducted during the 2024 engagement sessions. Key themes included:

- Priority Issues Identified by Stakeholders include:
 - Housing Shortages – Affordable and modular housing solutions, Indigenous-led housing initiatives.
 - Workforce Challenges – Skilled worker attraction and retention, youth retention, specialized training programs.
 - Infrastructure Gaps – Broadband expansion, road networks, inter-community transportation.

- Access to Capital – Increased funding for small businesses, Indigenous, Francophone, and equity-deserving groups.
- Green Economy & Climate Change – Investments in clean energy, EV battery supply chains, and sustainable industries.
- Sector-Specific Growth – Support for mining, forestry, agriculture, tourism, and Indigenous economic development.
- Regional Innovation & Technology Adoption – Digital transformation support and equitable funding access for rural entrepreneurs.
- Recommendations for the 2025 Strategy are as follow:
 - Strengthening partnerships among municipal, Indigenous, and private sector stakeholders.
 - Enhancing funding for rural and remote infrastructure projects.
 - Expanding immigration and workforce development programs to address labor shortages.
 - Encouraging climate-resilient economic development, including clean energy investments.
 - Streamlining funding application processes to improve accessibility for municipalities and small businesses.

Implications for the Municipality of Temagami

The 2025 PGSNO update presents significant opportunities for Temagami to secure federal support for economic development. The municipality should consider:

- Engaging with FedNor to explore funding for broadband expansion, business support, and sustainable tourism.
- Advocating for infrastructure improvements, including road maintenance and high-speed internet access.

- Leveraging workforce development programs, such as skilled trades attraction and youth retention initiatives.
- Supporting climate-resilient economic activities, including clean energy projects and sustainable forestry.
- Strengthening collaboration with Indigenous communities, particularly on shared economic development and cultural tourism.
- Exploring funding for housing initiatives, such as modular housing to attract and retain workers.

To maximize opportunities, Temagami should:

- Participate in consultations to ensure local priorities are included in the strategy.
- Monitor federal funding announcements for economic development and infrastructure programs.
- Collaborate with regional partners to develop joint projects aligned with PGSNO objectives.

Conclusion

The PGSNO remains a critical framework for economic growth in Northern Ontario. Since 2018, it has driven substantial investments in businesses, infrastructure, and workforce development. However, stakeholder feedback highlights ongoing challenges such as housing shortages, workforce retention, infrastructure deficits, and green economy investments.

The 2025 strategy refresh will address these priorities through targeted funding programs, regional collaboration, and strategic federal investments. The Municipality of Temagami should proactively engage with FedNor and regional stakeholders to maximize economic opportunities for local businesses and residents.

Reference

For More Information, Visit:

- [PGSNO Overview](#)
- [PGSNO Progress Report \(2018-2023\)](#)
- [What We Heard Report \(2024-2025 Engagement Summary\)](#)